

*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 accompanying short form base shelf prospectus dated July 7, 2022 to which it relates, as amended or supplemented and each document incorporated by reference into the base shelf prospectus for purposes of the distribution of the securities to which this prospectus supplement pertains 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.*

*Information has been incorporated by reference in this prospectus supplement and in the accompanying short form base shelf prospectus dated July 7, 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 QYOU Media Inc. at 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9, telephone 647-559-2700 and are also available electronically at [www.sedar.com](http://www.sedar.com).*

The securities offered hereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws. The securities may not be offered or sold to, or for the account or benefit of, persons in the United States of America, its territories and possessions, any state of the United States or the District of Columbia (collectively, the “United States”) or “U.S. persons” (as such term is defined in Regulation S under the U.S. Securities Act (“U.S. Persons”)) unless exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws are available and to the extent permitted by the Agency Agreement (as defined herein). This prospectus supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby to, or for the account or benefit of, persons in the United States or U.S. Persons. See “Plan of Distribution”.

**PROSPECTUS SUPPLEMENT**  
(to the Short Form Base Shelf Prospectus dated July 7, 2022)

New Issue

November 10, 2022



**QYOU MEDIA INC.**

**Up to \$3,200,000**  
**Up to 25,600,000 Units**

This prospectus supplement (the “**Prospectus Supplement**”), together with the accompanying short form base shelf prospectus dated July 7, 2022 (the “**Base Shelf Prospectus**” and together with the Prospectus Supplement, the “**Prospectus**”) qualifies the distribution (the “**Offering**”) of up to 25,600,000 units (the “**Offered Units**”) of QYOU Media Inc. (“**QYOU**” or the “**Corporation**”) at a price of \$0.125 per Offered Unit (the “**Offering Price**”) pursuant to an agency agreement dated November 10, 2022 (the “**Agency Agreement**”), between the Corporation and Clarus Securities Inc. (the “**Agent**”), pursuant to which the Offered Units will be offered for sale in Alberta, British Columbia and Ontario through the Agent in accordance with the terms of the Agency Agreement. The Offering Price has been determined by arm’s length negotiation between the Corporation and the Agent, with reference to the prevailing market price of the common shares of the Corporation (the “**Common Shares**”). Each Offered Unit consists of one Common Share (each, a “**Unit Share**”) and one-half of one Common Share purchase warrant of the Corporation (each such whole Common Share purchase warrant, a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire, subject to adjustment in certain circumstances, one Common Share (each, a “**Warrant Share**”) at an exercise price of \$0.20 for a period of 24 months following the Closing Date (as defined herein). The Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) to be entered into on or before the Closing Date between the Corporation and Computershare Trust Company of Canada (the “**Warrant Agent**”), as warrant agent. See “*Description of Securities Being Distributed*”.

The outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (“**TSXV**”) under the symbol “**QYOU**”. The Corporation has received conditional approval to list the Unit Shares, the Warrant Shares, the Compensation Shares (as defined below) and the Compensation Warrant Shares (as defined below). Listing will be subject to the Corporation fulfilling all of the listing requirements of the TSXV. **There is currently no market through which the Warrants may be sold and purchasers may not be able to resell such Warrants purchased under this Prospectus. In addition, the Warrants will not be listed for trading on the TSXV or any other stock exchange following the Closing Date. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer regulation.** See “*Risk Factors*”. On November 7, 2022, the last trading day prior to the announcement of the Offering, the closing price per Common Share on the TSXV was \$0.15.

## Price: \$0.125 per Offered Unit

	Price to the Public	Agent's Commission <sup>(1)</sup>	Proceeds to the Corporation <sup>(2)(3)</sup>
Per Offered Unit .....	\$0.125	\$0.009375	\$0.115625
Total Offering <sup>(3)(4)</sup>	\$3,200,000	\$240,000	\$2,960,000

- Notes:**
- (1) In consideration for the services rendered by the Agent in connection with the Offering, the Corporation has agreed to pay the Agent a cash fee (the “**Agent’s Commission**”) equal to 7.5% of the gross proceeds of the Offering (including in respect of any exercise of the Over-Allotment Option (as defined herein)). In addition, the Agent will be issued compensation options (the “**Compensation Options**”) to purchase that number of Offered Units (each, a “**Compensation Unit**”) that are equal to 7.5% of the number of Offered Units sold pursuant to the Offering (including in respect of any exercise of the Over-Allotment Option). Each Compensation Option is exercisable to purchase one Compensation Unit at the Offering Price, subject to customary adjustment, for a period of 24 months from the Closing Date. Each Compensation Unit is comprised of one Common Share (each a “**Compensation Share**”) and one-half of one Warrant (each, a “**Compensation Warrant**”). Each Compensation Warrant is exercisable to purchase one Common Share (each a “**Compensation Warrant Share**”) on the same terms as the Warrants. The Prospectus qualifies the distribution of the Compensation Options. See “*Plan of Distribution*”.
- (2) After deducting the Agent’s Commission and expenses of the Offering (estimated to be \$350,000), which will be paid by the Corporation from the proceeds of the Offering. The Agent’s Commission for the Offering will be deducted from the proceeds from the Offering.
- (3) The Agent has been granted an over-allotment option, exercisable in whole or in part in the sole discretion of the Agent for a period of 30 days from and including the Closing Date (the “**Over-Allotment Deadline**”), to purchase up to an additional 3,840,000 units (the “**Over-Allotment Units**”) at the Offering Price to cover the Agent’s over-allocation position, if any, and for market stabilization purposes (the “**Over-Allotment Option**”). The Over-Allotment Option may be exercised by the Agent to acquire: (i) up to 3,840,000 Over-Allotment Units at the Offering Price; (ii) up to 3,840,000 additional Unit Shares (the “**Over-Allotment Shares**”) at a price of \$0.124 per Over-Allotment Share (the “**Over-Allotment Share Price**”); (iii) up to 1,920,000 additional Warrants (the “**Over-Allotment Warrants**”) at a price of \$0.002 (being \$0.001 per each half Over-Allotment Warrant) per Over-Allotment Warrant (the “**Over-Allotment Warrant Price**”); or (iv) any combination of Over-Allotment Units at the Offering Price, Over-Allotment Shares at the Over-Allotment Share Price and Over-Allotment Warrants at the Over-Allotment Warrant Price, provided that the aggregate number of Over-Allotment Shares that may be issued under such Over-Allotment Option does not exceed 3,840,000 and the aggregate number of Over-Allotment Warrants that may be issued under such Over-Allotment Option does not exceed 1,920,000. The Over-Allotment Option is exercisable by the Agent giving notice to the Corporation prior to the Over-Allotment Deadline, which notice shall specify the number of Over-Allotment Units, Over-Allotment Shares and/or Over-Allotment Warrants to be purchased. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, “Agent’s Commission” and “Proceeds to the Corporation” will be \$3,680,000, \$276,000 and \$3,404,000, respectively. The Prospectus qualifies the grant of the Over-Allotment Option and the distribution of Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Over-Allotment Units, Over-Allotment Shares or Over-Allotment Warrants forming part of the Agent’s over-allocation position acquires those Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants under the Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See “*Plan of Distribution*”.
- (4) Assuming no exercise of the Over-Allotment Option.

The following table sets out the maximum number of securities under options issuable to the Agent in connection with the Offering:

Agent’s Position	Maximum Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option <sup>(1)</sup>	Up to 3,840,000 Over-Allotment Units	Up to 30 days from and including the Closing Date	\$0.125 per Over-Allotment Unit
	Up to 3,840,000 Over-Allotment Shares		\$0.1214 per Over-Allotment Share
	Up to 1,920,000 Over-Allotment Warrants		\$0.002 per Over-Allotment Warrant
Compensation Options <sup>(2)(3)</sup>	Up to 2,208,000 Compensation Units <sup>(3)</sup>  Consisting of up to 2,208,000 Compensation Shares and up to 1,104,000 Compensation Warrants	For a period of 24 months from the Closing Date	\$0.125 per Compensation Unit  Compensation Warrants exercisable at \$0.20 per Compensation Warrant Share

- Notes:**
- (1) This Prospectus Supplement qualifies the grant of the Over-Allotment Option and the distribution of Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option. See “*Plan of Distribution*”.
- (2) This Prospectus Supplement qualifies the distribution of the Compensation Options. See “*Plan of Distribution*”.
- (3) Assuming the full exercise of both the Over-Allotment Option.

Unless the context otherwise requires, when used herein, all references to the “Offering” include the Over-Allotment Option, all references to “Offered Units” include the Over-Allotment Units issuable upon exercise of the Over-Allotment Option, all references to “Unit Shares” include the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option, all references to “Warrants” include the Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option, all references to “Warrant Shares” include

the Common Shares issuable upon exercise of the Over-Allotment Warrants and all references to “Compensation Options” include the Compensation Options issuable in connection with the exercise of the Over-Allotment Option.

In connection with this Offering and subject to applicable laws, the Agent may over-allocate or effect transactions to stabilize or maintain the market price of the Common Shares. Such transactions, if commenced, may be discontinued at any time.

Subscriptions for the Offered Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing is expected to take place on or about November 17, 2022 or such other date as the Corporation and the Agent may agree (the “**Closing Date**”), but in any event not later than 42 days after the date of this Prospectus Supplement. Other than Offered Units issued to, or for the account or benefit of, persons in the United States or U.S. Persons that are “accredited investors” as defined in Rule 501(a) of Regulation D under the U.S. Securities Act (“**U.S. Accredited Investors**”), which must be in the form of definitive certificates issued to such holders with applicable restrictive legends attached, it is anticipated that the Unit Shares and the Warrants comprising the Offered Units will be issued through the book-entry system, registered in the name of CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and will be deposited with CDS. Beneficial holders (other than U.S. Accredited Investors) of the Unit Shares and Warrants will receive only a customer confirmation from the Agent, or another registered dealer who is a CDS participant, and from or through whom a beneficial interest in the Unit Shares and Warrants are acquired. If any Unit Shares and Warrants are not able to be issued in the book-entry system through CDS in advance of the Closing Date for any reason, then those investors or their designated holders will receive definitive certificates representing their interests in such Unit Shares and Warrants with restrictive legends, if applicable. For further information and certain restrictions on buyers who are, or are purchasing for the account or benefit of, a person in the United States or a U.S. Person, please see “*Plan of Distribution*”.

**This Offering is not underwritten or guaranteed by any person.** The Agent, on behalf of the Corporation, and any selling group members conditionally offer the Units on a “commercially reasonable efforts” agency basis, subject to prior sale, if, as and when issued by the Corporation and accepted by the Agent in accordance with the conditions contained in the Agency Agreement referred to under “*Plan of Distribution*” and subject to approval of certain legal matters by Wildeboer Dellelce LLP, on behalf of the Corporation, and by Borden Ladner Gervais LLP, on behalf of the Agent. The Agent shall be permitted to appoint a soliciting dealer group of other registered dealers acceptable to the Corporation for the purpose of arranging for purchases of Units under the Offering.

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

**An investment in the Offered Units is speculative and subject to a number of risks. Investors should review this Prospectus Supplement, together with the Base Shelf Prospectus, in their entirety and carefully consider the risk factors described under the heading “*Risk Factors*” in each of the Base Shelf Prospectus and this Prospectus Supplement and the risks identified in the documents incorporated by reference herein before purchasing the Offered Units.**

Prospective investors should be aware that the acquisition of Offered Units may have tax consequences in Canada. Such tax consequences for investors may not be described fully herein or in the Prospectus. See “*Certain Canadian Federal Income Tax Considerations*”. Potential investors are advised to consult their own legal counsel and other professional advisors in order to assess the income tax, legal and other aspects of the Offering in their particular circumstances.

No Canadian securities regulator has approved or disapproved of the securities offered hereby, passed upon the accuracy or adequacy of this Prospectus Supplement and the accompanying Base Shelf Prospectus or determined if this Prospectus Supplement and the accompanying Base Shelf Prospectus are truthful or complete. Any representation to the contrary is a criminal offence.

The registered and head office of the Corporation is located at 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9.

Curt Marvis and Steven Beeks, each a director or officer of the Corporation, reside outside Canada. Each of the aforementioned individuals has appointed QYOU Media Inc., 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9, as his 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 that resides outside of Canada, even if the party has appointed an agent for service of process.

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## IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS

This document is in two parts. The first part is this Prospectus Supplement, which describes the terms of the Offered Units being offered and also adds to and updates information contained in the accompanying Base Shelf Prospectus and the documents incorporated herein and therein. The second part, the accompanying Base Shelf Prospectus, gives more general information, some of which may not apply to the Offered Units being offered under this Prospectus Supplement. This Prospectus Supplement is deemed to be incorporated by reference into the accompanying Base Shelf Prospectus solely for the purposes of the Offering constituted by this Prospectus Supplement. To the extent there is a conflict between information contained in this Prospectus Supplement and information contained in the accompanying Base Shelf Prospectus or any document incorporated by reference herein or therein, you should rely on the information contained in this Prospectus Supplement. However, if any statement in one of these documents is inconsistent with a statement in another document having a later date—for example, a document incorporated by reference into this Prospectus Supplement or the accompanying Base Shelf Prospectus—the statement in the document having the later date modifies or supersedes the earlier statement.

The Corporation has filed the Base Shelf Prospectus with the securities commissions in British Columbia, Alberta and Ontario in order to qualify the offering of the securities described in the Base Shelf Prospectus in accordance with National Instrument 44-102 – *Shelf Distributions*.

Investors should rely only on information contained in or incorporated by reference into this Prospectus Supplement and the accompanying Base Shelf Prospectus and such information is accurate only as of the date of the applicable document. The Corporation’s business, financial condition, results of operations may have changed since those dates. Information in this Prospectus Supplement updates and modifies the information in the Base Shelf Prospectus and the information incorporated by reference herein and therein. The Corporation has not authorized anyone to provide investors with different information. Information contained on the Corporation’s website shall not be deemed to be a part of this Prospectus Supplement or incorporated by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the securities offered hereby.

The Corporation will not make an offer of these securities in any jurisdiction where the offer or sale is not permitted. Investors should not assume that the information contained in this Prospectus Supplement is accurate as of any date other than the date on the face page of this Prospectus Supplement or the date of any documents incorporated by reference herein.

**Unless otherwise indicated, the disclosure in this Prospectus Supplement assumes that the Over-Allotment Option will not be exercised.**

Unless the context otherwise requires, all references in this Prospectus Supplement to the “Corporation” refer to the Corporation and its subsidiary entities on a consolidated basis.

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus Supplement contains “forward-looking statements” or “forward-looking information” within the meaning of applicable securities legislation (collectively referred to herein as “**forward-looking information**” or “**forward-looking statements**”). Forward-looking information includes, but is not limited to, statements with respect to:

- the completion of the Offering and the timing thereof;
- the use of net proceeds from the Offering;
- obtaining all of the required stock exchange and other approvals in connection with the Offering;
- the duration and effects of the novel strain of coronavirus, specifically identified as “COVID-19” (the “**COVID-19 Pandemic**”) and any other pandemics on the Corporation’s workforce, business, operations and financial condition;
- the future outlook of the Corporation, including expenses, revenue and profitability;
- the Corporation’s business plans and strategies;
- the Corporation’s product, channel and program launches and development;
- the intention to grow the business and operations of the Corporation, including operations in India, and the United States;

- the Corporation's acquisition of a majority ownership interest in Maxamtech Digital Ventures Private Limited;
- working capital;
- market, social and economic trends affecting the Corporation's financial condition and results of operations;
- the Corporation's working capital;
- the Corporation's anticipated future revenue, costs and expenses;
- the Reserve Bank of India's approval of the Corporation's acquisition of an additional 1% equity interest in Chatterbox Technologies Private Limited ("**Chtrbox**");
- the Corporation's future cost structure, sales and marketing activities; and
- the Corporation's ability to retain and access appropriate staff, management and expert advisers.

Often, but not always, forward-looking statements can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others:

- the completion and realization of the anticipated benefits of the Offering;
- the timing for completion, settlement and closing of the Offering;
- the speculative nature of an investment in the Corporation's securities;
- the satisfaction of the conditions to closing of the Offering, including receipt in a timely manner of regulatory and other required approvals and clearances, including the approval of the TSXV;
- the plan of distribution for the Offering;
- the Corporation's international operations;
- the completion of the acquisition of a majority ownership interest in Maxamtech Digital Ventures Private Limited;
- the use of proceeds of the Offering;
- potential adverse effects on the market price of the Corporation's securities resulting from a sale of a substantial amount of the Corporation's securities;
- price volatility of the Corporation's securities;
- availability of additional financing as and when required;
- treatment under governmental regulatory regimes;
- general business, economic, competitive, political and social uncertainties;
- product and service development and sales;
- anticipated and unanticipated costs;
- the market price and liquidity of the Common Shares;
- exposure to increased credit and liquidity risk;
- third party contractual performance;
- customer demand;
- competition from other content providers;
- competition and the risks posed by potential technological advances;
- fluctuations in currency exchange rates;
- dependence on key personnel;
- conflicts of interest;
- the duration of the COVID-19 Pandemic and the extent of its economic and social impact; and
- difficulty in enforcing judgements and effecting service of process on director and officers.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as

actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained herein is presented for the purposes of assisting investors in understanding the Corporation's expected financial and operating performance and the Corporation's plans and objectives and may not be appropriate for other purposes. **The Corporation does not undertake to update any forward-looking information, except in accordance with applicable securities laws.**

This list is not exhaustive of the factors that may affect any of the Corporation's forward-looking statements. Although the Corporation believes its expectations are based upon reasonable assumptions and have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. See the section entitled "*Risk Factors*" in this Prospectus Supplement and in the accompanying Base Shelf Prospectus, and in the section entitled "*Risk Factors*" in the Corporation's annual information form dated as of May 20, 2022 for the fiscal period ended December 31, 2021 for additional risk factors that could cause results to differ materially from forward-looking statements.

Investors are cautioned not to put undue reliance on forward-looking information. The forward-looking information contained herein are made as of the date of this Prospectus Supplement and, accordingly, are subject to change after such date. The Corporation disclaims any intent or obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of assumptions or factors, whether as a result of new information, future events or otherwise, except in accordance with applicable securities laws. Investors are urged to read the Corporation's filings with Canadian securities regulatory agencies, which can be viewed online under the Corporation's issuer profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at [www.sedar.com](http://www.sedar.com).

#### **CURRENCY AND EXCHANGE RATE INFORMATION**

In this Prospectus Supplement, Canadian dollars are referred to as "Canadian dollars" or "\$" and United States dollars are referred to as "United States dollars" or "US\$".

On November 9, 2022, the daily exchange rate as quoted by the Bank of Canada was US\$1.00=\$1.3480 or \$1.00=US\$0.7418.

#### **ELIGIBILITY FOR INVESTMENT**

In the opinion of Wildeboer Dellelce LLP, counsel to the Corporation, and Borden Ladner Gervais LLP counsel to the Agent, the Unit Shares, Warrants underlying the Offered Units and Warrant Shares, if issued on the date hereof, would be "qualified investments" under the *Income Tax Act* (Canada) and the regulations thereunder (the "**Tax Act**") for trusts governed by registered retirement savings plans ("**RRSP**"), registered education savings plans ("**RESP**"), registered retirement income funds ("**RRIF**"), deferred profit sharing plans, registered disability savings plans ("**RDSP**") and tax-free savings accounts ("**TFSA**") (collectively, "**Deferred Plans**"), provided that (i) the Unit Shares or Warrant Shares, as applicable, are listed on a "designated stock exchange" within the meaning of the Tax Act (which currently includes the TSXV); and (ii) in the case of the Warrants, the Corporation and any person with whom the Corporation does not deal at arm's length for the purposes of the Tax Act is not an annuitant, a beneficiary, an employer or a subscriber under or a holder of, the particular Deferred Plan.

Notwithstanding the foregoing, if the Unit Shares, Warrants or Warrant Shares are a "prohibited investment" (as defined in the Tax Act) for an RRSP, RESP, RDSP, RRIF or TFSA, the annuitant of the RRSP or RRIF, the holder of the TFSA or RDSP, or the subscriber of the RESP, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Unit Shares, Warrants and Warrant Shares will not be a prohibited investment for an RRSP, RESP, RDSP, RRIF or TFSA provided the annuitant, holder or subscriber thereof, as the case may be, (i) deals at arm's length with the Corporation for purposes of the Tax Act, and (ii) does not have a "significant interest" (as defined in the Tax Act for purposes of the prohibited investment rules) in the Corporation. In addition, the Unit Shares and Warrant Shares will not be a prohibited investment if they are "excluded property" (as defined in the Tax Act for purposes of the prohibited investment rules) for trusts governed by an RRSP, RESP, RDSP, RRIF or TFSA. Prospective purchasers who intend to hold the Unit Shares, Warrants or Warrant Shares in a Deferred Plan are advised to consult their personal tax advisors.

Based on Proposed Amendments (as hereinafter defined) released on August 9, 2022 to implement tax measures applicable to first home savings accounts (referred to as “FHSA”) first announced by the 2022 Federal Budget (Canada), FHSAs would be subject to the rules described above for the Deferred Plans for purposes of the Tax Act (such amendments are referred to as the “FHSA Amendments”). In particular, pursuant to the FHSA Amendments, it is expected that the Unit Shares, the Warrant Shares and the Warrants will be qualified investments for an FHSA provided the conditions discussed above in relation to Deferred Plans are satisfied. In addition, the rules in respect of a “prohibited investment” are also proposed to apply to FHSAs and the holders thereof. The FHSA Amendments are proposed to come into force on January 1, 2023.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the Base Shelf Prospectus solely for the purpose of the Offering.

**Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar authorities in the provinces of Alberta, British Columbia and Ontario.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporation at 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9, telephone 647-559-2700, and are also available electronically under the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

As of the date hereof, the following documents, filed with the various securities commissions or similar authorities in each of the provinces Alberta, British Columbia and Ontario, are specifically incorporated by reference into the Base Shelf Prospectus for purposes of the Offering, and form an integral part of the Prospectus:

1. the annual information form of the Corporation dated May 20, 2022 for the fiscal period ended December 31, 2021 (the “**Annual Information Form**”);
2. the audited consolidated financial statements of the Corporation as at December 31, 2021 and June 30, 2021, and for the six-month period ended December 31, 2021 and for the years ended June 30, 2021 and June 30, 2020, together with the notes thereto and the report of the auditors thereon;
3. the amended management’s discussion and analysis of the Corporation as at December 31, 2021 and June 30, 2021, and for the six-month period ended December 31, 2021 and for the years ended June 30, 2021 and June 30, 2020 (the “**Annual MD&A**”);
4. the unaudited consolidated interim financial statements of the Corporation as at and for the three and six months ended June 30, 2022 and 2021, together with the notes thereto;
5. the management’s discussion and analysis of the Corporation for the three and six months ended June 30, 2022 and 2021 (the “**Interim MD&A**”, and together with the Annual MD&A, the “**MD&As**”);
6. the management information circular of the Corporation dated May 19, 2022 for the annual and special meeting of shareholders held on June 29, 2022; and
7. the “template version” (as such term is defined in National Instrument 41-101 – *General Prospectus Requirements* (“**NI 41-101**”)) of the indicative term sheet for the Offering dated November 8, 2022.

All material change reports (excluding confidential material change reports), annual information forms, annual financial statements and the auditors’ report thereon and related MD&A, interim financial statements and related MD&A, information circulars, business acquisition reports, any news release issued by the Corporation that specifically states it is to be incorporated by reference and any other documents as may be required to be incorporated by reference into the Base Shelf Prospectus for purposes of the Offering under applicable Canadian securities laws which are filed by the Corporation with a securities commission or any similar authority in Canada after the date of this Prospectus Supplement and prior to termination of the distribution of the Offered Units pursuant to the Prospectus, shall be deemed to be incorporated by reference into the Base Shelf Prospectus for purposes of the Offering.

Notwithstanding anything herein to the contrary, any statement contained in this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference in the Base Shelf Prospectus shall be deemed to be modified or superseded, for purposes of the Offering, to the extent that a statement contained herein or in any other currently or subsequently filed document that is later dated and incorporated or deemed to be incorporated by reference in the Base Shelf Prospectus modifies or supersedes such prior 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 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 thereafter neither constitute, nor be deemed to constitute, a part of the Prospectus, except as so modified or superseded.

## MARKETING MATERIALS

Any “marketing materials” (as defined in National Instrument 41-101 — *General Prospectus Requirements* (“**NI 41-101**”)) are not part of this Prospectus Supplement or the Base Shelf Prospectus to the extent that the contents thereof have been modified or superseded by a statement contained in this Prospectus Supplement or any amendment hereof. Any “template version” (as defined in NI 41-101) filed with the securities commission or similar authority in the provinces of Alberta, British Columbia and Ontario in connection with the Offering after the date hereof but prior to the termination of the distribution of the Offered Units under this Prospectus Supplement (including any amendments to, or an amended version of, any template version of marketing materials) is deemed to be incorporated by reference into this Prospectus Supplement and in the Base Shelf Prospectus.

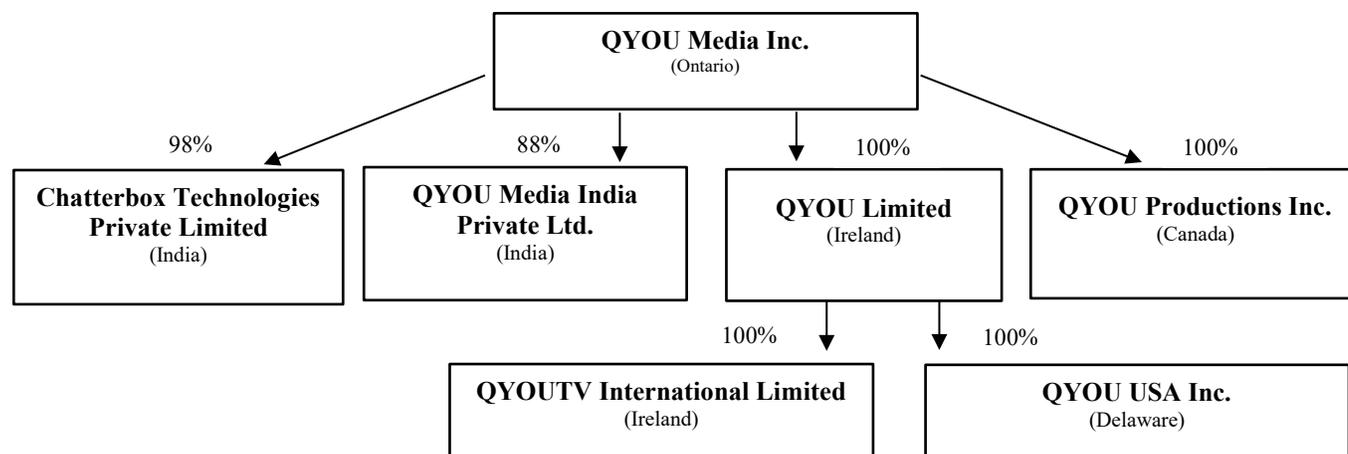
## THE CORPORATION

The full corporate name of the Corporation is “QYOU Media Inc.” The Corporation was incorporated pursuant to the *Business Corporations Act* (Alberta) on July 30, 1993 under the name “575161 Alberta Inc.” Effective March 13, 2017, the Corporation completed a reverse takeover transaction under the policies of the TSXV pursuant to which QYOU Media Holdings Inc. became a wholly-owned subsidiary of the Corporation and the security holders of QYOU Media Holdings Inc. became security holders of the Corporation (the “**Transaction**”). QYOU Media Holdings Inc. is the entity resulting from the amalgamation of QYOU Media Inc. (as it was then called) and 2561287 Ontario Ltd. (then a wholly-owned subsidiary of the Corporation) on March 13, 2017. In connection with the Transaction, the Corporation filed articles of amendment to change its name to “QYOU Media Inc.” and was continued into Ontario on March 29, 2017 under the *Business Corporations Act* (Ontario). Subsequently, on March 31, 2017, the Corporation’s Common Shares resumed trading on the TSXV under the symbol “QYOU”. Following the Transaction, the Corporation now carries on the business of QYOU and its subsidiaries. On July 1, 2021, the Corporation amalgamated with its subsidiary, QYOU Media Holdings Inc.

The Corporation operates in India and the United States producing and distributing content created by social media stars and digital content creators. In India, through the Corporation’s flagship brand, *The Q India*, and its broadcast and digital channels, *The Q Marathi*, *the Q Kahaniyan*, *The Q Comedistaan* and *The Q GameX*, the Corporation curates, produces and distributes premium content, including television networks and video on demand (“**VOD**”) for cable and satellite television, over-the-top platforms, connected TVs and mobile platforms. In the United States, the Corporation manages influencer marketing campaigns for major film studios, gaming companies and other consumer brands. Founded and created by industry veterans from Lionsgate, MTV, Disney and Sony, the Corporation’s millennial and Gen Z-focused content reaches more than one billion consumers around the world. Experience the Corporation’s work at [www.qyoumedia.com](http://www.qyoumedia.com) and [www.theq.tv](http://www.theq.tv).

Prior to the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19” (the “**COVID-19 Pandemic**”), the Corporation’s United States influencer marketing business was primarily booking customers to use influencers to promote the launch of major theatrical motion pictures in the United States. Following the closure of theaters due to the COVID-19 Pandemic, this business segment pivoted into a number of new areas, including premium VOD (replacing theatrical with major studio releases going direct to consumer), subscription VOD and retail/apparel. Management believes the Corporation’s influencer marketing business is well-positioned to grow as brands rely more heavily on influencers to reach their target audience of millennials and Gen-Z.

The following diagram presents the inter-corporate relationships among the Corporation and its wholly-owned subsidiaries as at the date hereof.



### Recent Developments

The Corporation’s Indian business is primarily conducted through its Indian subsidiary, QYOU Media India Private Limited (“**QYOU India**”). On June 15, 2021, the Corporation completed the acquisition of 97% of the outstanding shares of Chtrbox to expand its data-driven influencer marketing and delivery to QYOU India’s broadcast operations. The Q Hindi language channel experienced a rise in ratings during the three months ended December 31, 2020, and continuing throughout 2021 and into Q1 2022. It is expected that this growth could continue and now includes the addition of one new broadcast channel, The Q Marathi and three new digital channels for Smart TV’s, The Q Kahanayan, The Q Comedistaan and The Q GameX.

In June 2022, the Corporation acquired an additional 1% equity interest in Chtrbox, increasing the Corporation’s equity interest from 97% to 98% with the remaining 2% equity interest held by a group of minority shareholders. The Corporation’s acquisition is subject to the Reserve Bank of India’s approval. The remaining 2% equity interest of Chtrbox will be purchased by the Corporation over the next two years pursuant to a share purchase agreement dated May 31, 2021.

On October 20, 2022, the Corporation entered into a binding term sheet to acquire a majority ownership interest in Maxamtech Digital Ventures Private Limited (“**Maxamtech**”), an Indian based venture creating technology and games for the mobile gaming industry.

More detailed information regarding the business of the Corporation as well as its operations and assets can be found in the Base Shelf Prospectus, the Annual Information Form and other documents incorporated by reference herein, as supplemented by the disclosure herein. See “*Documents Incorporated by Reference*”.

### **USE OF PROCEEDS**

The net proceeds to the Corporation from the Offering, assuming the completion of the full Offering, will be approximately \$2,610,000 and \$3,054,000 if the Over-Allotment Option is exercised in full, in each case after deducting the Agent’s Commission and the expenses of the Offering (estimated to be \$350,000), which will be paid out of the proceeds of the Offering.

## Principal Purposes

The estimated net proceeds (without giving effect to the exercise of the Over-Allotment Option) of the Offering are anticipated to be used by the Corporation to fund its cash requirements for its operations as currently conducted, as well as to grow its operations, as set forth below:

<b>Principal Purposes of Net Proceeds<sup>(1)</sup></b>	<b>Amount<sup>(2)</sup></b>
Investment to build out the Corporation's Indian operations, including: <ul style="list-style-type: none"><li>• direct to consumer mobile gaming; and</li><li>• digital channels.</li></ul>	\$1,500,000  \$750,000 \$750,000
Unallocated working capital and general and administrative expenses	\$1,110,000
<b>Total</b>	<b>\$2,610,000</b>

**Notes:**

- (1) The Agent will receive the Agent's Fee equal to 7.5% of the gross proceeds of the Offering or \$0.009375 per Unit. The Agent will also be reimbursed for all of their reasonable out-of-pocket expenses associated with the Offering. Total estimated expenses of the Offering of \$350,000 will be paid out of the proceeds of the Offering.
- (2) Assumes completion of full Offering of \$3,200,000.

If the Over-Allotment Option is exercised, any additional proceeds will be allocated to general corporate purposes including working capital.

Pursuant to the Offering, if the Over-Allotment Option is exercised in full, the Corporation will receive net proceeds of \$3,404,000 after deducting the Agent's Commission. The net proceeds from the exercise of the Over-Allotment Option, if any, will be applied towards the uses set forth above. There is no assurance that the Over-Allotment Option will be exercised, in part or in full.

The above noted proposed use of proceeds represents the Corporation's intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Corporation. Actual expenditures may differ from the estimates set forth above. There may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be deemed prudent or necessary. The actual amount that the Corporation spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under "*Risk Factors – Use of Proceeds*".

## Business Objectives

The Corporation operates in a global industry and is uniquely positioned to benefit from the growth, change and disruption in the area of content curation, packaging and distribution, given that it is a pioneer in curated made-for-web video of commercial-grade quality.

The business objectives that the Corporation expects to accomplish using the foregoing allocation of the net proceeds from the Offering include:

- a) adding additional personnel to the Corporation's marketing, account management, data analysis and reporting teams throughout the remainder of 2022 and across 2023 on an as needed basis to accelerate growth in this area; and
- b) growing the build-out of the Corporation's Indian operations, including:
  - the Corporation's four new channels launched in 2022;
  - growing a direct-to-consumer business around the games Maxamtech produces and publishes throughout the remainder of 2022 and across 2023 on an as needed basis, assuming the Corporation successfully completes its acquisition of a majority ownership interest in Maxamtech;
  - the recent launch of *Q PLAY* to drive downloads in 2022 and an ongoing basis;

- allowing the Corporation to incur costs relating to “carriage fees” by March 31, 2023, which are required by Indian television channels in order for the Corporation’s programs to be carried on their systems;
- investment in ad sales through sales personnel, agency fees, branding costs, direct marketing via conferences, travel, and business-to-business advertising, among others, which are anticipated to be implemented beginning December 1, 2022;
- content licensing, including for top tier talent and original programming efforts throughout 2023; and
- branding efforts throughout 2023 with the longer term goal of building a leading brand for “Young India”.

Factors that will impact the achievement of the Corporation’s objectives include, but are not limited to:

- a) the continued success in driving partnerships with distribution outlets across television, digital and mobile in India;
- b) the ability to grow a loyal and returning audience that can drive consistent ad revenue;
- c) the ability to attract participation from top social stars in both India and the US operations; and
- d) the ability to successfully market and grow the brand “The Q” across India to become a well known and distributed youth oriented brand.

No minimum amount of funds must be raised under the Offering. This means that the Corporation could complete the Offering after raising only a small proportion of the Offering amount set out above. There is no guarantee that the Corporation will receive sufficient net proceeds from the Offering to accomplish some or all of the objectives set out above.

### CONSOLIDATED CAPITALIZATION OF THE CORPORATION

Except as described in the Base Shelf Prospectus, and other than as contemplated pursuant to the Offering, there have not been any material changes in the share and loan capitalization of the Corporation since the date of the Interim Financial Statements, which are incorporated by reference in this Prospectus Supplement.

The following table shows the pro forma effect of the Offering on the issued capital of the Corporation based on the Interim Financial Statements as at June 30, 2022. The table should be read in conjunction with the Interim Financial Statements and related management’s discussion and analysis which are incorporated by reference in this Prospectus Supplement. Readers are cautioned that the figures presented in the table below have not been audited.

	<b>As at June 30, 2022 before giving effect to the Offering</b>	<b>As at June 30, 2022 after giving effect to the Offering<sup>(1)</sup></b>	<b>As at June 30, 2022 after giving effect to the Offering and the exercise of the Over- Allotment Option<sup>(1)</sup></b>
Common Shares	422,364,148	447,964,148	451,804,148
First Preferred Shares	nil	nil	nil
Second Preferred Shares	nil	nil	nil
Warrants	20,560,780 <sup>(2)</sup>	33,360,780	35,280,780
Compensation Options	3,212,817 <sup>(3)</sup>	5,132,817	5,420,817
Stock Options <sup>(4)</sup>	33,707,887	33,707,887	33,707,887
Restricted Share Units <sup>(5)</sup>	13,983,318	13,983,318	13,983,318

**Notes:**

1. Assumes the Offering is fully subscribed.
2. Common Share purchase warrants to acquire up to 20,560,780 Common Shares at a price of \$0.45 until February 25, 2023.
3. Compensation options to acquire units of the Corporation at a price of \$0.18 per unit until February 25, 2023, each such unit comprised of one Common Share and one half of one Common Share purchase warrant exercisable at a price of \$0.45 per Common Share until February 25, 2023.
4. Each exercisable to purchase one Common Share.
5. Upon the vesting of each restricted share unit (“RSU”), one Common Share shall be issued for each restricted share unit so vested.

## **PLAN OF DISTRIBUTION**

Pursuant to the terms and subject to the conditions of the Agency Agreement, the Corporation has agreed to sell, and the Agent has agreed to purchase, on the Closing Date, up to 25,600,000 Offered Units at a price of \$0.125 per Offered Unit, payable in cash to the Corporation against delivery of such Offered Units. **There is no minimum amount of funds that must be raised under the Offering. This means that the Corporation could complete the Offering after raising only a small proportion of the Offering set out above.**

The Agent has been granted the Over-Allotment Option, exercisable, in whole or in part, at any time, and from time to time, on or before the Over-Allotment Deadline, to purchase up to an additional 3,840,000 Over-Allotment Units at the Offering Price to cover the Agent’s over-allocation position, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised to acquire: (i) up to 3,840,000 Over-Allotment Units at the Offering Price; (ii) up to 3,840,000 Over-Allotment Shares at the Over-Allotment Share Price; (iii) up to 1,920,000 Over-Allotment Warrants at the Over-Allotment Warrant Price; or (iv) any combination of Over-Allotment Units at the Offering Price, Over-Allotment Shares at the Over-Allotment Share Price and Over-Allotment Warrants at the Over-Allotment Warrant Price, provided that the aggregate number of Over-Allotment Shares that may be issued under such Over-Allotment Option does not exceed 3,840,000 and the aggregate number of Over-Allotment Warrants that may be issued under such Over-Allotment Option does not exceed 1,920,000. The Over-Allotment Option is exercisable by the Agent giving notice to the Corporation prior to the Over-Allotment Deadline, which notice shall specify the number of Over-Allotment Units, Over-Allotment Shares and/or Over-Allotment Warrants to be purchased. The Prospectus qualifies the grant of the Over-Allotment Option and the distribution of Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Over-Allotment Units, Over-Allotment Shares or Over-Allotment Warrants forming part of the Agent’s over-allocation position acquires those Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants under the Prospectus, regardless of whether the overallocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

In consideration for the services provided by the Agent in connection with the Offering, and pursuant to the terms of the Agency Agreement, the Corporation has agreed to pay the Agent the Agent’s Commission equal to 7.5% of the gross proceeds from the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option). If the Over-Allotment Option is exercised in full, the aggregate Agent’s Commission payable by the Corporation will be \$276,000. As additional compensation, the Agent will be issued Compensation Options entitling the Agent to purchase that number of Compensation Units equal to 7.5% of the number of Offered Units sold pursuant to the Offering (including any additional Offered Units sold pursuant to the Over-Allotment Option) at a price of \$0.125 per Compensation Unit for a period of 24 months from the Closing Date. This Prospectus qualifies the distribution of the foregoing Compensation Options to the Agent.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing of the Offering will take place on or about the Closing Date, or such other date or dates as may be agreed upon by the Corporation and the Agent, in any event, on or before a date not later than 42 days after the date of this Prospectus Supplement.

The Corporation will arrange for an instant deposit of the securities issued hereunder to or for the account of the Agent with CDS on the Closing Date, against payment of the aggregate purchase price for the securities issued hereunder. Accordingly, a purchaser of securities issued hereunder will receive only a customer confirmation from the Agent or other registered dealers who are CDS participants and from or through which the securities issued hereunder are purchased.

The obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion upon the occurrence of certain stated events, including in the event that: (a) there shall be any material change or change in a material fact, or there should be discovered any previously undisclosed material fact required to be disclosed in the Prospectus or any amendment thereto, in each case which, in the reasonable opinion of the Agent, has or would be expected to have a significant adverse effect on the market price or value of the Common Shares, or any other securities of the Corporation; (b) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism or accident) or major financial occurrence of national or international consequence or a new or change in any law or regulation which in the sole opinion of the Agent seriously adversely affects or involves or may seriously adversely affect or involve the financial markets or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole or the market price or value of the securities of the Corporation; (c) any inquiry, action, suit, proceeding or investigation (whether formal or informal), including matters of regulatory transgression or unlawful conduct, is commenced, announced or threatened in relation to the Corporation or any one of the officers or directors of the Corporation or any of its principal shareholders where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the TSXV or securities commission which involves a finding of wrong-doing; (d) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the securities of the Corporation is made or threatened by a securities regulatory authority; (e) the Corporation is in breach of any material term, condition or covenant contained in the Agency Agreement or any material representation or warranty given by the Corporation in the Agency Agreement becomes or is false and such material breach or materially false representation is, in the sole opinion of the Agent acting reasonably, not capable of being cured prior to the Closing Date; or (f) both the Corporation and Agent agree in writing to terminate the Agency Agreement. The Agent is, however, obligated to take up and pay for all of the Offered Units if any of the securities are purchased under the Agency Agreement.

The Agency Agreement also provides that the Corporation will indemnify, among others, the Agent and its respective affiliates and subsidiaries, and their respective directors, officers, employees, partners and agents against certain liabilities and expenses or will contribute to payments that the Agent may be required to make in respect thereof.

From the Closing Date until a date that is 90 days from the Closing Date, the Corporation has agreed not to, without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, authorize, sell or issue or announce its intention to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of the Corporation (including those that are convertible or exchangeable into securities of the Corporation) other than (i) pursuant to the Offering; (ii) the issuance of non-convertible debt securities; (iii) upon the exercise of convertible securities, options or warrants of the Corporation outstanding as of the date of the Agency Agreement; (iv) pursuant to the Corporation's stock option plan or any other securities compensation arrangement of the Corporation; (v) pursuant to any acquisition of shares or assets of arm's length persons, or (vi) in connection with any investments in the Corporation by a strategic third party.

As a condition of closing of the Offering, the Corporation shall use its commercially reasonable efforts to cause each of the directors and officers of the Corporation to execute a lock-up agreement to be delivered at the closing of the Offering, setting out that for a period of 90 days from the Closing Date, without the consent of the Agent, such consent not to be unreasonably withheld or delayed, each director and officer will not, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, any Common Shares, whether then owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise other than pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the Corporation.

The Corporation has received conditional acceptance from the TSXV to list the Unit Shares and Warrant Shares underlying each of the Offered Units, the Additional Securities and the Compensation Option Units on the TSXV. Listing will be subject to the Corporation fulfilling all the listing requirements of the TSXV.

The Offering is being made concurrently in the Provinces of Alberta, British Columbia and Ontario. In addition, the Agent may offer the Offered Units outside of Canada, subject to compliance with the local securities law requirements in such a manner as to not require registration of the Units, or filing of a prospectus or registration statement with

respect to those Offered Units under the laws in such jurisdictions or qualification as a foreign corporation or to file a general consent to service of process in such jurisdictions.

Pursuant to rules and policy statements of certain Canadian securities regulatory authorities, the Agent may not, throughout the period of distribution under this Prospectus Supplement, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions. Such exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Subject to applicable laws and in connection with the Offering, the Agent may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than which would otherwise prevail on the open market, including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions. Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Common Shares while the Offering is in progress.

### Offering in the United States

The Agency Agreement permits the Agent, through one or more of their U.S. registered broker-dealer affiliates, to offer the Offered Units for sale by the Corporation to, or for the account or benefit of, persons in the United States or U.S. Persons to purchasers who are (i) U.S. Accredited Investors and/or (ii) “qualified institutional buyers”, as such term is defined in Rule 144A under the U.S. Securities Act, that are also U.S. Accredited Investors (“**Qualified Institutional Buyers**”), provided such offers and sales are made in accordance with Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws. Moreover, the Agency Agreement provides that the Agent will offer the Offered Units for sale outside the United States to non-U.S. Persons in accordance with Regulation S under the U.S. Securities Act.

The Offered Units, Unit Shares, Warrants and Warrant Shares offered or sold to, or for the account or benefit of, persons in the United States and U.S. Persons, if any, will be or considered “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and may only be offered, sold, pledged or otherwise transferred to the Corporation pursuant to an available exemption or exclusion from registration under the U.S. Securities Act and applicable state securities laws.

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares 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 the Corporation has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Corporation; provided, however, that a holder who is a Qualified Institutional Buyer or a U.S. Accredited Investor at the time of exercise of the Warrants who originally purchased the Offered Units in the Offering to, or for the account or benefit of, persons in the United States or U.S. Persons pursuant to the terms of the Agency Agreement will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Offered Units.

In addition, until 40 days after the commencement of the Offering, an offer or sale of the Offered Units, Unit Shares or Warrants to, or for the account or benefit of, persons in the United States or U.S. Persons by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with exemptions from registration under the U.S. Securities Act and applicable state securities laws.

## **DESCRIPTION OF SECURITIES BEING DISTRIBUTED**

### **Offering**

The Offering consists of Offered Units, each of which is comprised of one Unit Share and one-half of one Warrant. The Offered Units will separate into Unit Shares and Warrants immediately upon the closing of the Offering. The

Offered Units are offered at the Offering Price of \$0.125 per Offered Unit. This Prospectus Supplement qualifies the distribution of the Offered Units, including the Unit Shares and the Warrants, the distribution of the Compensation Options and the grant of the Over-Allotment Option.

## **Common Shares**

The Corporation's authorized share capital consists of an unlimited number of Common Shares without par value, of which 423,589,147 Common Shares are issued and outstanding as at the date hereof, and 504,109,340 Common Shares on a fully diluted basis (assuming the exercise of all outstanding convertible securities and vesting of all restricted share units). The holders of Common Shares are entitled to receive notice of, attend and vote at all meetings of the shareholders of the Corporation, and each Common Share confers the right to one vote at all such meetings. Subject to the rights of the holders of the First Preferred Shares and Second Preferred Shares and any other class of shares ranking in priority to the Common Shares, the holders of Common Shares are entitled to receive and participate rateably in any dividends declared by the board of directors in the Corporation. Subject to the rights of the holders of First Preferred Shares and Second Preferred Shares and any other class of shares ranking in priority to the Common Shares, in the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purposes of winding up its affairs, the holders of the Common Shares are entitled to participate rateably in the distribution of the assets of the Corporation.

## **Warrants**

The following is a summary of the principal attributes of the Warrants and certain anticipated provisions of the Warrant Indenture. The summary does not purport to be complete and is qualified in its entirety by the detailed provisions of the Warrant Indenture. Following the Closing Date, a copy of the Warrant Indenture may be obtained on request from the Corporate Secretary of the Corporation and will be available electronically at [www.sedar.com](http://www.sedar.com) and reference should be made to the Warrant Indenture for the full text of the attributes of the Warrants.

Each Warrant will entitle the holder thereof to purchase one Warrant Share at a price of \$0.20 at any time prior to 5:00 p.m. (Toronto time) on the date that is twenty-four (24) months following the Closing Date, after which time the Warrants will expire and be void and of no value. Each Warrant will be issued under the Warrant Indenture to be entered into between the Corporation and the Warrant Agent.

The Corporation will appoint the principal transfer offices of the Warrant Agent in Calgary as the location at which the Warrants may be surrendered for exercise, transfer or exchange. The Warrant Indenture will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Warrant Shares to be issued upon exercise of the Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends and the amalgamation of the Corporation.

No adjustment in the exercise price or the number of Warrant Shares purchasable 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%.

The Corporation will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least fourteen (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 shares. Holders of Warrants will not have any voting or pre-emptive rights or any other rights that a holder of Warrant Shares would have.

From time to time, the Corporation and the 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 to be defined in the Warrant Indenture as a resolution either (i) 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 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of the Warrants representing not less than 66<sup>2/3</sup>% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66<sup>2/3</sup>% of the aggregate number of all the then outstanding Warrants.

**There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “Risk Factors”.**

The Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws, and the Warrants will not be exercisable by or on behalf of a person in the United States or a U.S. Person, nor will certificates representing the Warrant Shares 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 the Corporation has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Corporation; provided, however, that a holder who is a Qualified Institutional Buyer or a U.S. Accredited Investor at the time of exercise of the Warrants who originally purchased the Offered Units in the Offering to, or for the account or benefit of, persons in the United States or U.S. Persons pursuant to the terms of the Agency Agreement will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Offered Units.

### Compensation Options

For their services in connection with the Offering, the Agent will receive Compensation Options exercisable to purchase an aggregate of 1,920,000 Compensation Units (or 2,208,000 Compensation Units if the Over-Allotment Option is exercised in full) at a price of \$0.125 per Compensation Unit. The Compensation Options shall have a term of 24 months from the Closing Date. The terms to be set out in the certificates representing the Compensation Options will include, among other things, customary provisions for the appropriate adjustment of the number of Compensation Shares and Compensation Warrants issuable pursuant to any exercise of the Compensation Options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, any capital reorganization of the Corporation, or any arrangement, merger, consolidation or amalgamation of the Corporation with or into another corporation or entity, as well as customary amendment provisions. The Agent, as holder of the Compensation Options, and, if applicable, the Compensation Warrants, will not as such have any voting right or other right attached to Common Shares until and unless the Compensation Options and/or Compensation Warrants are duly exercised as provided for in the certificates representing the Compensation Options and the Compensation Warrants, as applicable, and the Agent holds the underlying Common Shares.

### PRIOR SALES

For the twelve month period prior to the date of this Prospectus, the Corporation issued the following Common Shares and securities convertible into Common Shares:

Date of Issuance	Number of Securities Issued	Securities Issued	Price Per Security / Exercise Price
October 1, 2021	16,666	Common Shares <sup>(1)</sup>	\$0.30
October 5, 2021	4,167	Common Shares <sup>(1)</sup>	\$0.075
October 29, 2021	50,000	Common Shares <sup>(2)</sup>	\$0.05
November 1, 2021	50,000	Common Shares <sup>(2)</sup>	\$0.05
November 3, 2020	4,167	Common Shares <sup>(1)</sup>	\$0.075
November 8, 2021	100,000	Common Shares <sup>(2)</sup>	\$0.05
November 8, 2021	70,000	Common Shares <sup>(3)</sup>	\$0.06
November 8, 2021	70,000	2020 February Private Placement 8 Cent Warrants <sup>(3)</sup>	\$0.08
November 8, 2021	70,000	Common Shares <sup>(4)</sup>	\$0.08

November 15, 2021	50,000	Common Shares <sup>(2)</sup>	\$0.05
November 17, 2021	80,583	Common Shares <sup>(5)</sup>	\$0.05
November 17, 2021	40,291	2020 July Private Placement 5 Cent Warrant <sup>(5)</sup>	\$0.05
November 22, 2021	3,150,000	RSUs <sup>(6)</sup>	N/A <sup>(7)</sup>
November 22, 2021	3,425,000	Stock Options <sup>(8)</sup>	\$0.275
November 29, 2021	50,000	Common Shares <sup>(2)</sup>	\$0.05
December 3, 2021	416	Common Shares <sup>(1)</sup>	\$0.075
December 3, 2021	3,750	Common Shares <sup>(1)</sup>	\$0.075
December 14, 2021	50,000	Common Shares <sup>(2)</sup>	\$0.05
January 4, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
February 3, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
February 7, 2022	1,850,000	Common Shares <sup>(4)</sup>	\$0.08
February 10, 2022	45,000	Common Shares <sup>(4)</sup>	\$0.05
February 10, 2022	399,990	Common Shares <sup>(4)</sup>	\$0.08
March 3, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
March 16, 2022	50,000	Common Shares <sup>(2)</sup>	\$0.05
March 23, 2022	100,000	Common Shares <sup>(2)</sup>	\$0.05
March 29, 2022	4,316,673	Common Shares <sup>(10)</sup>	N/A <sup>(7)</sup>
April 1, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
April 1, 2022	50,000	Common Shares <sup>(2)</sup>	\$0.05
April 8, 2022	2,135,000	Stock Options <sup>(9)</sup>	\$0.21
April 8, 2022	550,000	RSUs <sup>(6)</sup>	N/A <sup>(7)</sup>
April 18, 2022	67,000	Common Shares <sup>(2)</sup>	\$0.05
May 4, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
May 25, 2022	1,290,291	Common Shares <sup>(2)</sup>	\$0.05
May 30, 2022	33,334	Common Shares <sup>(10)</sup>	N/A <sup>(7)</sup>
June 6, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
June 6, 2022	2,517,500	Common Shares <sup>(2)</sup>	\$0.05
June 7, 2022	500,000	Common Shares <sup>(2)</sup>	\$0.05
June 13, 2022	2,000,000	Common Shares <sup>(2)</sup>	\$0.05
June 13, 2022	681,407	Common Shares <sup>(5)</sup>	\$0.05
June 13, 2022	340,703	2020 July Private Placement 5 Cent Warrant <sup>(5)</sup>	\$0.05
June 13, 2022	340,703	Common Shares <sup>(2)</sup>	\$0.05
June 14, 2022	166,668	Common Shares <sup>(10)</sup>	N/A <sup>(7)</sup>
June 16, 2022	1,250,000	Common Shares <sup>(2)</sup>	\$0.05
June 16, 2022	154,175	Common Shares <sup>(5)</sup>	\$0.05
June 16, 2022	77,087	2020 July Private Placement 5 Cent Warrant <sup>(5)</sup>	\$0.05
June 24, 2022	482,087	Common Shares <sup>(2)</sup>	\$0.05
June 16, 2022	75,000	Common Shares <sup>(5)</sup>	\$0.05
June 16, 2022	37,500	2020 July Private Placement 5 Cent Warrant <sup>(5)</sup>	\$0.05
June 29, 2022	4,575,000	Common Shares <sup>(2)</sup>	\$0.05
July 5, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
August 5, 2022	4,166	Common Shares <sup>(1)</sup>	\$0.075
August 15, 2022	1,216,667	Common Shares <sup>(10)</sup>	N/A <sup>(7)</sup>

Notes:

- (1) Issued upon the exercise of stock options of the Corporation (“**Stock Options**”) granted pursuant to the Corporation’s stock option plan.
- (2) Issued upon the exercise of 2020 July Private Placement 5 Cent Warrant (as hereinafter defined). In connection with the 2020 July Private Placement, the Corporation issued 60,666,399 units of the Corporation, at a price of \$0.03 per unit. Each unit was comprised of one Common Share and one-half of one Common Share purchase warrant exercisable at \$0.05 per share until June 30, 2022 (each, a “**2020 July Private Placement 5 Cent Warrant**”). In addition, the Corporation issued 5,549,973 compensation options exercisable into units of the Corporation at a price of \$0.05 until June 30, 2022 (each, a “**2020 July Private Placement Compensation Option**”), each such 2020 July Private Placement Compensation Option exercisable into units comprised of one Common Share and one-half of one 2020 July Private Placement 5 Cent Warrant.
- (3) Issued upon exercise of 2020 February Private Placement Compensation Option (as hereinafter defined). On February 11, 2020, the Corporation completed a non-brokered private placement of 6,000,000 units at a price of \$0.06 per unit (the “**2020 February Private Placement**”). Each unit was comprised of one Common Share and one Common Share purchase warrant exercisable at \$0.08 per share

until February 11, 2022 (each, a “**2020 February Private Placement 8 Cent Warrant**”). In addition, the Corporation issued a total of 420,000 compensation options exercisable into units of the Corporation at a price of \$0.06 until February 11, 2022 (each, a “**2020 February Private Placement Compensation Option**”), each such 2020 February Private Placement Compensation Option exercisable into units comprised of one Common Share and one 2020 February Private Placement 8 Cent Warrant.

- (4) Issued upon exercise of 2020 February Private Placement 8 Cent Warrant.
- (5) Issued upon the exercise of 2020 July Private Placement Compensation Option.
- (6) RSUs issued to certain directors, employees and consultants of the Corporation pursuant to the Corporation restricted share unit plan.
- (7) Upon vesting, each RSU automatically entitles the holder thereof to one Common Share.
- (8) Stock Options issued to certain consultants and employees of the Corporation pursuant to the Corporation’s stock option plan, which Stock Options are exercisable into Common Shares until November 22, 2026.
- (9) Stock Options issued to certain consultants and employees of the Corporation pursuant to the Corporation’s stock option plan, which Stock Options are exercisable into Common Shares until April 8, 2027.
- (10) Issued upon redemption of RSUs by certain employees and consultants of the Corporation.

## TRADING PRICE AND VOLUME

The Common Shares are listed on the TSXV under the symbol “**QYOU**”. The following table sets forth the market price ranges and trading volumes of the Common Shares on the TSXV over the 12-month period prior to the date of this Prospectus Supplement, as reported by the TSXV:

<u>Period</u>	<u>High</u> (\$)	<u>Low</u> (\$)	<u>Volume<sup>(1)</sup></u>
October 2021	0.31	0.25	5,761,385
November 2021	0.305	0.25	7,254,410
December 2021	0.255	0.2	8,757,443
January 2022	0.245	0.15	9,903,232
February 2022	0.18	0.135	4,265,387
March 2022	0.26	0.14	9,753,988
April 2022	0.23	0.18	2,634,851
May 2022	0.2	0.14	3,493,053
June 2022	0.175	0.14	2,919,746
July 2022	0.165	0.135	3,036,347
August 2022	0.23	0.155	8,552,529
September 2022	0.205	0.14	3,658,939
October 2022	0.16	0.135	1,913,589
November 1 – 9, 2022	0.165	0.135	3,508,754

Note:

(1) Source: www.money.tmx.com

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Wildeboer Dellelce LLP, counsel to the Corporation, and of Borden Ladner Gervais LLP, counsel to the Agent, the following is, as of the date hereof, a summary of the principal Canadian federal income tax consequences generally applicable to a person who acquires an Offered Unit pursuant to this Offering and who, for the purposes of the Tax Act, is resident in Canada, holds the Unit Shares and Warrants, and will hold any Warrant Shares acquired on the exercise of Warrants, as capital property and deal at arm’s length and is not affiliated with the Corporation or any Agent (a “**Holder**”). For purposes of this summary, references to Common Shares include Unit Shares and Warrant Shares unless otherwise indicated. The Common Shares and Warrants will generally be considered to be capital property to a Holder thereof unless either the Holder holds Common Shares and Warrants in the course of carrying on a business or the Holder has acquired such securities in a transaction or transactions considered to be an adventure or concern in the nature of trade. Certain Holders whose Common Shares might not otherwise be capital property may, in certain circumstances, be entitled to have such shares and every other “Canadian security”, as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This election does not apply to the Warrants. Holders should consult their own tax advisors regarding this election.

This summary is based upon the current provisions of the Tax Act, counsels’ understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) and proposed amendments to the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the

**“Proposed Amendments”**). This summary assumes that the Proposed Amendments will be enacted as proposed but does not take into account or anticipate any other changes in law or in the administrative policies or assessing practices of the CRA, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax considerations. No assurances can be given that the Proposed Amendments will be enacted as proposed, if at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

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”, each as defined in the Tax Act, with respect to the Common Shares or Warrants; or (vi) that receives dividends on the Common Shares under or as part of a “dividend rental arrangement” (as defined in the Tax Act). Such Holders should consult their own tax advisors with respect to an investment in Offered Units.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada (for purposes of the Tax Act), and is, or becomes, or does not deal at arm’s length 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 the Offered Units, controlled by a non-resident person, or a group of non-resident persons that do not deal 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. Such Holders should consult their tax advisors with respect to the consequences of acquiring Offered Units.

**The Canadian federal income tax consequences to a particular Holder will vary depending on a number of factors, including the province where a particular Holder resides, carries on business or has a permanent establishment. The following discussion of the income tax consequences is, therefore, of a general nature only and is not exhaustive of all the income tax consequences and is not intended to constitute income tax advice to any particular Holder. Accordingly, Holders should consult their own income tax advisors.**

#### Allocation of Cost

Pursuant to the Tax Act, the Corporation and Holders will be required to allocate the purchase price for the Offered Units between the Unit Shares and the Warrants on a reasonable basis and the amounts so allocated will constitute the cost of each to the Holder for the purposes of the Tax Act. For purposes of determining the Holder’s adjusted cost base (“ACB”) of the Unit Share partially comprising each Offered Unit, the cost allocated to the Unit Share will be averaged with the ACB to the Holder of all Common Shares owned by the Holder as capital property immediately prior to such acquisition. For its purposes, the Corporation intends to allocate \$0.1214 to each Unit Share and \$0.001 to each one-half of one Warrant forming part of each Offered Unit. While the Corporation considers this allocation reasonable, it is not binding on the CRA or the Holder.

#### Exercise of Warrants

The exercise of a Warrant to acquire a Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act. As a result, 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 ACB of such Warrant and the exercise price paid for the Warrant Share. For purposes of determining the Holder’s ACB of the Warrant Share so acquired, such cost will be averaged with the ACB to the Holder of all Common Shares owned by the Holder immediately prior to such acquisition.

#### Expiry of Warrants

In the event of the expiry of an unexercised Warrant, the Holder will realize a capital loss equal to the Holder’s ACB of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading “*Capital Gains and Capital Losses*”.

## Dividends

Dividends received or deemed to be received on Common Shares will be included in computing the Holder's income. In the case of an individual Holder, 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). A dividend will be eligible for the enhanced gross-up and dividend tax credit if the recipient is notified in writing by the Corporation at or before the time the dividend is paid, designating the dividend as an eligible dividend. There may be limitations on the ability of the Corporation to designate dividends as eligible dividends.

Dividends received by a corporation on Common Shares must be included in computing its income but generally will be deductible in computing its taxable income. Private corporations (as defined in the Tax Act) and certain other corporations controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts) generally will be liable to pay a refundable tax under Part IV of the Tax Act on dividends to the extent such dividends are deductible in computing taxable income. 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.

## Disposition of Common Shares and Warrants

A disposition (or deemed disposition) by a Holder of a Common Share (other than to the Corporation, unless purchased by the Corporation in the open market in the manner in which shares would normally be purchased by any member of the public in an open market) or a Warrant (other than upon the exercise thereof) will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or less) than such Holder's ACB of such security immediately before the disposition. The tax treatment of capital gains and losses is discussed in greater detail below under the subheading "*Capital Gains and Capital Losses*".

## Capital Gains and Capital Losses

Generally, a Holder is required to include in computing its income for a taxation year one-half 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 any capital loss (an "allowable capital loss") against taxable capital gains realized in the year of disposition. Any unused allowable capital losses may be applied to reduce net taxable capital gains realized in the three preceding taxation years or any subsequent taxation year.

The amount of any capital loss realized on the disposition or deemed disposition of Common 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 circumstances described by the Tax Act. Similar rules may apply where a Holder that is a corporation is a member of a partnership or beneficiary of a trust that owns such shares or that is itself a member of a partnership or a beneficiary of a trust that owns such shares. 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" (as defined in the Tax Act) or a "substantive CCPC" (as defined in certain Proposed Amendments released by the Minister of Finance (Canada) on August 9, 2022) may be required to pay an additional refundable tax on its "aggregate investment income" for the year, including taxable capital gains.

## Minimum Tax

Capital gains realized and dividends received by a Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Holders should consult their own advisors with respect to the application of the minimum tax.

## **RISK FACTORS**

An investment in the Offered Units is speculative and subject to certain risks. Investors should carefully consider the risks described below, in the Annual Information Form, the MD&As, the Base Shelf Prospectus and other information elsewhere in this Prospectus Supplement, including the documents incorporated by reference into the Base Shelf Prospectus for purposes of the Offering, prior to making an investment in the Offered Units. If any of such or other risks occur, the Corporation's prospects, financial condition, results of operations and cash flows could be materially adversely impacted. In that case, the trading price of the Common Shares could decline and investors could lose all or part of their investment. While the Corporation has attempted to identify the primary known risks that are material to its business, such risks and uncertainties may not be the only ones the Corporation faces. Additional risks and uncertainties of which the Corporation is currently unaware or that are unknown or that it currently deems to be immaterial could also have a material adverse effect on the Corporation's business, prospects, financial condition and results of operations. The Corporation 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 the accompanying Base Shelf Prospectus and in the documents incorporated by reference herein and therein, or other unforeseen risks.

### **Risks Related to the Corporation**

#### ***Use of Proceeds***

Management of the Corporation will have broad discretion concerning the use of the proceeds of the Offering 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. Management may elect to allocate net proceeds differently from that described herein if they believe it would be in the Corporation's best interests. Shareholders of the Corporation will have to rely upon the judgment of management with respect to the use of proceeds. Management may spend a portion or all of the net proceeds from the Offering in ways that shareholders of the Corporation may not desire or that may not yield a significant return or any return at all. Shareholders of the Corporation may not agree with the manner in which management chooses to allocate and spend the net proceeds. The failure by management to apply the net proceeds effectively could have a material adverse effect on the Corporation's business, prospects, financial condition or results of operations. Pending their use, the Corporation may also invest the net proceeds from the Offering in a manner that does not produce income or that loses value. See "*Use of Proceeds*".

#### ***The Acquisition of a Majority Ownership Interest of Maxamtech May Not be Completed***

There can be no assurance that the acquisition of a majority ownership interest in Maxamtech will be completed in accordance with the terms of the binding term sheet entered into between the Corporation and Maxamtech, or at all.

#### ***No Minimum Offering***

There is no minimum amount of funds that must be raised under the Offering and any funds raised under the Offering may not be sufficient to allow the Corporation to continue to achieve its business objectives.

### **Risks Related to the Securities**

#### ***Equity securities are subject to trading and volatility risks***

The market price of the Common Shares and any other Securities offered hereunder that become listed for trading on the TSXV or any other stock exchange or quotation system could be subject to significant fluctuations in response to certain factors including, but not limited to, variations in the Corporation's operating results and changes in financial markets and general market conditions, including those caused by the COVID-19 Pandemic and Russia's invasion of Ukraine. Securities markets have also experienced significant price and volume fluctuations from time to time. In some instances, these fluctuations have been unrelated or disproportionate to the operating performance of issuers. Market fluctuations may adversely impact the market price of the Common Shares and any other Securities offered hereunder that become listed for trading on the TSXV or any other stock exchange or quotation system.

There can be no assurance of the price at which the Common Shares and any other Securities offered hereunder that become listed for trading on the TSXV or any other stock exchange or quotation system will trade.

Financial markets have historically experienced periodic, significant price and volume fluctuations that: (a) have especially affected the market prices of equity securities of companies and (b) have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares from time to time may decline even if the Corporation's operating results, underlying asset values and prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that may result in impairment losses. There can be no assurance that further fluctuations in price and volume of Common Shares traded will not occur, and consequently purchasers of Offered Units may not be able to sell Unit Shares and Warrants comprising the Offered Units at prices equal to or greater than the price or value at which they purchased the Offered Units or acquired them by way of the secondary market.

***Investors may lose their entire investment***

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

***Additional issuances of securities by the Corporation may cause dilution for existing securityholders and may cause downward pressure on the price of the Common Shares***

The Corporation may from time to time raise funds through the issuance of Common Shares or the issuance of debt instruments or other securities convertible into Common Shares. The Articles of the Corporation permit the issuance of an unlimited number of First Preferred Shares, Second Preferred Shares, and Common Shares and existing shareholders have no pre-emptive rights in connection with such further issuances. To the extent holders of options or other convertible securities convert or exercise their securities and sell Common Shares they receive, the market price of the Common Shares may decrease due to the additional Common Shares available in the market. Further, the Corporation may issue additional securities in connection with strategic acquisitions.

The Corporation cannot predict the size or type of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Corporation's issued and outstanding securities from time to time. Sales or issuances of substantial amounts of the Corporation's securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Corporation's issued and outstanding securities from time to time. With any additional sale or issuance of the Corporation's securities, holders will suffer dilution with respect to voting power and may experience dilution in the Corporation's earnings per share.

***The Warrants Will Not be Listed for Trading***

Since the Corporation does not intend to apply for listing of the Warrants on any securities exchange, there is no public market for the Warrants. There can be no assurance that a secondary market for the Warrants will develop or be sustained after the closing of the Offering. Even if a market develops for the Warrants, there can be no assurance that it will be liquid and that the price of the Warrants will be the same as the price allocated for the Warrants partially comprising the Units. If an active market for the Warrants does not develop, the liquidity of an investor's investment in the Warrants may be limited and the price may decline below the portion of the offering price allocated to the Warrants.

***Warrants are speculative in nature and may not have any value***

The Warrants do not confer any rights of Common Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Common Shares at a fixed price for a limited period of time. Moreover, following completion of the Offering, the market value of the Warrants, if any, is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their imputed offering price. There can be no assurance that the market price of the Common Shares will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise the Warrants.

### ***Difficulty in Enforcing Judgments and Effecting Service of Process on Directors and Officers***

Certain directors and officers of the Corporation reside outside of Canada. Some or all of the assets of such persons may be located outside of Canada. Therefore, it may not be possible for investors to collect or to enforce judgments obtained in Canadian courts predicated upon the civil liability provisions of applicable Canadian securities laws against such persons. Moreover, it may not be possible for investors to effect service of process within Canada upon such persons.

### **LEGAL MATTERS**

Certain legal matters relating to the Offering will be passed upon by Wildeboer Dellelce LLP on behalf of the Corporation, and Borden Ladner Gervais LLP on behalf of the Agent.

As at November 9, 2022, the partners and associates of each of Wildeboer Dellelce LLP and Borden Ladner Gervais LLP beneficially owned, directly or indirectly, less than 1% of the issued and outstanding securities of each class of the Corporation or of any associate or affiliate of the Corporation.

### **TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Calgary, Alberta.

### **INTEREST OF EXPERTS**

The Corporation's independent auditor is MNP LLP ("MNP") at its office in Burlington, Ontario. MNP has advised the Corporation that they are independent with respect to the Corporation within the meaning of the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

### **PURCHASERS' 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. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revision of the price or damages if the prospectus or any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision 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 advisor.

In an offering of units, 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 Offered Unit 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 the exercise of the Warrant(s) partially comprising the Offered Units, 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 advisor.

**CERTIFICATE OF THE CORPORATION**

Dated: November 10, 2022

The short form prospectus, together with the documents incorporated by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the short form prospectus and this supplement as required by the securities legislation of the Provinces of Alberta, British Columbia and Ontario.

(signed) "*Curt Marvis*"

\_\_\_\_\_  
By: Curt Marvis  
Chief Executive Officer

(signed) "*Kevin Williams*"

\_\_\_\_\_  
By: Kevin Williams  
Chief Financial Officer

**On Behalf of the Board of Directors**

(signed) "*G. Scott Paterson*"

\_\_\_\_\_  
By: G. Scott Paterson  
Director

(signed) "*Damian Lee*"

\_\_\_\_\_  
By: Damian Lee  
Director

**CERTIFICATE OF THE AGENT**

Dated: November 10, 2022

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the short form prospectus and this supplement as required by the securities legislation of the Provinces of Alberta, British Columbia and Ontario.

**CLARUS SECURITIES INC.**

(signed) "Robert Orviss"

By: Robert Orviss  
Managing Director, Investment Banking

*This short form prospectus is referred to as a short form base shelf prospectus and has been filed under legislation in the provinces of Alberta, British Columbia and Ontario, that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. Information contained herein is subject to completion or amendment. A registration statement related to these securities has been filed with the United States Securities and Exchange Commission. These securities may not be offered or sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. This short form base shelf prospectus shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state. See "Plan of Distribution".*

*Information has been incorporated by reference in this short form base shelf prospectus 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 QYOU Media Inc. at 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9, telephone 647-559-2700, and are also available electronically at [www.sedar.com](http://www.sedar.com).*

## SHORT FORM BASE SHELF PROSPECTUS

New Issue

July 7, 2022



**QYOU MEDIA INC.**  
**C\$30,000,000**

**Common Shares**  
**Subscription Receipts**  
**Warrants**  
**Units**

QYOU Media Inc. ("QYOU" or the "Corporation") may offer and sell, from time to time, common shares (the "Common Shares"), subscription receipts (the "Subscription Receipts"), warrants to purchase Common Shares, or other securities (the "Warrants") or units comprised of one or more of the other securities described in this Prospectus (as defined below) in any combination (the "Units") (all of the foregoing, collectively, the "Securities") or any combination thereof in one or more series or issuances up to an aggregate total offering price of C\$30,000,000 (or the equivalent thereof in other currencies) during the 25-month period that the short form base shelf prospectus (the "Prospectus"), including any amendments thereto, remains effective. The Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying prospectus supplement (a "Prospectus Supplement").

QYOU is permitted, under a multijurisdictional disclosure system ("MJDS") adopted by the securities regulatory authorities in Canada and the United States, to prepare this Prospectus in accordance with the disclosure requirements of Canada. Prospective investors in the United States should be aware that such requirements are different from those of the United States. The financial statements incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and are subject to Canadian auditing and auditor independence standards, and thus may not be comparable to financial statements of United States companies.

**The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Corporation is continued under the laws of Ontario, Canada, that some or all of its officers and directors may be residents of a country other than the United States, and the underwriters, dealers or agents named in any Prospectus Supplement may be residents of a country other than the United States, and a substantial portion of the assets of the Corporation and said persons may be located outside of the United States.**

**THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC") NOR HAS THE SECURITIES COMMISSION OF ANY STATE OF THE UNITED STATES OR ANY CANADIAN SECURITIES REGULATOR APPROVED OR DISAPPROVED THESE SECURITIES OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**Prospective investors should be aware that the acquisition of the Securities described herein may have tax consequences in Canada and the United States. Such consequences for investors who are resident in, or citizens of, the United States and Canada may not be described fully herein or in any applicable Prospectus Supplement. Prospective investors should read the tax discussion contained in this Prospectus under the headings "Certain Canadian Federal Income Tax Considerations" and "Certain U.S. Federal Income Tax Considerations" as well as the tax discussion contained in the applicable Prospectus Supplement with respect to a particular offering of Securities and consult your own tax advisor with respect to your own particular circumstances.**

The specific terms of the Securities with respect to a particular offering will be set out in the applicable Prospectus Supplement and may include, without limitation, where applicable: (i) in the case of Common Shares, the number of Common Shares being offered, the offering price, whether the Common Shares are being offered for cash, and any other terms specific to the Common Shares being offered; (ii) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price, whether the Subscription Receipts are being offered for cash, the terms, conditions and procedures for the exchange of the Subscription Receipts into or for Common Shares and/or other securities of the Corporation and any other terms specific to the Subscription Receipts being offered; (iii) in the case of Warrants, the number of such Warrants offered, the offering price, whether the Warrants are being offered for cash, the terms, conditions and procedures for the exercise of such Warrants into or for Common Share or other securities of the Corporation and any other specific terms; and (iv) in the case of Units, the number of Units being offered, the offering price, the terms of the Common Shares, Subscription Receipts and/or Warrants underlying the Units, and any other specific terms.

Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the offering price of such Securities will be included in the Prospectus Supplement describing such Securities.

All information permitted, under applicable laws, to be omitted from this Prospectus that has been omitted will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of applicable securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains. Prospective investors should read this Prospectus and any applicable Prospectus Supplement carefully before investing in any Securities issued pursuant to the Prospectus.

**No underwriter, dealer or agent has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.**

This Prospectus constitutes a public offering of the Securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such Securities. The Corporation may offer and sell Securities to, or through, underwriters or dealers and may also offer and sell certain Securities directly to other purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities

laws. A Prospectus Supplement relating to each issue of Securities offered pursuant to this Prospectus will set forth the names of any underwriters, dealers or agents involved in the offering and sale of such Securities and will set forth the terms of the offering of such Securities, the method of distribution of such Securities including, to the extent applicable, the proceeds to the Corporation, if any, and any fees, discounts, concessions or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution.

**In connection with any offering of Securities, except as otherwise set out in the Prospectus Supplement relating to that particular offering of Securities, the underwriters, dealers or agents may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.** A purchaser who acquires Securities forming part of the underwriters', dealers' or agents' overallocation position acquires those Securities under this Prospectus regardless of whether the overallocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases.

The outstanding Common Shares are listed for trading on the TSXV under the symbol "QYOU" and are quoted on the OTCQB Venture Market in the United States (the "OTCQB") under the symbol "QYOUF". On July 6, 2022, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSXV was C\$0.15 and on the OTCQB was US\$0.1128. **Unless otherwise specified in the applicable Prospectus Supplement, the Subscription Receipts, Units and Warrants will not be listed on any securities exchange. Consequently, unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Subscription Receipts, Units and Warrants may be sold and purchasers may not be able to resell any such Securities purchased under this Prospectus. This may affect the pricing of the Common Shares, Subscription Receipts, Units and Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities and the extent of issuer regulation. See "Risk Factors".**

The Corporation is authorized to issue an unlimited number of First Preferred Shares, Second Preferred Shares and Common Shares. The holders of Common Shares are entitled to receive notice of, attend and vote at all meetings of the shareholders of the Corporation, and each Common Share confers the right to one vote at all such meetings. Subject to the rights of the holders of the First Preferred Shares and Second Preferred Shares and any other class of shares ranking in priority to the Common Shares, the holders of Common Shares are entitled to receive and participate rateably in any dividends declared by the board of directors in the Corporation. Subject to the rights of the holders of First Preferred Shares and Second Preferred Shares and any other class of shares ranking in priority to the Common Shares, in the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purposes of winding up its affairs, the holders of the Common Shares are entitled to participate rateably in the distribution of the assets of the Corporation. See "Description of Securities".

The registered and head office of the Corporation is located at 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9.

Curt Marvis and Steven Beeks, each a director or officer of the Corporation, reside outside Canada. Each of the aforementioned individuals have appointed QYOU Media Inc., 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9, as his agent for service of process in Canada. Prospective investors are advised that it may not be possible for investors to enforce judgments obtained in Canada against these individuals, even though such persons have appointed an agent for service of process.

**Investing in the Securities involves significant risks. Prospective purchasers of the Securities should carefully consider the risk factors described under the heading "Risk Factors" and elsewhere in this Prospectus and in documents incorporated by reference in this Prospectus.**

QYOU will file, with the Prospectus, an undertaking with each of the securities regulatory authorities in the provinces of Alberta, British Columbia and Ontario that it will not distribute Securities that, at the time of distribution, are novel specified derivatives or novel asset-backed securities, without first pre-clearing with the applicable regulator, the disclosure to be contained in the Prospectus Supplement pertaining to the distribution of such Securities.

**All references in this Prospectus and the documents incorporated by reference herein to “C\$” refer to Canadian dollars, and references to “US\$” refer to United States dollars. See “Currency Presentation and Exchange Rate Information”.**

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## ABOUT THIS PROSPECTUS

Unless the context otherwise requires, all references to QYOU or the Corporation include the direct and indirect subsidiaries of QYOU Media Inc., including its material operating subsidiaries: (i) QYOU Media India Private Ltd., a corporation governed by the laws of India; (ii) QYOU Productions Inc., a corporation governed by the laws of Canada; (iii) QYOU Limited, a corporation governed by the laws of Ireland; (iv) QYOU USA Inc., a corporation governed by the laws of Delaware; (v) QYOUTV International Limited, a corporation governed by the laws of Ireland; and (vi) Chatterbox Technologies Private Limited, a corporation governed by the laws of India.

Readers should rely only on the information contained or incorporated by reference in this Prospectus and any applicable Prospectus Supplement. The Corporation has not authorized anyone to provide readers with different or additional information. The Corporation is not making an offer to sell or seeking an offer to buy the Securities in any jurisdiction where the offer or sale is not permitted by law. If anyone provides prospective investors with any different or inconsistent information, prospective investors should not rely on it. Readers should not assume that the information contained in this Prospectus and any applicable Prospectus Supplement is accurate as of any date other than the date on the front of such documents, regardless of the time of delivery of this Prospectus and any applicable Prospectus Supplement or of any sale of the Securities. The Corporation's business, financial condition, results of operations and prospects may have changed since that date. Information contained on the Corporation's website should not be deemed to be a part of this Prospectus or incorporated by reference herein and should not be relied upon by prospective investors for the purpose of determining whether to invest in the Securities.

The distribution or possession of this Prospectus in or from certain jurisdictions may be restricted by law. This Prospectus is not an offer to sell the Securities and is not soliciting an offer to buy the Securities in any jurisdiction where the offer or sale is not permitted or where the person making the offer or sale is not qualified to do so or to any person to whom it is not permitted to make such offer or sale.

Unless otherwise indicated, market data and certain industry data and forecasts included in this Prospectus and the documents incorporated by reference herein concerning the Corporation's industry and the markets in which the Corporation operates or seeks to operate were obtained from internal company surveys, market research, publicly available information, reports of governmental agencies and industry publications and surveys. QYOU has relied upon industry publications as the Corporation's primary sources of third-party industry data and forecasts. The Corporation has not independently verified any of the data from third-party sources, nor has the Corporation ascertained the underlying assumptions relied upon therein. Similarly, internal surveys, industry forecasts and market research, which QYOU believes to be reliable based upon the Corporation's knowledge of the industry, have not been independently verified, and QYOU does not know what assumptions were used in their preparation. By their nature, forecasts are particularly subject to change or inaccuracies, especially over long periods. While QYOU is not aware of any misstatements regarding the industry data presented herein or via the documents incorporated herein by reference, estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under "Cautionary Note Regarding Forward-Looking Information" and "Risk Factors" in this Prospectus and the documents incorporated by reference herein. While the Corporation believes its internal research is reliable and market definitions are appropriate, neither such research nor definitions have been verified by any independent source.

The Corporation is concurrently filing with the SEC a registration statement on Form F-10 (the "**U.S. Registration Statement**") under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), relating to the Securities. This Prospectus, which constitutes part of the U.S. Registration Statement, provides prospective investors with a general description of the Securities that the Corporation may offer. Each time the Corporation sells Securities under the U.S. Registration Statement, it will file with the SEC a Prospectus Supplement that will contain specific information about the terms of that offering of Securities. A Prospectus Supplement may also add, update or change information contained in this Prospectus. Before a prospective investor invests, the prospective investor should read both this Prospectus and any applicable Prospectus Supplement together with additional information described under the heading "Documents Incorporated by Reference" herein and therein. This Prospectus, which constitutes a part of the U.S. Registration Statement, does not contain all of the information

contained in the U.S. Registration Statement, certain items of which are contained in the exhibits to the U.S. Registration Statement as permitted by the rules and regulations of the SEC. Statements included in this Prospectus about the contents of any contract, agreement or other documents referred to are not necessarily complete, and in each instance, a prospective investor should refer to any applicable full version or more detailed description of the contract, agreement or other document, as may be available electronically on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at [www.sedar.com](http://www.sedar.com) and on the SEC’s Electronic Data Gathering, Analysis and Retrieval system (“**EDGAR**”) at [www.sec.gov](http://www.sec.gov), for a more complete description of the matter involved. Each such statement is qualified in its entirety by such reference. Information on or connected to the Corporation’s website, even if referred to in a document incorporated by reference herein, does not constitute part of this Prospectus or any Prospectus Supplement.

## **TRADEMARKS AND TRADE NAMES**

This Prospectus and the documents incorporated by reference herein may include certain trademarks and trade names that are protected under applicable intellectual property laws and are the property of the Corporation. Solely for convenience, the Corporation’s trademarks and trade names referred to in this Prospectus and the documents incorporated by reference herein may appear without the ® or <sup>TM</sup> symbol, but such references are not intended to indicate, in any way, that the Corporation will not assert, to the fullest extent under applicable law, its rights to these trademarks and trade names. All other trademarks used in the Prospectus or the documents incorporated by reference herein are the property of their respective owners.

## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

This Prospectus and the documents incorporated by reference herein and therein contain “forward-looking information” under applicable Canadian securities legislation and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, as amended (collectively, “**forward-looking information**”). Except for statements of historical fact relating to the Corporation, information contained or incorporated by reference herein constitutes forward-looking information, including, but not limited to, any information as to the Corporation’s strategy, plans or future performance. Forward-looking information is characterized by words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “would”, “should”, “believe”, “objective”, “ongoing”, “imply”, “assumes”, “goal”, “likely” and similar references to future periods or the negatives of these words and expressions. In particular, forward-looking statements included or incorporated by reference in this Prospectus include, without limitation, statements with respect to:

- the Corporation’s ability to raise the financing necessary for its operations;
- the duration and effects of the COVID-19 Pandemic (as hereinafter defined) and any other pandemics on the Corporation’s workforce, business, operations and financial condition;
- the Corporation’s requirements for, and the ability to obtain, future funding on favorable terms or at all;
- the future outlook of the Corporation, including expenses, revenue and profitability;
- the Corporation’s business plans and strategies;
- the Corporation’s product, channel and program launches and development;
- the intention to grow the business and operations of the Corporation, including operations in India and the United States;
- future demographic makeup and targets;

- market, social and economic trends affecting the Corporation's financial condition and results of operations;
- the Corporation's working capital;
- the Corporation's anticipated operating cash flow requirements in the future, and that the Corporation's existing and projected working capital will, in the aggregate, be sufficient to fund the operations of the Corporation for a minimum of twelve months from April 1, 2022;
- the Corporation's annualized cash flow forecast for the twelve-month period beginning on April 1, 2022, including anticipated cash used in operating activities and anticipated capital expenditures;
- the Corporation's anticipated future revenue, costs and expenses;
- the Corporation's future cost structure, sales and marketing activities; and
- the Corporation's ability to retain and access appropriate staff, management and expert advisers;

Forward-looking information is based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although the Corporation and management believe that the expectations reflected in such forward-looking information are reasonable and are based on reasonable assumptions and estimates as of the date hereof, there can be no assurance that these assumptions or estimates are accurate or that any of these expectations will prove accurate. Forward-looking information is inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking information. These factors include: no assurance of active or liquid market; public markets and share prices; no existing public market for the Subscription Receipts, Warrants or Units; additional issuances and dilution; the Corporation's Indian subsidiaries; broad discretion over the use of proceeds; U.S. holders of Common Shares may suffer adverse tax consequences; changes in tax laws; a significant number of Common Shares are owned by a limited number of existing shareholders; foreign private issuer risk; global conflicts; as well as those risk factors discussed or referred to herein and the risks described under the heading "Risk Factors" in the AIF (as defined below) filed with the securities regulatory authorities in the provinces of Alberta, British Columbia and Ontario and available under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at [www.sedar.com](http://www.sedar.com).

Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. There can be no assurance that the forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking information are made as of the date of this Prospectus or, in the case of documents incorporated by reference herein, as of the date of, or specified in, such documents. The Corporation undertakes no obligation to update any forward-looking information if circumstances or management's estimates, assumptions or opinions should change, except as required by applicable law. Prospective investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking information due to the inherent uncertainty therein.

## **FINANCIAL INFORMATION**

The financial statements of the Corporation are presented in Canadian dollars and such financial statements are prepared in accordance with IFRS. Unless otherwise indicated, any other financial information included or incorporated by reference in this Prospectus has been prepared in accordance with IFRS. In addition, unless otherwise indicated, all historical financial information included or incorporated by reference in this Prospectus is derived from financial statements prepared in accordance with IFRS. IFRS differs in certain material respects from United States generally accepted accounting principles ("**U.S. GAAP**"). As a result, certain financial information

included or incorporated by reference in this Prospectus may not be comparable to financial information prepared by United States companies. This prospectus does not include any explanation of the principal differences or any reconciliation between IFRS and U.S. GAAP.

### **CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION**

This Prospectus and the documents incorporated by reference herein contain references to United States dollars and Canadian dollars. Canadian dollars are referred to as “Canadian dollars” or “C\$”. United States dollars are referred to as “United States dollars” or “US\$”.

On July 6, 2022, the daily exchange rate for United States dollars expressed in terms of the Canadian dollar, as reported by the Bank of Canada, was US\$1.00 = C\$1.3047 or C\$1.00 = US\$0.7665.

### **DOCUMENTS INCORPORATED BY REFERENCE**

**Information has been incorporated by reference in this Prospectus from documents filed with the securities commissions or similar authorities in the provinces of Alberta, British Columbia and Ontario.** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporation at 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9, telephone 647-559-2700, and are also available electronically under the Corporation’s SEDAR profile at [www.sedar.com](http://www.sedar.com). The filings of the Corporation through SEDAR and the SEC’s Electronic Data Gathering and Retrieval (“**EDGAR**”) are not incorporated by reference in this Prospectus except as specifically set out herein.

The following documents, filed by the Corporation with the securities commissions or similar authorities in the provinces of Alberta, British Columbia and Ontario, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- a) the annual information form of the Corporation dated May 20, 2022 for the fiscal period ended December 31, 2021 (the “**AIF**”);
- b) the audited consolidated financial statements of the Corporation as at and for the fiscal period ended December 31, 2021 and year ended June 30, 2021, together with the notes thereto and the report of the auditors thereon;
- c) the amended management’s discussion and analysis of the Corporation for the fiscal period ended December 31, 2021 and year ended June 30, 2021 (the “**Annual MD&A**”);
- d) the unaudited consolidated interim financial statements of the Corporation as at and for the three months ended March 31, 2022 and 2021, together with the notes thereto;
- e) the management’s discussion and analysis of the Corporation for the three months ended March 31, 2022 and 2021 (the “**Interim MD&A**”, and together with the Annual MD&A, the “**MD&A**”); and
- f) the management information circular of the Corporation dated May 19, 2022 for the annual and special meeting of shareholders held on June 29, 2022.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* (“**NI 44-101**”) filed by the Corporation with the securities commissions or similar regulatory authorities in the applicable provinces and territories of Canada after the date of this Prospectus and prior to the date that is 25 months from the date of the Prospectus shall be deemed to be incorporated by reference in the Prospectus.

In addition, to the extent that any document or information incorporated by reference into this Prospectus is included in any report on Form 6-K, Form 40-F, Form 20-F, Form 10-K, Form 10-Q or Form 8-K (or any

respective successor form) that is filed with or furnished by the Corporation to the SEC after the date of this Prospectus, that document or information shall be deemed to be incorporated by reference as an exhibit to the U.S. Registration Statement of which this Prospectus forms a part. The Corporation may also incorporate other information filed with or furnished to the SEC under the United States Securities Exchange Act of 1934, as amended (the “U.S. Exchange Act”), if and to the extent expressly provided therein.

**Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document that also is, or is deemed to be, incorporated by reference herein modifies, replaces or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus. 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 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.**

A Prospectus Supplement containing the specific terms of an offering of Securities will be delivered to purchasers of such Securities together with the Prospectus and will be deemed to be incorporated by reference into the Prospectus as of the date of such Prospectus Supplement, but only for the purposes of the offering of Securities covered by that Prospectus Supplement.

Upon a new annual information form and the related annual financial statements being filed by the Corporation with the applicable securities commissions or similar regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and all interim financial statements (and in each case related management’s discussion and analysis for such periods) and material change reports filed prior to the commencement of the Corporation’s financial year in which the new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of further offers and sales of Securities hereunder. Upon interim consolidated financial statements and the accompanying management’s discussion and analysis being filed by the Corporation with the applicable securities regulatory authorities during the period that this Prospectus is effective, the previous interim consolidated financial statements and the accompanying management’s discussion and analysis filed shall no longer be deemed to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. In addition, upon a new management information circular for the annual meeting of shareholders being filed by the Corporation with the applicable securities regulatory authorities during the period that this Prospectus is effective, the previous management information circular filed in respect of the prior annual meeting of shareholders shall no longer be deemed to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

#### **DOCUMENTS FILED AS PART OF THE U.S. REGISTRATION STATEMENT**

The following documents have been or will be filed with the SEC as part of the U.S. Registration Statement of which this Prospectus forms a part:

- (a) the documents referred to under “Documents Incorporated by Reference”;
- (b) the consent of MNP LLP, the Corporation’s independent auditors;
- (c) the consent of Wildeboer Dellelce LLP, the Corporation’s Canadian counsel;
- (d) the consent of Troutman Pepper Hamilton Sanders LLP, the Corporation’s United States counsel; and

- (e) powers of attorney from certain of the Corporation's directors and officers, as applicable (included in the U.S. Registration Statement).

The above documents are not incorporated by reference in this Prospectus. A copy of the U.S. Registration Statement has been filed with the SEC. A copy of the form of warrant indenture or subscription receipt agreement, as applicable, will be filed by post-effective amendment or by incorporation by reference to documents filed or furnished with the SEC under the U.S. Exchange Act.

## WHERE YOU CAN FIND MORE INFORMATION

The Corporation is required to file with the securities commission or authority in each of the applicable provinces of Canada annual and quarterly reports, material change reports and other information. In addition, the Corporation is subject to the information requirements of the U.S. Exchange Act, and, in accordance with the U.S. Exchange Act, the Corporation also files reports with, and furnishes other information to, the SEC. Under the MJDS adopted by the United States and Canada, these reports and other information (including financial information) may be prepared in accordance with the disclosure requirements of Canada, which differ in certain respects from those in the United States. As a "foreign private issuer" (within the meaning of the rules under the U.S. Exchange Act), the Corporation is exempt from the rules under the U.S. Exchange Act prescribing the furnishing and content of proxy statements, and the Corporation's officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the U.S. Exchange Act. In addition, the Corporation is not required to publish financial statements as promptly as U.S. companies.

The Corporation's reports and other information filed or furnished with or to the SEC are available from EDGAR at [www.sec.gov](http://www.sec.gov), as well as from commercial document retrieval services. The Corporation's Canadian filings are available on SEDAR at [www.sedar.com](http://www.sedar.com). Unless specifically incorporated by reference herein, documents filed or furnished by the Corporation on SEDAR or EDGAR are neither incorporated in nor part of this Prospectus.

## THE CORPORATION

### *General*

The full corporate name of the Corporation is "QYOU Media Inc." The Corporation was incorporated pursuant to the *Business Corporations Act* (Alberta) on July 30, 1993 under the name "575161 Alberta Inc." Effective March 13, 2017, the Corporation completed a reverse takeover transaction under the policies of the TSXV pursuant to which QYOU Media Holdings Inc. became a wholly-owned subsidiary of the Corporation and the security holders of QYOU Media Holdings Inc. became security holders of the Corporation (the "**Transaction**"). QYOU Media Holdings Inc. is the entity resulting from the amalgamation of QYOU Media Inc. (as it was then called) and 2561287 Ontario Ltd. (then a wholly-owned subsidiary of the Corporation) on March 13, 2017. In connection with the Transaction, the Corporation filed articles of amendment to change its name to "QYOU Media Inc." and was continued into Ontario on March 29, 2017 under the *Business Corporations Act* (Ontario). Subsequently, on March 31, 2017, the Corporation's Common Shares resumed trading on the TSXV under the symbol "QYOU". Following the Transaction, the Corporation now carries on the business of QYOU and its subsidiaries. On July 1, 2021, the Corporation amalgamated with its subsidiary, QYOU Media Holdings Inc.

The registered and head office of QYOU is located at 154 University Avenue, Unit 601, Toronto, ON M5H 3Y9.

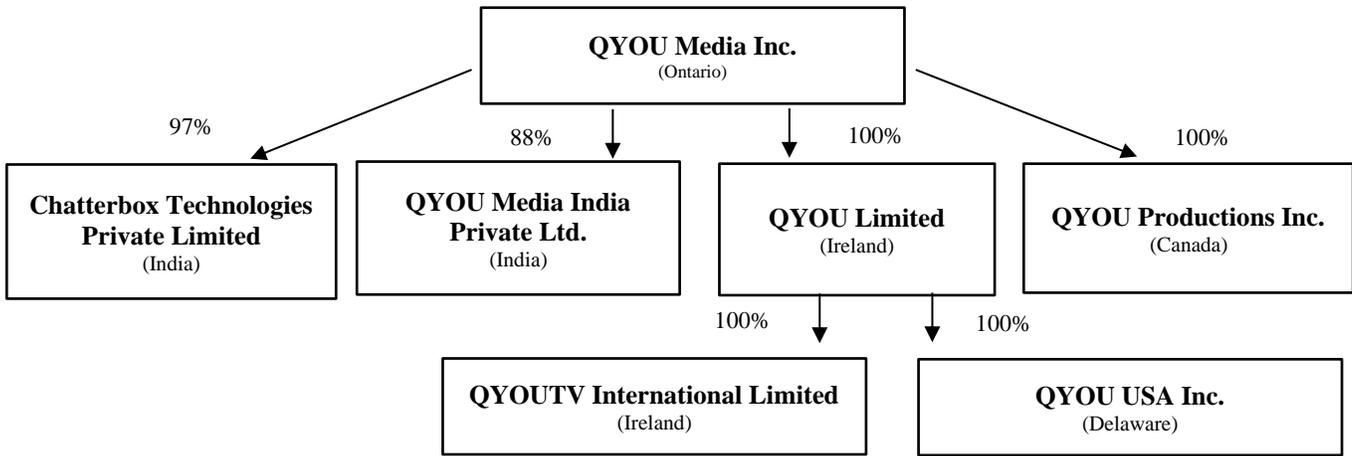
### *Summary Description of the Business*

The Corporation operates in India and the United States producing and distributing content created by social media stars and digital content creators. In India, through the Corporation's flagship brand, *The Q India*, and its broadcast and digital channels, *The Q Marathi*, *the Q Kahaniyan* and *The Q Comedistaan*, the Corporation curates, produces and distributes premium content, including television networks and video on demand ("**VOD**") for cable and satellite television, over-the-top ("**OTT**") platforms, connected TVs and mobile platforms. In the United States, the Corporation manages influencer marketing campaigns for major film studios, gaming companies and other

consumer brands. Founded and created by industry veterans from Lionsgate, MTV, Disney and Sony, the Corporation’s millennial and Gen Z-focused content reaches more than one billion consumers around the world. Experience the Corporation’s work at [www.qyoumedia.com](http://www.qyoumedia.com) and [www.theq.tv](http://www.theq.tv).

Prior to the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19” (the “**COVID-19 Pandemic**”), the Corporation’s United States influencer marketing business was primarily booking customers to use influencers to promote the launch of major theatrical motion pictures in the United States. With the closure of theaters due to the COVID-19 Pandemic, this business segment pivoted into a number of new areas, including premium VOD (replacing theatrical with major studio releases going direct to consumer), subscription VOD and retail/apparel. Management believes the Corporation’s influencer marketing business is well-positioned to grow as brands rely more heavily on influencers to reach their target audience of millennials and Gen-Z.

The following diagram presents the inter-corporate relationships among the Corporation and its wholly-owned subsidiaries as at the date hereof.



Indian Operations

The Corporation’s Indian business is primarily conducted through its Indian subsidiary, QYOU Media India Private Limited (“**QYOU India**”). When the Corporation began its operations in India, they were primarily conducted through one of the Corporation’s Irish subsidiaries, QYOU Limited. As the Corporation’s Indian operations grew, including satellite transmission of its channel and entering into agreements with distributors and content providers, all conducted under Indian law, the Corporation created QYOU India as a separate Indian corporation to carry out these operations. The primary language used by QYOU India to conduct its business is English. The Corporation maintains direct legal and accounting relationships in India supported by its Canadian and US-based legal and accounting teams. Prior to the COVID-19 Pandemic, the Corporation’s Chief Executive Officer made visits to India a minimum of once per quarter. Currently, the Corporation’s Chief Executive Officer has visited India once in 2022 and regularly conducts video calls between the Corporation’s management and those in India multiple times per week.

The Corporation’s current business in India has been built on a three-phase strategy: (i) build a product in the form of a linear channel and corresponding VOD offering that features the best of short form content in India from sources including YouTube, Facebook, Instagram, SnapChat, Chingari and other sources; (ii) use that product to secure distribution across major television, OTT and mobile partnerships; and (iii) use that distribution and associated increased viewership to drive advertising revenues. On June 15, 2021, the Corporation completed the acquisition of Chatterbox Technologies Private Limited (“**Chtrbox**”) to expand its data-driven influencer marketing and delivery to QYOU India’s broadcast operations. The third phase of monetization began in 2021, with a steep rise in ratings beginning to be experienced by The Q Hindi language channel during the three months ended

December 31, 2020, and continuing throughout 2021 and into Q1 2022. It is expected that this growth could continue and now includes the addition of one new broadcast channel, The Q Marathi and two new digital channels for Smart TV's, The Q Kahanayan and The Q Comedistaan.

The Corporation directly holds an 88% equity interest of QYOU India, with the remaining 12% equity interest held by two minority shareholders. QYOU India has three directors, being Curt Marvis (the Chief Executive Officer and a director of the Corporation), and two independent directors who reside in India. QYOU India has two officers who both reside in India. The minute books and corporate records of QYOU India are kept with the Corporation's legal counsel in India, with copies sent to the Corporation. The Corporation currently rents office space in Mumbai and Delhi, India. As the majority shareholder of QYOU India, the Corporation holds ultimate decision-making authority over the entity by virtue of its ability to elect QYOU India's directors, who in turn appoint QYOU India's officers. There are no shareholders' agreements, or other understandings or agreements between the Corporation and the other shareholders of QYOU India.

The Corporation directly holds a 97% equity interest of Chtrbox, with the remaining 3% equity interest held by a group of minority shareholders, which remaining 3% will be purchased by the Corporation over the next three years pursuant to a share purchase agreement dated May 31, 2021. Chtrbox has five directors, being Curt Marvis (the Chief Executive Officer and a director of the Corporation), two representatives of QYOU India and two independent directors who reside in India. The minute books and corporate records of Chtrbox are kept with the Chtrbox's corporate counsel in India, with copies sent to the Corporation. As the majority shareholder of Chtrbox, the Corporation holds ultimate decision-making authority over the entity by virtue of its ability to elect Chtrbox's directors, who in turn appoint Chtrbox's officers. There are no shareholders agreements, or other understandings or agreements between the Corporation and the other shareholders of Chtrbox.

The Corporation's principal assets in India are the shares in the capital of QYOU India and Chtrbox held by the Corporation, a trademark over the QYOU India name and the cash assets of both QYOU India and Chtrbox. The Corporation's legal counsel in India assisted in the incorporation of QYOU India and its share issuances, as well as its trademark filings, the status of which have been verified by intellectual property searches. The Corporation's legal counsel in India assisted with the acquisition of Chtrbox, including performing due diligence and ensuring the acquisition complied with local laws. The Chief Executive Officer of the Corporation, who is based in North America, has control over the bank accounts of QYOU India. Any funds that are generated by the Corporation directly (including the net proceeds of any offering of Securities) are kept in North America until a need in India (if any) arises and is approved. All monies disbursed by the Corporation to India follow a process of (a) submission of a request for funds with a spreadsheet outlining expense items; (b) a review and discussion, if needed, to confirm amount and use of all funds to be disbursed; and (c) a two-authentication wire (approved by the Corporation) to disburse funds.

The legal regime governing the media business in India in which QYOU India and Chtrbox operate is a well-developed, established and stable environment. Many foreign companies operate in India in this line of business, and the Corporation is not aware of any laws or customs that might materially and adversely impact the Corporation's ownership of its assets in India. Specifically, there are no restrictions on foreign companies holding shares of companies incorporated in India, provided that at least one of the company's directors is a resident of India. The Corporation is in compliance with this requirement. The Corporation has obtained all permits, licenses and regulatory approvals required for the conduct of its business as presently conducted in India, except where the failure to obtain such permits, licenses and approvals would not have a material adverse effect on the business of the Corporation. In respect of QYOU India's distribution of its content via satellite, QYOU India has sublicensed satellite capacity from a third party, which is common practice in India. In addition, QYOU India and Chtrbox are required to hold certain standard business licenses, file taxes and otherwise comply with local and federal laws generally applicable to a company with business operations or activities in India. In order to comply with Indian laws, the Corporation relies on its directors, employees, consultants and minority shareholders with local experience in India. The Corporation also relies on external service providers with specific Indian expertise as required or when deemed prudent (including accounting professionals and legal counsel). The Corporation is not aware of, and has not received notice of, any non-compliance with any requirements with respect to permits, licenses or other regulatory approvals required to carry on its business in India as currently conducted.

Three of the Corporation's directors, being Scott Paterson (Chairman), Curt Marvis (Chief Executive Officer) and Steven Beeks, all have experience conducting business in India. Mr. Paterson conducted business with Indian companies during his tenure at JumpTV Inc., Mr. Marvis when he was Chief Executive Officer of CinemaNow, and Mr. Beeks as Chief Operating Officer of Lions Gate Entertainment Corporation. The minority shareholders of QYOU India also have extensive experience conducting business in the country. The Corporation is also in regular contact with its various service providers, including legal counsel, accountants, banks, and contracting partners in India to monitor the laws and requirements of India, the role that the government of India has in foreign operations in the country, local business culture and practices, and any differences in banking systems and controls between North America and India.

### **CONSOLIDATED CAPITALIZATION**

There have been no material changes in the share and loan capital of the Corporation, on a consolidated basis, since the date of the Annual Financial Statements, which are incorporated by reference in this Prospectus. As of the date hereof, there are 408,293,807 Common Shares, nil First Preferred Shares and nil Second Preferred Shares issued and outstanding.

The applicable Prospectus Supplement will describe any material change, and the effect of such material change, on the Corporation's share and loan capitalization that will result from the issuance of Securities pursuant to such Prospectus Supplement.

### **USE OF PROCEEDS**

The Securities offered by this Prospectus may be offered from time to time at the discretion of the Corporation in one or more series or issuances with an aggregate offering amount not to exceed \$30,000,000. The net proceeds derived from the issue of the Securities, or any one of them, under any Prospectus Supplement will be the aggregate offering amount thereof less any commission and other issuance costs paid in connection therewith. The net proceeds cannot be estimated as the amount thereof will depend on the number and price of the Securities issued under any Prospectus Supplement. The Corporation will set forth information about the use of net proceeds from the sale of Securities offered under this Prospectus in a Prospectus Supplement relating to the specific offering.

There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary or prudent. Accordingly, management will have broad discretion in the application of the proceeds of an offering of Securities.

The Corporation has had a history of negative cash flow from operating activities and, if necessary, proceeds may be used to fund negative cash from operating activities in future periods, which will be indicated in a Prospectus Supplement, if applicable. Operating cash flow may decline in certain circumstances, including but not limited to circumstances relating to the impacts of the COVID-19 Pandemic on the Corporation's business and operations, many of which are beyond the Corporation's control. The Corporation anticipates that it will continue to have negative cash flow from operating activities in future periods. The Corporation cannot guarantee that it will attain or maintain positive cash flow status into the future.

All expenses relating to an offering of Securities and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of the proceeds from the sale of Securities unless otherwise stated in the applicable Prospectus Supplement. As at March 31, 2022, the Corporation's unaudited cash and net working capital balances were approximately \$5.1 million and \$7.6 million, respectively. The Corporation believes that based on the Corporation's management-prepared, unaudited forecasts, the Corporation's existing and projected working capital will, in the aggregate, be sufficient to fund the operations of the Corporation for a minimum of twelve months from April 1, 2022. The below table outlines an annualized cash flow forecast detailing the sources and uses of funds relating to the twelve-month period beginning on April 1, 2022. The table below should be read together with the corresponding footnotes and the narrative under "Use of Proceeds – Other Key Financial Assumptions and Factors" below.

<b>Sources of Funds</b>	<b>Millions</b>
Unaudited Net Working Capital (as at March 31, 2022) <sup>(1)</sup>	\$7.6
Warrant Exercises <sup>(2)</sup>	\$0.7
<b>Total Sources</b>	<b>\$8.3</b>
<b>Uses of Funds</b>	
Anticipated Cash Used in Operating Activities <sup>(3)</sup>	\$3.0
Anticipated Capital Expenditures <sup>(4)</sup>	\$2.0
Funds Reserved for Operating Contingencies <sup>(5)</sup>	\$1.5
<b>Total Uses<sup>(6)</sup></b>	<b>\$6.5</b>

**Notes:**

- (1) Unaudited and based on the Corporation's published financial statements as at March 31, 2022, including cash in the amount of approximately \$5.1 million, accounts receivables, accounts payable, and other working capital items.
- (2) Proceeds from warrant holders exercising outstanding warrants during the period from April 1, 2022 to June 30, 2022.
- (3) Anticipated Cash Used in Operating Activities in the above table is based on projected revenue and operating expenses estimated to be realized and settled in cash for the twelve-month period beginning April 1, 2022. See "Use of Proceeds – Other Key Financial Assumptions and Factors" below.
- (4) The Corporation continues to invest in building its own library of content in India for distribution across its TV channels. Content production represent \$1.5 million of the cash requirement for this line item. The balance represents \$0.5 million forecasted to be used to purchase certain shares of Chtrbox.
- (5) The Corporation has included a 10% operating expense contingency in its projection as the Corporation is also in the process of evaluating business opportunities in India for expansion.
- (6) The Corporation's estimates of its sources and uses of funds over the twelve-month period beginning on April 1, 2022 constitute forward looking information related to possible events, conditions or financial performance based on future economic conditions and courses of action. These statements involve known and unknown risks, assumptions, uncertainties and other factors that may cause actual results or events to differ materially. Readers should not place undue reliance on forward looking information. The Corporation believes that there is a reasonable basis for the expectations reflected in the forward-looking statements in this Prospectus. However, these expectations may not prove to be correct.

***Other Key Financial Assumptions and Factors***

*Discussion of Anticipated Cash Used in Operations*

In arriving at the amounts in Anticipated Cash Used in Operating Activities in the table above, the Corporation has made estimates based on certain assumptions relating to revenue and other factors and has also taken into account certain cost and expense saving measures as discussed below.

The Corporation's cash and working capital balances as at March 31, 2022 were approximately \$5.1 million and \$7.6 million, respectively. The Corporation has not incurred any debt other than a loan from the U.S. Small Business Administration under the Economic Injury Disaster Loan Program of which \$59,743 of the principal amount of the loan is outstanding as at March 31, 2022. The Corporation reported that its cash used in operations for the financial quarter ended March 31, 2022 was approximately \$1.3 million, and for the six months ended December 31, 2021, was approximately \$5.5 million. The cash used in operations for the quarter ending March 31, 2022 represents a substantial decrease from prior quarters.

The Corporation's estimated cash flow requirements from operations are expected to continue to decline during the twelve-month period beginning on April 1, 2022 for the following reasons:

(a) India Revenue Growth and Reduced Costs:

India revenue increases and continued utilization of lower cost local manpower are anticipated to help the operations in India achieve cash flow breakeven during this period. For the quarter ended March 31, 2022, the Corporation reported revenue in India of approximately \$3.9 million versus \$0.06 million for the same period in 2021, and the current assets to support this revenue were \$7.3 million as at March 31, 2022 compared to \$1.1 million of current assets as at March 31, 2021. Over the past year, the operations in India have grown

substantially and working capital has been required to fund that growth. Now that the operations have reached scale and the Corporation has improved the number of days in which trade receivables are outstanding, considerably less working capital is anticipated to be required to fund the continued revenue growth.

The most significant costs incurred within the operations in India are distribution contracts and labour to support content production and day-to-day operations. Distribution costs represent fixed priced contracts within a 12-month period; therefore, given the revenue increase over the past year, these distribution costs represent a much smaller cash burden to the operations. The Corporation continues to invest in lower cost local manpower which supports a more efficient cost structure moving forward given the revenue growth. It is for these reasons that management feels that much less cash is required to fund the operations in India moving forward.

(b) United States Revenue Growth:

Management expects that revenue growth in the United States based on influencer marketing activities will facilitate a cash flow positive operation in the next year. The Corporation's revenues derived from its influencer marketing segment in the United States for the quarter ended March 31, 2022 was approximately \$1.4 million versus \$0.1 million for the same period in 2021. The Corporation has received firm sales of approximately \$2.25 million during quarter ended June 30, 2022 relating to influencer marketing which is expected to have a positive impact on the Corporation's operating cash flow.

(c) Reduction in Overall Operating Expenses:

In addition to the above, the Corporation has made diligent efforts to reduce its costs of facilities, operations, legal and other expenses. The results of these efforts can already be seen in the three months ended March 31, 2022. Operating expenses adjusted for non-cash items for the three months ending March 31, 2022 was \$2.6 million versus \$2.7 million for the three months ended December 31, 2021. Management is committed to continue reducing operating costs during the twelve-month period beginning April 1, 2022.

It is noted that there is no assurance that the Corporation will achieve decreased expenses or increased revenues as discussed above, or at all, and that the above estimations are based on certain factors and assumptions regarding, among other things, anticipated events or results, business strategy and strategic goals, the expected costs and results of operations, and future business prospects. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. See "Risk Factors" and "Cautionary Note Regarding Forward-Looking Information".

## **PLAN OF DISTRIBUTION**

The Corporation may, from time to time, during the 25-month period that the Prospectus remains valid, offer for sale and issue any of the Securities. The Corporation may issue and sell up to C\$30,000,000, in the aggregate, of Securities.

The Corporation may sell the Securities, separately or together, to or through underwriters or dealers, and also may sell Securities to one or more other purchasers directly or through agents. Each Prospectus Supplement will set forth the terms of the offering, including the name or names of any underwriters, dealers or agents and any fees or compensation payable to them in connection with the offering and sale of a particular series or issue of Securities, the public offering price or prices of the Securities and the proceeds to the Corporation from the sale of the Securities.

The Securities may be sold, from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices, including sales made directly on the TSXV or other existing trading markets for the Securities, and as set forth in the Prospectus Supplement for such purpose. The prices at which the Securities may be offered may vary as between purchasers and during the period of distribution. If, in connection with the offering of Securities at a fixed price or prices, the underwriters have made a *bona fide* effort to sell all of the Securities at the initial offering price fixed in the applicable Prospectus Supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial public offering price

fixed in such Prospectus Supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Corporation. No person or company acting jointly or in concert with an underwriter or dealer, may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the Securities or securities of the same class as the Securities distributed under this Prospectus, including selling an aggregate number or principal amount of Securities that would result in the underwriter or dealer creating an over-allocation position in the Securities.

Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Corporation to indemnification by the Corporation against certain liabilities, including liabilities under the U.S. Securities Act and Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Corporation in the ordinary course of business.

In connection with any offering of Securities, except as otherwise set out in the Prospectus Supplement relating to the particular offering of Securities, the underwriters may over- allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. A purchaser who acquires Securities forming part of the underwriters' or dealers' overallocation position acquires those Securities under this Prospectus regardless of whether the overallocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases.

Unless otherwise specified in the applicable Prospectus Supplement, the Corporation does not intend to list any of the Securities other than the Common Shares on any securities exchange. Unless otherwise specified in the applicable Prospectus Supplement, the Subscription Receipts, Units and Warrants will not be listed on any securities exchange. Consequently, unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Subscription Receipts, Units and Warrants may be sold and purchasers may not be able to resell any such Securities purchased under the Prospectus. This may affect the pricing of the Subscription Receipts, Units and Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities and the extent of issuer regulation. No assurances can be given that a market for trading in Securities of any series or issue will develop or as to the liquidity of any such market, whether or not the Securities are listed on a securities exchange.

## DESCRIPTION OF SHARE CAPITAL

### *Share Capital*

The authorized share capital currently consists of an unlimited number of First Preferred Shares, Second Preferred Shares and Common Shares. The following is a summary of the rights, privileges, restrictions and conditions attached to the First Preferred Shares, Second Preferred Shares and Common Shares but does not purport to be complete. Reference should be made to the Articles of the Corporation and the full text of their provisions for a complete description thereof, which are available under the Corporation's SEDAR profile at [www.sedar.com](http://www.sedar.com). See also "Description of Capital Structure" in the AIF.

### *First Preferred Shares, Second Preferred Shares and Common Shares*

The First Preferred Shares and the Second Preferred Shares may be issued from time to time in one or more series. The First Preferred Shares of each series rank equally with the First Preferred Shares of every other series and are entitled to preference over the Second Preferred Shares, the Common Shares and the shares of any other class ranking junior to the First Preferred Shares with respect to the payment of dividends and the distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs (any such dividend or distribution, a "**Distribution**"). Subject to the rights of the holders of the First Preferred Shares, the Second Preferred Shares of each series rank equally with the Second Preferred Shares of every other series and are entitled to preference over the Common Shares and shares of any other class ranking junior to the

Second Preferred Shares with respect to a Distribution.

Each of the Common Shares entitles the holder thereof to receive notice of, attend and vote at all meetings of the shareholders of the Corporation, and each Common Share confers the right to one vote at all such meetings. Subject to the rights of the holders of First Preferred Shares and Second Preferred Shares and any other class of shares ranking senior to the Common Shares, the holders of Common Shares are entitled to receive and participate ratably in any Distribution of the assets of the Corporation to all shares at the time outstanding.

Holders of First Preferred Shares, Second Preferred Shares and Common Shares have no pre-emptive rights, conversion rights or rights of redemption in connection with such shares.

## DESCRIPTION OF SECURITIES BEING DISTRIBUTED

### *Common Shares*

See “Description of Share Capital” above.

### *Subscription Receipts*

The following description sets forth certain general terms and provisions of Subscription Receipts that may be issued hereunder and is not intended to be complete. Subscription Receipts may be issued at various times which will entitle holders thereof to receive, upon satisfaction of certain release conditions and for no additional consideration, Common Shares, Warrants, Units or any combination thereof. The Subscription Receipts may be offered separately or together with other Securities, as the case may be. Subscription Receipts will be issued pursuant to one or more subscription receipt agreements (each, a “**Subscription Receipt Agreement**”), each to be entered into between the Corporation and an escrow agent (the “**Escrow Agent**”) that will be named in the relevant Prospectus Supplement. Each Escrow Agent will be a financial institution organized under the laws of Canada or a province thereof and authorized to carry on business as a trustee. If underwriters or agents are used in the sale of any Subscription Receipts, one or more of such underwriters or agents may also be a party to the Subscription Receipt Agreement governing the Subscription Receipts sold to or through such underwriter or agent.

The statements made in this Prospectus relating to any Subscription Receipt Agreement and Subscription Receipts to be issued under this Prospectus are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the provisions of the applicable Subscription Receipt Agreement. You should refer to the Subscription Receipt Agreement relating to the specific Subscription Receipts being offered for the complete terms of the Subscription Receipts. A copy of any Subscription Receipt Agreement relating to an offering of Subscription Receipts will be filed by the Corporation with the securities regulatory authorities in applicable Canadian offering jurisdictions and the United States after the Corporation has entered into it, and such Subscription Receipt Agreement will be available electronically on SEDAR at [www.sedar.com](http://www.sedar.com) and on EDGAR at [www.sec.gov](http://www.sec.gov).

The particular terms of each issue of Subscription Receipts will be described in the related Prospectus Supplement. This description may include, but may not be limited to, any of the following, if applicable:

- the designation and aggregate number of such Subscription Receipts being offered;
- the price at which such Subscription Receipts will be offered and whether the price is payable in installments;
- the designation, number and terms of the Common Shares, Warrants, Units or any combination thereof to be received by the holders of such Subscription Receipts upon satisfaction of the release conditions, and any procedures that will result in the adjustment of those numbers;
- the conditions (the “**Release Conditions**”) that must be met in order for holders of such Subscription Receipts to receive, for no additional consideration, Common Shares Warrants, Units or any combination

thereof and the consequences of such conditions not being satisfied;

- the procedures for the issuance and delivery of the Common Shares, Warrants, Units or any combination thereof to holders of such Subscription Receipts upon satisfaction of the Release Conditions;
- whether any payments will be made to holders of such Subscription Receipts upon delivery of the Common Shares, Warrants, Units or any combination thereof upon satisfaction of the Release Conditions;
- the identity of the Escrow Agent;
- the terms and conditions under which the Escrow Agent will hold all or a portion of the gross proceeds from the sale of such Subscription Receipts, together with interest and income earned thereon (collectively, the “**Escrowed Funds**”), pending satisfaction of the Release Conditions;
- the terms and conditions under which the Escrow Agent will release all or a portion of the Escrowed Funds to the Corporation upon satisfaction of the Release Conditions and if the Subscription Receipts are sold to or through underwriters or agents, the terms and conditions under which the Escrow Agent will release a portion of the Escrowed Funds to such underwriters or agents in payment of all or a portion of their fees or commissions in connection with the sale of the Subscription Receipts;
- procedures for the refund by the Escrow Agent to holders of such Subscription Receipts of all or a portion of the subscription price of their Subscription Receipts, plus any pro rata entitlement to interest earned or income generated on such amount, if the Release Conditions are not satisfied;
- any contractual right of rescission to be granted to initial purchasers of such Subscription Receipts in the event that this Prospectus, the Prospectus Supplement under which Subscription Receipts are issued or any amendment hereto or thereto contains a misrepresentation;
- any entitlement of the Corporation to purchase such Subscription Receipts in the open market by private agreement or otherwise;
- if the Subscription Receipts are issued as a Unit with another Security, the date, if any, on and after which the Subscription Receipts and the other Security will be separately transferable;
- whether the Corporation will issue such Subscription Receipts as global securities and, if so, the identity of the depository for the global securities;
- whether the Corporation will issue such Subscription Receipts as bearer securities, as registered securities or both;
- provisions as to modification, amendment or variation of the Subscription Receipt Agreement or any rights or terms of such Subscription Receipts, including upon any subdivision, consolidation, reclassification or other material change of the Common Shares, Warrants, Units or other securities, any other reorganization, amalgamation, merger or sale of all or substantially all of the Corporation’s assets or any distribution of property or rights to all or substantially all of the holders of Common Shares;
- whether the Corporation will apply to list such Subscription Receipts on any exchange;
- the material United States and Canadian federal income tax consequences of owning the Subscription Receipts; and
- any other material terms or conditions of such Subscription Receipts.

### *Rights of Holders of Subscription Receipts Prior to Satisfaction of Release Conditions*

The holders of Subscription Receipts will not be, and will not have the rights of, shareholders of the Corporation. Holders of Subscription Receipts are entitled only to receive Common Shares, Warrants, Units or a combination thereof, as applicable, on exchange or conversion of their Subscription Receipts, plus any cash payments, all as provided for under the Subscription Receipt Agreement and only once the Release Conditions have been satisfied.

### *Escrow*

The Subscription Receipt Agreement will provide that the Escrowed Funds will be held in escrow by the Escrow Agent, and such Escrowed Funds will be released to the Corporation (and, if the Subscription Receipts are sold to or through underwriters or agents, a portion of the Escrowed Funds may be released to such underwriters or agents in payment of all or a portion of their fees in connection with the sale of the Subscription Receipts) at the time and under the terms specified by the Subscription Receipt Agreement. If the Release Conditions are not satisfied, holders of Subscription Receipts will receive a refund of all or a portion of the subscription price for their Subscription Receipts, plus their pro-rata entitlement to interest earned or income generated on such amount, if provided for in the Subscription Receipt Agreement, in accordance with the terms of the Subscription Receipt Agreement.

### *Modifications*

The Subscription Receipt Agreement will specify the terms upon which modifications and alterations to the Subscription Receipts issued thereunder may be made by way of a resolution of holders of Subscription Receipts at a meeting of such holders or consent in writing from such holders. The number of holders of Subscription Receipts required to pass such a resolution or execute such a written consent will be specified in the Subscription Receipt Agreement.

The Subscription Receipt Agreement will also specify that the Corporation may amend the Subscription Receipt Agreement and the Subscription Receipts, without the consent of the holders of the Subscription Receipts, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision, or in any other manner that will not materially and adversely affect the interests of the holder of outstanding Subscription Receipts or as otherwise specified in the Subscription Receipt Agreement.

### *Units*

The following description sets forth certain general terms and provisions of the Units that may be issued hereunder and is not intended to be complete. Units may be issued at various times comprising any combination of the other Securities described in this Prospectus. Each Unit will be issued so that the holder of such Unit is also the holder of each Security comprising such Unit. Therefore, the holder of a Unit will have the rights and obligations of a holder of each included Security (except in some cases where the right to transfer an included Security of a Unit may not occur without the transfer of the other included Security comprising part of such Unit). The Units may be offered separately or together with other Securities, as the case may be.

The particular terms of each issue of Units will be described in the related Prospectus Supplement. This description may include, but may not be limited to, any of the following, if applicable:

- the designation and aggregate number of Units;
- the price at which the Units will be offered;
- the designation and terms of the Units and the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately;
- any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units;

- whether the Corporation will apply to list the Units or the Securities comprising the Units on any exchange;
- the material United States and Canadian federal income tax consequences of owning the Units, including how the purchase price paid will be allocated among the Securities comprising the Units; and
- whether the Units and the Securities comprising the Units will be issued in fully registered or global form.

### ***Warrants***

The Corporation may issue Warrants for the purchase of Common Shares. Warrants may be issued independently or together with Common Shares and Subscription Receipts offered by any Prospectus Supplement and may be attached to, or separate from, any such offered Securities. Warrants will be issued under one or more warrant agreements entered into between the Corporation and a warrant agent named in the applicable Prospectus Supplement.

The Warrants may be offered separately or together with other Securities, as the case may be. Warrants may be issued at various times under one or more warrant indenture to be entered into by the Corporation and one or more banks or trust companies acting as warrant agent. The Corporation will deliver an undertaking to the securities regulatory authority in Alberta, British Columbia and Ontario, pursuant to which the Corporation will agree not to distribute pursuant to this Prospectus, as it may be supplemented or amended, any Warrants that are novel, including Warrants that are convertible into or exchangeable or exercisable for securities of an entity other than the Corporation or its affiliates, unless the applicable Prospectus Supplement(s) pertaining to the distribution of the novel securities is either (a) first approved for filing by the securities commissions or similar regulatory authorities in Alberta, British Columbia and Ontario where such novel securities are distributed, or (b) ten (10) business days have elapsed since the date of delivery to the applicable securities regulatory authority of the draft Prospectus Supplement in substantially final form and the applicable securities regulatory authority has not provided written comments on the draft Prospectus Supplement.

The statements made in this Prospectus relating to any warrant indenture and Warrants to be issued under this Prospectus are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the provisions of the applicable warrant indenture. You should refer to the warrant indenture relating to the specific Warrants being offered for the complete terms of the Warrants. A copy of any warrant indenture relating to an offering of Warrants will be filed by the Corporation with the securities regulatory authorities in applicable Canadian offering jurisdictions and the United States after the Corporation has entered into it, and such warrant indenture will be available electronically on SEDAR at [www.sedar.com](http://www.sedar.com) and on EDGAR at [www.sec.gov](http://www.sec.gov).

The particular terms of each issue of Warrants will be described in the related Prospectus Supplement. This description may include, but may not be limited to, any of the following, if applicable:

- the designation and aggregate number of Warrants;
- the price at which the Warrants will be offered;
- the designation, number and terms of the Common Shares or Units, as applicable, purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;
- the date on which the right to exercise the Warrants will commence and the date on which such right will expire;
- the exercise price of the Warrants;

- if the Warrants are issued as a Unit with another Security, the date, if any, on and after which the Warrants and the other Security will be separately transferable;
- any minimum or maximum amount of Warrants that may be exercised at any one time;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- whether the Warrants will be subject to redemption or call and, if so, the terms of such redemption or call provisions;
- provisions as to modification, amendment or variation of the warrant indenture or any rights or terms of such Warrants, including upon any subdivision, consolidation, reclassification or other material change of the Common Shares, Units or other securities, any other reorganization, amalgamation, merger or sale of all or substantially all of the Corporation's assets or any distribution of property or rights to all or substantially all of the holders of Common Shares;
- the material United States and Canadian federal income tax consequences of owning the Warrants; and
- any other material terms or conditions of the Warrants.

Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the securities issuable upon exercise of the Warrants.

## **OTHER MATTERS RELATING TO THE SECURITIES**

### **General**

The foregoing descriptions of the terms of the Subscription Receipts, Warrants and Units set forth certain general terms and provisions of such Securities. The particular terms and provisions of the Subscription Receipts, Warrants and Units offered by any Prospectus Supplement, and the extent to which the general terms and provisions described herein may apply to them, will be described in the Prospectus Supplement filed in respect of such Securities.

The Corporation reserves the right to include in a Prospectus Supplement specific terms pertaining to Subscription Receipts, Warrants and Units that are not within the descriptions set forth in this Prospectus, provided that such Securities will not be specified derivatives or asset-backed securities. To the extent that any terms or provisions or other information pertaining to Subscription Receipts, Warrants and Units described in a Prospectus Supplement differ from any of the terms or provisions or other information described in this Prospectus, the description set forth in this Prospectus shall be deemed to have been superseded by the description set forth in the Prospectus Supplement with respect to those Securities. If applicable, prospective investors should rely on information in the applicable Prospectus Supplement and read this Prospectus. Securities offered under this Prospectus may be issued in certificated form or in book-entry-only form.

#### *Certificated Form*

Securities issued in certificated form will be registered in the name of the purchaser or its nominee on the registers maintained by the Corporation's transfer agent and registrar or the applicable trustee.

#### *Book-Entry-Only Form*

Securities issued in "book-entry-only" form must be purchased, transferred or redeemed through participants ("**participants**") in a depository service of a depository identified in the Prospectus Supplement for the particular offering of Securities. Each of the underwriters, dealers or agents, as the case may be, named in the Prospectus Supplement will be a participant of the depository. On the closing of a book-entry-only offering, the Corporation will cause a global certificate or certificates representing the aggregate number of Securities subscribed for under such offering to be delivered to, and registered in the name of, the depository or its nominee. Except as described

below, no purchaser of Securities issued in book-entry-only form will be entitled to a certificate or other instrument from the Corporation or the depository evidencing that purchaser's ownership thereof, and no purchaser will be shown on the records maintained by the depository except through a book-entry account of a participant acting on behalf of such purchaser.

Each purchaser of such Securities will receive a customer confirmation of purchase from the registered dealer from which the Securities are purchased in accordance with the practices and procedures of such registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. The depository will be responsible for establishing and maintaining book-entry accounts for its participants having interests in the book-entry-only Securities. Reference in this Prospectus to a holder of book-entry only Securities means, unless the context otherwise requires, the owner of the beneficial interest in the Securities.

If the Corporation determines, or the depository notifies us in writing, that the depository is no longer willing or able to discharge properly its responsibilities as depository with respect to the book-entry-only Securities and the Corporation is unable to locate a qualified successor, or if the Corporation at its option elects, or are required by law, to terminate the book-entry system then such Securities will be issued in certificated form to holders or their nominees.

### **Transfer or Conversion of Securities**

#### *Certificated Form*

Transfer of ownership or conversion of Securities held in certificated form will be effected by the registered holder of the Securities in accordance with the requirements of the Corporation's transfer agent and registrar and the terms of the agreement or indenture governing or certificates representing such Securities, as applicable.

#### *Book-Entry-Only Form*

Transfer of ownership or conversion of Securities held in book-entry-only form will be effected through records maintained by the depository or its nominee for such Securities with respect to interests of participants, and on the records of participants with respect to interests of persons other than participants. Holders who desire to purchase, sell or otherwise transfer ownership of or other interests in the Securities may do so only through participants. The ability of a holder to pledge a Security or otherwise take action with respect to such holder's interest in a Security (other than through a participant) may be limited due to the lack of a physical certificate.

### **Payments and Notices**

#### *Certificated Form*

Any payment of a dividend or other payment in respect of a Security, as applicable, will be made by the Corporation, and any notices in respect of a Security will be given by the Corporation, directly to the registered holder of such Security, unless the applicable agreement or indenture in respect of such Security provides otherwise.

#### *Book-Entry-Only Form*

Any payment of a dividend or other payment in respect of a Security, as applicable, will be made by the Corporation to the depository or its nominee, as the case may be, as the registered holder of the Security and the Corporation understands that such payments will be credited by the depository or its nominee in the appropriate amounts to the relevant participants. Payments to holders of Securities of amounts so credited will be the responsibility of the participants.

As long as the depository or its nominee is the registered holder of the Securities, the depository or its nominee, as the case may be, will be considered the sole owner of the Securities for the purposes of receiving notices or payments on the Securities. In such circumstances, the Corporation's responsibility and liability in respect of

notices or payments on the Securities is limited to giving or making payment of any dividend or other payment due on the Securities to the depository or its nominee.

Each holder must rely on the procedures of the depository and, if such holder is not a participant, on the procedures of the participant through which such holder owns its interest, to exercise any rights with respect to the Securities. The Corporation understands that under existing industry practices, if the Corporation requests any action of holders or if a holder desires to give any notice or take any action which a registered holder is entitled to give or take with respect to any Securities issued in book-entry-only form, the depository would authorize the participant acting on behalf of the holder to give such notice or to take such action, in accordance with the procedures established by the depository or agreed to from time to time by the Corporation, any trustee and the depository. Accordingly, any holder that is not a participant must rely on the contractual arrangement it has, directly or indirectly through its financial intermediary, with its participant to give such notice or take such action.

The Corporation, any underwriters, dealers or agents and any trustee identified in a Prospectus Supplement relating to an offering of Securities in book-entry-only form, as applicable, will not have any liability or responsibility for: (i) records maintained by the depository relating to beneficial ownership interests in the Securities held by the depository or the book-entry accounts maintained by the depository; (ii) maintaining, supervising or reviewing any records relating to any such beneficial ownership; or (iii) any advice or representation made by or with respect to the depository and contained in the Prospectus Supplement or in any indenture relating to the rules and regulations of the depository or any action to be taken by the depository or at the directions of the participants.

#### **CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS**

The applicable Prospectus Supplement may describe certain Canadian federal income tax consequences to an investor who is a non-resident of Canada or to an investor who is a resident of Canada of acquiring, owning and disposing of any of the Securities offered thereunder. Canadian investors should read the tax discussion in any Prospectus Supplement with respect to a particular offering and consult their own tax advisors with respect to their own particular circumstances.

#### **CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS**

Subject to the limitations and qualifications stated herein, this discussion sets forth material U.S. federal income tax considerations relating to the acquisition, ownership and disposition by U.S. Holders (as hereinafter defined) of the Common Shares. The discussion is based on the *Internal Revenue Code of 1986*, as amended (the “**Code**”), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, and the *Canada-United States Income Tax Convention (1980)* as amended (the “**Treaty**”) all as currently in effect and all subject to change at any time, possibly with retroactive effect. This summary applies only to U.S. Holders. This discussion of a U.S. Holder’s tax consequences addresses only those persons that acquire Common Shares in an offering and that hold those Common Shares as capital assets (generally, property held for investment). In addition, it does not describe all of the tax consequences that may be relevant in light of a U.S. Holder’s particular circumstances, including state and local tax consequences, estate and gift tax consequences, alternative minimum tax consequences, and tax consequences applicable to U.S. Holders subject to special rules, such as:

- banks, insurance companies, and certain other financial institutions;
- U.S. expatriates and certain former citizens or long-term residents of the United States; dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding Common Shares as part of a hedging transaction, “straddle,” wash sale, conversion transaction or integrated transaction or persons entering into a constructive sale with respect to Common Shares;
- persons whose “functional currency” for U.S. federal income tax purposes is not the U.S. dollar;
- brokers, dealers or traders in securities, commodities or currencies;

- tax-exempt entities or government organizations;
- partnerships or other entities or arrangements classified as partnerships for U.S. federal income tax purposes;
- regulated investment companies or real estate investment trusts;
- persons who acquired the Common Shares pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons holding the Common Shares in connection with a trade or business, permanent establishment, or fixed base outside the United States; and
- persons who own (directly or through attribution) 10% or more (by vote or value) of the outstanding Common Shares.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds Common Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding Common Shares and partners in such partnerships are encouraged to consult their tax advisers as to the particular U.S. federal income tax consequences of holding and disposing of Common Shares.

A “U.S. Holder” is a holder who, for U.S. federal income tax purposes, is a beneficial owner of Common Shares and is:

- an individual who is a citizen or individual resident of United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source;
- a trust if (1) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have authority to control all substantial decisions of the trust or (2) the trust has a valid election in effect to be treated as a U.S. person under applicable U.S. Treasury Regulations.

PERSONS CONSIDERING AN INVESTMENT IN COMMON SHARES SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES APPLICABLE TO THEM RELATING TO THE ACQUISITION, OWNERSHIP AND DISPOSITION OF THE COMMON SHARES, INCLUDING THE APPLICABILITY OF U.S. FEDERAL, STATE AND LOCAL TAX LAWS.

#### **Passive Foreign Investment Company Rules**

If the Corporation is classified as a passive foreign investment company (a “**PFIC**”) in any taxable year, a U.S. Holder will be subject to special rules generally intended to reduce or eliminate any benefits from the deferral of U.S. federal income tax that a U.S. Holder could derive from investing in a non-U.S. company that does not distribute all of its earnings on a current basis.

A non-U.S. corporation will be classified as a PFIC for any taxable year in which, after applying certain look-through rules, either:

- at least 75% of its gross income is passive income (such as interest income); or
- at least 50% of its gross assets (determined on the basis of a quarterly average) is attributable to assets that produce passive income or are held for the production of passive income.

The Corporation will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation, the equity of which it owns, directly or indirectly, 25% or more (by value).

Based on the composition of the Corporation's income and the value of its assets, the Corporation believes that it was not a PFIC for United States federal income tax purposes for the taxable year ending June 30, 2021 and, based on estimates of the Corporation's income and assets for the current taxable year, the Corporation believes that it will not be a PFIC for the current taxable year. A separate determination must be made after the close of each taxable year as to whether the Corporation is a PFIC for that year, and as a result, its PFIC status may change from year to year. The total value of the Corporation's assets for purposes of the asset test generally will be calculated using the market price of the Common Shares, which may fluctuate considerably. Fluctuations in the market price of the Common Shares may result in the Corporation's being a PFIC for any taxable year. Because of the uncertainties involved in establishing the Corporation's PFIC status, there can be no assurance regarding if the Corporation currently is treated as a PFIC or may be treated as a PFIC in the future.

If the Corporation is classified as a PFIC in any year with respect to which a U.S. Holder owns the Common Shares, the Corporation will continue to be treated as a PFIC with respect to such U.S. Holder in all succeeding years during which the U.S. Holder owns the Common Shares, regardless of whether the Corporation continues to meet the tests described above unless the Corporation ceases to be a PFIC and either (x) the U.S. Holder has made a "deemed sale" election under the PFIC rules or (y) for the period immediately preceding the Corporation's ceasing to be a PFIC the Common Shares were subject to a mark-to-market election. If the "deemed sale" election is made, a U.S. Holder will be deemed to have sold the Common Shares the U.S. Holder holds at their fair market value and any gain from such deemed sale would be subject to the rules described below. After the deemed sale election, so long as the Corporation does not become a PFIC in a subsequent taxable year, the U.S. Holder's Common Shares with respect to which such election was made will not be treated as shares in a PFIC and the U.S. Holder will not be subject to the rules described below with respect to any "excess distribution" the U.S. Holder receives from the Corporation or any gain from an actual sale or other disposition of the Common Shares. U.S. Holders should consult their tax advisors as to the possibility and consequences of making a deemed sale election if the Corporation ceases to be a PFIC and such election becomes available.

For each taxable year the Corporation is treated as a PFIC with respect to U.S. Holders, U.S. Holders will be subject to special tax rules with respect to any "excess distribution" such U.S. Holder receives and any gain such U.S. Holder recognizes from a sale or other disposition (including, under certain circumstances, a pledge) of Common Shares, unless (i) such U.S. Holder makes a qualified electing fund election (a "**QEF Election**") or (ii) the Common Shares constitute "marketable" securities, and such U.S. Holder makes a mark-to-market election as discussed below. Absent the making of a QEF Election or a mark-to-market election, distributions a U.S. Holder receives in a taxable year that are greater than 125% of the average annual distributions a U.S. Holder received during the shorter of the three preceding taxable years or the U.S. Holder's holding period for the Common Shares will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over a U.S. Holder's holding period for the Common Shares;
- the amount allocated to the current taxable year, and any taxable year prior to the first taxable year in which the Corporation became a PFIC, will be treated as ordinary income; and
- the amount allocated to each other year will be subject to the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to years prior to the year of disposition or "excess distribution" cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the Common Shares cannot be treated as capital, even if a U.S. Holder holds the Common Shares as capital assets.

In addition, if the Corporation is a PFIC, a U.S. Holder will generally be subject to similar rules with respect to distributions the Corporation receives from, and the Corporation's dispositions of the stock of, any of the

Corporation's direct or indirect subsidiaries that also are PFICs, as if such distributions were indirectly received by, and/or dispositions were indirectly carried out by, such U.S. Holder. U.S. Holders should consult their tax advisors regarding the application of the PFIC rules to the Corporation's subsidiaries.

If a U.S. Holder makes an effective QEF Election, the U.S. Holder will be required to include in gross income each year, whether or not the Corporation makes distributions, as capital gains, such U.S. Holder's pro rata share of the Corporation's net capital gains and, as ordinary income, such U.S. Holder's pro rata share of the Corporation's earnings in excess of the Corporation's net capital gains. U.S. Holders should be aware that, for each tax year, if any, that the Corporation is a PFIC, it can provide no assurances that it will satisfy the record keeping requirements of a PFIC, or that the Corporation will make available to U.S. Holders the information such U.S. Holders require to make a QEF Election with respect to the Corporation or any subsidiary, and as a result, a QEF Election may not be available to U.S. Holders. U.S. Holders should consult with their own tax advisors regarding the potential application of the PFIC rules to the ownership and disposition of the Common Shares and the availability of certain U.S. tax elections under the PFIC rules.

U.S. Holders also can avoid the interest charge on excess distributions or gain relating to the Common Shares by making a mark-to-market election with respect to the Common Shares, provided that the Common Shares are "marketable." Common Shares will be marketable if they are "regularly traded" on certain U.S. stock exchanges or on a foreign stock exchange that meets certain conditions. For these purposes, the Common Shares will be considered regularly traded during any calendar year during which they are traded, other than in de minimis quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. The Common Shares are listed on the TSXV, which is a qualified exchange for these purposes. Consequently, if the Common Shares remain listed on the TSXV and are regularly traded, and you are a holder of Common Shares, the Corporation expects the mark-to-market election would be available to U.S. Holders if the Corporation is a PFIC. Each U.S. Holder should consult its tax advisor as to the whether a mark-to-market election is available or advisable with respect to the Common Shares.

A U.S. Holder that makes a mark-to-market election must include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of the Common Shares at the close of the taxable year over the U.S. Holder's adjusted tax basis in the Common Shares. An electing holder may also claim an ordinary loss deduction for the excess, if any, of the U.S. Holder's adjusted basis in the Common Shares over the fair market value of the Common Shares at the close of the taxable year, but this deduction is allowable only to the extent of any net mark-to-market gains for prior years. Gains from an actual sale or other disposition of the Common Shares will be treated as ordinary income, and any losses incurred on a sale or other disposition of the shares will be treated as an ordinary loss to the extent of any net mark-to-market gains for prior years. Once made, the election cannot be revoked without the consent of the Internal Revenue Service (the "IRS"), unless the Common Shares cease to be marketable.

However, a mark-to-market election generally cannot be made for equity interests in any lower-tier PFICs that the Corporation owns, unless shares of such lower-tier PFIC are themselves "marketable." As a result, even if a U.S. Holder validly makes a mark-to-market election with respect to the Common Shares, the U.S. Holder may continue to be subject to the PFIC rules (described above) with respect to its indirect interest in any of the Corporation's investments that are treated as an equity interest in a PFIC for U.S. federal income tax purposes.

U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS TO DETERMINE WHETHER ANY OF THESE ELECTIONS WOULD BE AVAILABLE AND IF SO, WHAT THE CONSEQUENCES OF THE ALTERNATIVE TREATMENTS WOULD BE IN THEIR PARTICULAR CIRCUMSTANCES.

Each U.S. shareholder of a PFIC is required to file a Form 8621, *Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund* containing such information as the United States Treasury Department (the "U.S. Treasury") may require. U.S. Holders should consult their tax advisors regarding the requirements of filing such information returns under these rules.

THE CORPORATION STRONGLY URGES YOU TO CONSULT YOUR TAX ADVISOR REGARDING THE IMPACT OF THE CORPORATION'S PFIC STATUS ON YOUR INVESTMENT IN THE COMMON SHARES AS WELL AS THE APPLICATION OF THE PFIC RULES TO YOUR INVESTMENT IN THE COMMON SHARES.

## **Cash Dividends and Other Distributions**

Subject to the discussion under “Passive Foreign Investment Company Rules” above, to the extent there are any distributions made with respect to the Common Shares, a U.S. Holder generally will be required to include in its gross income distributions received with respect to its Common Shares (including the amount of Canadian taxes withheld, if any) as dividend income, but only to the extent that the distribution is paid out of the Corporation’s current or accumulated earnings and profits (computed using U.S. federal income tax principles), with the excess treated first as a non-taxable return of capital to the extent of the holder’s adjusted tax basis in its Common Shares and, thereafter, as capital gain recognized on a sale or exchange on the day actually or constructively received by the holder (as described below under “Sale or Disposition of Common Shares”). There can be no assurance that the Corporation will maintain calculations of the Corporation’s earnings and profits in accordance with U.S. federal income tax accounting principles. U.S. Holders should therefore assume that any distribution with respect to the Common Shares will constitute ordinary dividend income. Dividends paid on the Common Shares will not be eligible for the dividends received deduction allowed to U.S. corporations.

Dividends paid to a non-corporate U.S. Holder by a “qualified foreign corporation” may be subject to reduced rates of taxation if certain holding period and other requirements are met. A qualified foreign corporation generally includes a foreign corporation if (i) its Common Shares are readily tradable on an established securities market in the United States or it is eligible for benefits under a comprehensive U.S. income tax treaty that includes an exchange of information program and which the U.S. Treasury has determined is satisfactory for these purposes and (ii) if such foreign corporation is not a PFIC (as discussed above) for either the taxable year in which the dividend is paid or the preceding taxable year.

Subject to applicable limitations and provided the Corporation is eligible for the benefits of the Treaty or the Common Shares are readily tradable on a United States securities market, dividends paid by the Corporation to non-corporate U.S. Holders generally will be eligible for the preferential tax rates applicable to long-term capital gains for dividends, provided certain holding period and other conditions are satisfied, including that the Corporation not be classified as a PFIC in the tax year of the distribution or in the preceding tax year. U.S. Holders should consult their own tax advisors regarding the availability of the reduced tax rate on dividends in light of their particular circumstances.

Distributions paid in a currency other than U.S. dollars will be included in a U.S. Holder’s gross income in a U.S. dollar amount based on the spot exchange rate in effect on the date of actual or constructive receipt, whether or not the payment is converted into U.S. dollars at that time. The U.S. Holder will have a tax basis in such currency equal to such U.S. dollar amount, and any gain or loss recognized upon a subsequent sale or conversion of the foreign currency for a different U.S. dollar amount will generally be U.S. source ordinary income or loss. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder generally should generally not be required to recognize foreign currency gain or loss in respect of the dividend income.

If a U.S. Holder is subject to Canadian withholding taxes (at the rate applicable to such U.S. Holder) with respect to dividends paid on the Common Shares, such U.S. Holder may be entitled to receive either a deduction or a foreign tax credit for such Canadian taxes paid. Complex limitations apply to the foreign tax credit. Dividends paid by the Corporation generally will constitute “foreign source” income and generally will be categorized as “passive category income.” Because the foreign tax credit rules are complex, each U.S. Holder should consult its own tax advisor regarding the foreign tax credit rules.

## **Sale or Disposition of Common Shares**

A U.S. Holder generally will recognize gain or loss on the taxable sale or exchange of the Common Shares in an amount equal to the difference between the U.S. dollar amount realized on such sale or exchange (determined in the case of the Common Shares sold or exchanged for currencies other than U.S. dollars by reference to the spot exchange rate in effect on the date of the sale or exchange or, if the Common Shares sold or exchanged are traded on an established securities market and the U.S. Holder is a cash basis taxpayer or an electing accrual basis taxpayer, which election must be applied consistently from year to year and cannot be changed without the consent of the IRS, the spot exchange rate in effect on the settlement date) and the U.S. Holder’s adjusted tax basis in the Common Shares determined in U.S. dollars. The initial tax basis of the Common Shares to a U.S. Holder will be the U.S. Holder’s U.S.

dollar purchase price for the Common Shares (determined by reference to the spot exchange rate in effect on the date of the purchase, or if the Common Shares purchased are traded on an established securities market and the U.S. Holder is a cash basis taxpayer or an electing accrual basis taxpayer, which election must be applied consistently from year to year and cannot be changed without the consent of the IRS, the spot exchange rate in effect on the settlement date). An accrual basis U.S. Holder that does not make the special election will recognize exchange gain or loss to the extent attributable to the difference between the exchange rates on the sale date and the settlement date, and such exchange gain or loss generally will constitute ordinary income or loss.

Subject to the discussion under “Passive Foreign Investment Company Rules” above, such gain or loss will be capital gain or loss and will be long-term gain or loss if the Common Shares have been held for more than one year. Under current law, long-term capital gains of non-corporate U.S. Holders generally are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations. Capital gain or loss, if any, recognized by a U.S. Holder generally will be treated as U.S. source income or loss for U.S. foreign tax credit purposes. U.S. Holders are encouraged to consult their own tax advisors regarding the availability of the U.S. foreign tax credit in their particular circumstances.

### **Medicare Contribution Tax**

Certain U.S. Holders that are individuals, estates or certain trusts must pay a 3.8% tax, or “Medicare contribution tax”, on their “net investment income.” Net investment income generally includes, among other things, dividend income and net gains from the disposition of stock. A U.S. Holder that is an individual, estate or trust should consult its tax advisor regarding the applicability of the Medicare contribution tax to its income and gains in respect of its investment in the Common Shares.

### **Information Reporting and Backup Withholding**

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding on a duly executed IRS Form W-9 or otherwise establishes an exemption.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder’s U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

### **Certain Reporting Requirements**

In addition to the reporting described above that may be required if the Corporation is a PFIC, U.S. Holders paying more than US\$100,000 for the Common Shares generally may be required to file IRS Form 926 reporting the payment of the offer price for the Common Shares to the Corporation. Substantial penalties may be imposed upon a U.S. Holder that fails to comply. Each U.S. Holder should consult its own tax advisor as to the possible obligation to file IRS Form 926.

Certain U.S. Holders who are individuals (and, under regulations, certain entities) may be required to report information relating to the Common Shares, subject to certain exceptions (including an exception for Common Shares held in accounts maintained by certain U.S. financial institutions), by filing IRS Form 8938 (Statement of Specified Foreign Financial Assets) with their federal income tax return. Such U.S. Holders who fail to timely furnish the required information may be subject to a penalty. Additionally, if a U.S. Holder does not file the required information, the statute of limitations with respect to tax returns of the U.S. Holder to which the information relates may not close until three years after such information is filed. U.S. Holders should consult their tax advisers regarding their reporting obligations with respect to their ownership and disposition of the Common Shares.

## **PRIOR SALES**

Information in respect of the Common Shares that were issued within the previous 12-month period and Common Shares that were issued upon the exercise of securities convertible into or exercisable for Common Shares that were issued upon the exercise of securities convertible into or exercisable for Common Shares, as applicable, will be provided as required in a Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

## **MARKET FOR SECURITIES**

The Common Shares are currently listed for trading on the TSXV under the symbol “QYOU” and are quoted on the OTCQB under the symbol “QYOUF”. The trading price and volume of the Common Shares will be provided as required in each Prospectus Supplement to the Prospectus.

## **DIVIDEND POLICY**

The Corporation has not declared or paid any cash dividends or distributions on our outstanding Common Shares within the fiscal period ended December 31, 2021 and years ended June 30, 2021 and June 30, 2020.

## **RISK FACTORS**

An investment in Securities of the Corporation is subject to certain risks, which should be carefully considered by prospective investors before purchasing such Securities. In addition to the other information set out or incorporated by reference in this Prospectus currently, and from time to time, investors should carefully consider the risk factors incorporated by reference in this Prospectus and referred to below. Any one of such risk factors could materially affect the Corporation’s business, financial condition and/or future operating results and prospects and could cause actual events to differ materially from those described in forward-looking information relating to the Corporation. Additional risks and uncertainties not currently identified by the Corporation or that the Corporation currently believes not to be material also may materially and adversely affect the Corporation’s business, financial condition, operations or prospects. Investors should carefully consider the risks described under the heading “Risk Factors” in the AIF and those contained in the Corporation’s other filings that are incorporated by reference in this Prospectus and any accompanying Prospectus Supplement. See “Documents Incorporated by Reference”.

***There can be no assurance that an active or liquid market will be sustained.***

No assurance can be given that an active or liquid trading market for the Common Shares will be sustained. If an active or liquid market for the Common Shares fails to be sustained, the prices at which such securities trade may be adversely affected. Whether or not the Common Shares will trade at lower prices depends on many factors, including the liquidity of Common Shares, prevailing interest rates, the markets for similar securities, general economic conditions and the Corporation’s financial condition, historic financial performance and future prospects.

Trading in securities quoted on the OTCQB is often thin and characterized by wide fluctuations in trading prices, due to many factors, some of which may have little to do with operations or business prospects. This volatility could depress the market price of Common Shares for reasons unrelated to operating performance. Moreover, the OTCQB is not a U.S. national securities exchange and trading of securities on the OTCQB is often more sporadic than the trading of securities listed on a U.S. national securities exchange. These factors may result in investors having difficulty reselling Common Shares on the OTCQB. In the event Common Shares begin trading on any U.S. national securities exchange, the Corporation cannot predict at what prices the Common Shares will trade and there is no assurance that an active trading market will develop or be sustained on such exchange. There is a significant liquidity risk associated with an investment in the Common Shares of the Corporation.

There is no public market for the Subscription Receipts, Units or Warrants and, unless otherwise specified in the applicable Prospectus Supplement, the Corporation does not intend to apply for listing of the Subscription Receipts, Units or Warrants on any securities exchange. If the Subscription Receipts, Units or Warrants are traded

after their initial issuance, they may trade at a discount from their initial offering prices depending on prevailing interest rates (as applicable), the market for similar securities and other factors, including general economic conditions and its financial condition. There can be no assurance as to the liquidity of the trading market for the Subscription Receipts, Units or Warrants, or that a trading market for these securities will develop at all.

***The Corporation's Common Share price may experience significant volatility due to factors both within and outside of the Corporation's control.***

The market price of the Common Shares and any other Securities offered hereunder that become listed for trading on the TSXV or any other stock exchange or quotation system could be subject to significant fluctuations in response to certain factors including, but not limited to, variations in the Corporation's operating results and changes in financial markets and general market conditions, including those caused by the COVID-19 Pandemic and Russia's invasion of Ukraine. Securities markets have also experienced significant price and volume fluctuations from time to time. In some instances, these fluctuations have been unrelated or disproportionate to the operating performance of issuers. Market fluctuations may adversely impact the market price of the Common Shares and any other Securities offered hereunder that become listed for trading on the TSXV or any other stock exchange or quotation system. There can be no assurance of the price at which the Common Shares and any other Securities offered hereunder that become listed for trading on the TSXV or any other stock exchange or quotation system will trade.

Financial markets have historically experienced periodic, significant price and volume fluctuations that: (a) have especially affected the market prices of equity securities of companies and (b) have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares from time to time may decline even if the Corporation's operating results, underlying asset values and prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that may result in impairment losses. There can be no assurance that further fluctuations in price and volume of Common Shares traded will not occur. If increased levels of volatility and market turmoil continue, the operations of the Corporation could be adversely impacted, and the trading price of the Common Shares may be materially adversely affected.

***There is no existing public market for the Subscription Receipts, Warrants or Units and a market may not develop.***

There is currently no market through which the Subscription Receipts, Warrants or Units may be sold and purchasers of Subscription Receipts, Warrants or Units may not be able to resell such Subscription Receipts, Warrants or Units purchased under this Prospectus. There can be no assurance that an active trading market will develop for the Subscription Receipts, Warrants or Units after an offering or, if developed, that such market will be sustained. This may affect the pricing of the Subscription Receipts, Warrants or Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Receipts, Warrants or Units and the extent of issuer regulation.

The public offering prices of the Securities may be determined by negotiation between the Corporation and underwriters, dealers or agents based on several factors and may bear no relationship to the prices at which the Securities will trade in the public market subsequent to such offering, if any public market develops. See "*Plan of Distribution*".

***Additional issuances of securities by the Corporation may cause dilution for existing securityholders and may cause downward pressure on the price of the Common Shares.***

The Corporation may issue and sell additional equity or convertible debt securities to finance its operations, which may dilute the holdings of existing shareholders. The Articles of the Corporation permit the issuance of an unlimited number of First Preferred Shares, Second Preferred Shares, and Common Shares and existing shareholders have no pre-emptive rights in connection with such further issuances. To the extent holders of options or other convertible securities convert or exercise their securities and sell Common Shares they receive, the market price of the Common Shares may decrease due to the additional Common Shares available in the market. Further, the Corporation may issue additional securities in connection with strategic acquisitions.

The Corporation cannot predict the size or type of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Corporation's issued and outstanding securities from time to time. Sales or issuances of substantial amounts of the Corporation's securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Corporation's issued and outstanding securities from time to time. With any additional sale or issuance of the Corporation's securities, holders will suffer dilution with respect to voting power and may experience dilution in the Corporation's earnings per share. Moreover, this Prospectus may create a perceived risk of dilution resulting in downward pressure on the price of the issued and outstanding Common Shares, which could contribute to progressive declines in the prices of such securities.

***The Corporation may experience challenges in exercising appropriate controls over its Indian subsidiaries.***

QYOU India and Chtrbox, two of the Corporation's subsidiaries, exist under the laws of India, and are non-wholly owned direct subsidiaries of the Corporation. See the heading "Risk Factors – Indian and Other International Operations" in the Corporation's AIF for further information regarding its international operations. While the Corporation previously operated in Malaysia, Poland and the Philippines, those distribution activities have since ceased, and the Corporation currently does not have operations nor does it offer services in any emerging markets other than India.

The Corporation directly holds an 88% equity interest in QYOU India, with the remaining 12% equity interest held by two minority shareholders. QYOU India has three directors, being Curt Marvis (the Chief Executive Officer and a director of the Corporation), and two independent directors who reside in India. QYOU India has two officers who both reside in India. The minute books and corporate records of QYOU India are kept with the Corporation's legal firm in India, with copies sent to the Corporation. The Corporation currently rents office space in Mumbai and Delhi, India.

The Corporation directly holds a 97% equity interest in Chtrbox, with the remaining 3% equity interest held by a group of minority shareholders. Chtrbox has five directors, being Curt Marvis (the Chief Executive Officer and a director of the Corporation), two representatives of QYOU India and two independent directors who reside in India. The minute books and corporate records of Chtrbox are kept with the Corporation's legal counsel in India, with copies sent to the Corporation.

As further discussed under the heading "Summary Description of the Business – Indian Operations", the Corporation holds ultimate decision-making authority over QYOU India and Chtrbox, including its bank accounts. The Corporation has enacted controls at the board and financial level of each of QYOU India and Chtrbox in order to exercise proper controls at the subsidiaries for its Indian business. The Corporation has full legal and accounting/audit representation in India and all financial data is integrated into the overall financial reporting of the Corporation. Moreover, pursuant to the audit committee charter of the Corporation, the audit committee has the authority for matters contained in section 4.1 of National Instrument 52-110 – *Audit Committees*.

***The Corporation will have broad discretion over the use of proceeds in any offering of Securities.***

The Corporation's management will have broad discretion with respect to the application of net proceeds received by the Corporation from the sale of Securities under this Prospectus and may spend such proceeds in ways that do not improve the Corporation's results of operations or enhance the value of the Common Shares or the Corporation's other issued and outstanding securities from time to time. Any failure by management to apply these funds effectively could result in financial losses that could have a material adverse effect on the Corporation's business or cause the price of the Corporation's issued and outstanding securities to decline.

***U.S. holders of the Corporation's shares may suffer adverse tax consequences if the Corporation is characterized as a passive foreign investment company.***

The rules governing "passive foreign investment companies," ("PFICs"), can have adverse effects on U.S. Holders (as defined above in "Certain U.S. Federal Income Tax Considerations") of the Corporation's shares for U.S.

federal income tax purposes. Generally, if, for any taxable year, at least 75% of the Corporation's gross income is passive income, or at least 50% of the value of the Corporation's assets (generally, using a quarterly average) is attributable to assets that produce passive income or are held for the production of passive income (including cash), the Corporation would be characterized as a PFIC for U.S. federal income tax purposes. The determination of whether the Corporation is a PFIC, which must be made annually after the close of each taxable year, depends on the particular facts and circumstances and may also be affected by the application of the PFIC rules, which are subject to differing interpretations. The Corporation's status as a PFIC will depend on the composition of the Corporation's income and the composition and value of the Corporation's assets (including goodwill and other intangible assets), which will be affected by how, and how quickly, the Corporation spends any cash that was raised in an offering of Common Shares or in any other subsequent financing transaction. Moreover, the Corporation's ability to earn specific types of income that will be treated as non-passive for purposes of the PFIC rules is uncertain with respect to future years. Based on the composition of the Corporation's income and the value of its assets, the Corporation believes that it was not a PFIC for United States federal income tax purposes for the taxable year ending June 30, 2021 and, based on estimates of the Corporation's income and assets for the current taxable year, the Corporation believes that it will not be a PFIC for the current taxable year. A separate determination must be made after the close of each taxable year as to whether the Corporation is a PFIC for that year, and as a result, its PFIC status may change from year to year. As a result, the Corporation cannot provide any assurances regarding its PFIC status for any current or future taxable years.

If the Corporation is a PFIC, a U.S. Holder would be subject to adverse U.S. federal income tax consequences, such as ineligibility for certain preferred tax rates on capital gains or on actual or deemed dividends, interest charges on certain taxes treated as deferred, and additional reporting requirements under U.S. federal income tax laws and regulations. A U.S. Holder may in certain circumstances mitigate adverse tax consequences of the PFIC rules by filing an election to treat the PFIC as a qualified electing fund, or QEF, or, if shares of the PFIC are "marketable stock" for purposes of the PFIC rules, by making a mark-to-market election with respect to the shares of the PFIC. U.S. Holders should be aware that, for each tax year, if any, that the Corporation is a PFIC, the Corporation can provide no assurances that it will satisfy the record keeping requirements of a PFIC, or that it will make available to U.S. Holders the information such U.S. Holders require to make a QEF election with respect to the Corporation, and as a result, a QEF election may not be available to U.S. Holders. For more information, see the discussion above under "Certain U.S. Federal Income Tax Considerations—Passive Foreign Investment Company Rules". You should consult your own tax advisors regarding the potential consequences to you if the Corporation was or was to become a PFIC, including the availability, and advisability, of, and procedure for making, QEF elections and mark-to-market elections.

***Changes in tax laws may be adverse to the Corporation.***

There can be no assurance that the Canadian and U.S. federal income tax treatment of the Corporation or an investment in the Corporation will not be modified, prospectively or retroactively, by legislative, judicial or administrative action, in a manner adverse to the Corporation or holders of Common Shares.

***A significant number of Common Shares are owned by a limited number of existing shareholders which may give these holders control of or significant influence over matters requiring shareholder approval.***

The Corporation's management, directors and employees own a substantial number of the outstanding Common Shares (on a non-diluted and partially-diluted basis). As such, the Corporation's management, directors and employees, as a group, are in a position to exercise influence over matters requiring shareholder approval, including the election of directors and the determination of corporate actions. As well, these shareholders could delay or prevent a change in control of the Corporation that could otherwise be beneficial to the Corporation's shareholders.

***As a foreign private issuer, the Corporation is subject to different U.S. securities laws and rules than a U.S. domestic issuer, which may limit the information publicly available to U.S. investors***

The Corporation is a "foreign private issuer" under applicable U.S. federal securities laws and, therefore, is not required to comply with all of the periodic disclosure and current reporting requirements of the U.S. Exchange Act and related rules and regulations. As a result, the Corporation does not file the same reports that a U.S. domestic

issuer would file with the SEC, although it will be required to file with or furnish to the SEC the continuous disclosure documents that the Corporation is required to file in Canada under Canadian securities laws. In addition, the Corporation's officers, directors and principal shareholders are exempt from the reporting and "short swing" profit recovery provisions of Section 16 of the U.S. Exchange Act. Therefore, the Corporation's securityholders may not know on as timely a basis when its officers, directors and principal shareholders purchase or sell securities of the Corporation as the reporting periods under the corresponding Canadian insider reporting requirements are longer. In addition, as a foreign private issuer, the Corporation is exempt from the proxy rules under the U.S. Exchange Act.

***The Corporation could lose its foreign private issuer status in the future, which could result in significant additional costs and expenses to the Corporation***

In order to maintain its current status as a foreign private issuer, 50% or more of the Corporation's Common Shares must be directly or indirectly owned of record by non-residents of the United States unless the Corporation also satisfies one of the additional requirements necessary to preserve this status. The Corporation may in the future lose its foreign private issuer status if a majority of the Common Shares are owned of record in the United States and the Corporation fails to meet the additional requirements necessary to avoid loss of foreign private issuer status. The regulatory and compliance costs to the Corporation under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs the Corporation incurs as a Canadian foreign private issuer eligible to use the MJDS. If the Corporation is not a foreign private issuer, it would not be eligible to use the MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer.

***The conflict between Russia and Ukraine could destabilize global markets and threatens global peace.***

On February 24, 2022, Russian military forces launched a full-scale military invasion of Ukraine. In response, Ukrainian military personal and civilians are actively resisting the invasion. Many countries throughout the world have provided aid to the Ukraine in the form of financial aid and in some cases military equipment and weapons to assist in their resistance to the Russian invasion. The North Atlantic Treaty Organization ("NATO") has also mobilized forces to NATO member countries that are close to the conflict as deterrence to further Russian aggression in the region. The outcome of the conflict is uncertain and is likely to have wide ranging consequences on the peace and stability of the region and the world economy. Certain countries including Canada and the United States, have imposed strict financial and trade sanctions against Russia and such sanctions may have far reaching effects on the global economy. The long-term impacts of the conflict and the sanctions imposed on Russia remain uncertain.

**TRANSFER AGENT AND REGISTRAR**

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. at its principal office in Calgary, Alberta.

**INTEREST OF EXPERTS**

The Corporation's independent auditor is MNP LLP ("MNP") at its principal office in Calgary, Alberta. MNP has advised the Corporation that they are independent of the Corporation within the meaning of the Chartered Professional Accountants of Ontario, CPA Code of Professional Conduct and rules and regulations of the SEC and the Public Company Accounting Oversight Board Rule 3520, Auditor Independence.

**LEGAL MATTERS**

Certain legal matters in connection with any offering under the Prospectus will be passed upon on behalf of the Corporation by Wildeboer Dellelce LLP, as to Canadian legal matters, and Troutman Pepper Hamilton Sanders LLP, as to United States legal matters. As of the date hereof, the partners and associates of Wildeboer Dellelce LLP own, directly or indirectly, less than 1% of the Common Shares.

## **ENFORCEABILITY OF CIVIL LIABILITIES**

QYOU is a corporation continued under the OBCA. Some of the Corporation's directors and officers, and the experts named in this Prospectus, are residents of Canada or otherwise reside outside the United States, and all or a substantial portion of their assets may be, and a substantial portion of the Corporation's assets are, located outside the United States. The Corporation has appointed an agent for service of process in the United States (as set forth below), but it may be difficult for holders of Securities who reside in the United States to effect service within the United States upon those directors, officers and experts who are not residents of the United States. It may also be difficult for holders of Securities who reside in the United States to realize in the United States upon judgments of courts of the United States predicated upon the Corporation's civil liability and the civil liability of the Corporation's directors, officers and experts under the United States federal securities laws. The Corporation has been advised that a judgment of a U.S. court predicated solely upon civil liability under U.S. federal securities laws or the securities or "blue sky" laws of any state within the United States, would likely be enforceable in Canada if the United States court in which the judgment was obtained has a basis for jurisdiction in the matter that would be recognized by a Canadian court for the same purposes. The Corporation has also been advised, however, that there is substantial doubt whether an action could be brought in Canada in the first instance on the basis of the liability predicated solely upon U.S. federal securities laws.

The Corporation has filed with the SEC, concurrently with our U.S. Registration Statement of which this Prospectus is a part, an appointment of agent for service of process on Form F-X. Under the Form F-X, the Corporation appointed C T Corporation System, 1015 15<sup>th</sup> Street N.W., Suite 1000, Washington, D.C., 20005, as its agent for service of process in the United States in connection with any investigation or administrative proceeding conducted by the SEC, and any civil suit or action brought against or involving the Corporation in a U.S. court arising out of or related to or concerning the offering of Securities under this Prospectus.

## **CONTRACTUAL RIGHTS AND STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Unless provided otherwise in a Prospectus Supplement, the following is a description of a purchaser's statutory rights and contractual rights.

Securities legislation in some provinces and territories of Canada provides purchasers of Securities with the right to withdraw from an agreement to purchase Securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the Prospectus, Prospectus Supplement, and any amendment relating to Securities purchased by a purchaser are not sent or delivered to the purchaser.

Securities legislation in some provinces and territories of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the Prospectus, Prospectus Supplement, and any amendment relating to Securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation.

In an offering of Securities, to the extent such securities are convertible, exchangeable or exercisable securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the price at which the Securities are 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 advisor.

Original purchasers of Securities which are convertible, exchangeable or exercisable into other securities of the Corporation will have a contractual right of rescission against the Corporation in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original purchasers to receive the amount paid for such Securities (and any additional amount paid upon conversion, exchange or exercise), upon surrender of the underlying securities acquired upon such conversion, exchange or exercise, in the event that this Prospectus, the applicable Prospectus Supplement or any amendment contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of

the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (Ontario) or otherwise at law.

A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal adviser.

**CERTIFICATE OF THE CORPORATION**

Dated: July 7, 2022

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement as required by the securities legislation of each of the provinces of Alberta, British Columbia and Ontario.

(signed) "*Curt Marvis*"

\_\_\_\_\_  
By: Curt Marvis  
Chief Executive Officer

(signed) "*Kevin Williams*"

\_\_\_\_\_  
By: Kevin Williams  
Chief Financial Officer

**On Behalf of the Board of Directors**

(signed) "*G. Scott Paterson*"

\_\_\_\_\_  
By: G. Scott Paterson  
Director

(signed) "*Damian Lee*"

\_\_\_\_\_  
By: Damian Lee  
Director