

REPORT UNDER PART 3

NATIONAL INSTRUMENT 62-103

The Early Warning System and Related Take-over Bid Reporting Issues

1. Security and Reporting Issuer

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

The designation of securities to which this report relates is common shares ("**Common Shares**") of SustainCo Inc. (the "**Issuer**").

The Issuer's address is:

1 Royal Gate Blvd., Suite D
Vaughan, Ontario
L4L 8Z7

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

Not applicable.

2. Identity of the Acquiror:

2.1 *State the name and address of the acquiror.*

Emlyn J. David. (the "Acquiror")
1 Royal Gate Boulevard,
Rexdale, Ontario
L4L 8Z7

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

On March 7, 2018, pursuant to private agreements made with five persons, Skyvest Aviation Inc. ("Skyvest"), a company controlled by the Acquiror, acquired 2,646,566 Common Shares of the Issuer.

Also on March 7, 2018, Skyvest acquired an aggregate principal amount of \$631,600 of unsecured non-interest bearing promissory notes issued by the Issuer on July 31, 2016, acquired from the note holders thereof.

2.3 *State the names of any joint actors.*

Not applicable.

3. Interest in Securities of the Reporting Issuer

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

On March 7, 2018, the Acquiror acquired 2,646,566 common shares of the Issuer, resulting in joint ownership and control of an aggregate of 10,414,872 common shares of the Issuer representing approximately 66.01% of the Issuer's issued and outstanding common shares.

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

The Acquiror acquired joint ownership and control over an aggregate of 2,646,566 common shares of the Issuer that triggered the requirement to file this report.

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

Not applicable.

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

Immediately before the transaction that triggered the requirement to file this report, the Acquiror, together with joint actors, had ownership and control of an aggregate of 7,768,306 common shares of the Issuer. Immediately after the transaction that triggered the requirement to file this report, the Acquiror, together with joint actors, has ownership and control of an aggregate of 10,414,872 common shares representing 66.01% of the issued and outstanding common shares of the Issuer.

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

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

The Acquiror, together with joint actors, has ownership and control of an aggregate of 10,414,872 common shares representing 66.01% of the issued and outstanding common shares of the Issuer. See item 3.4 above.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

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

Not applicable.

4. Consideration Paid

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

The common shares were acquired pursuant to private agreements at a purchase price of \$0.10 per Common Share for total consideration of \$264,656.60.

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

See item 4.1 above.

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

See item 4.1 above.

5. Purpose of the Transaction

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

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

The common shares of the Issuer were purchased by the Acquiror, acting jointly, for investment purposes. Except as described herein, while the Acquiror has no current plans or intentions that relate to or would result in the items listed in (a) through (k) above, depending on various factors including, without limitation, the Issuer's financial position, the price levels of the common shares of the Issuer, conditions in the securities markets and general economic and industry conditions, the Issuer's business or financial condition, and other factors and conditions the Acquiror deems appropriate, the Acquiror may acquire additional securities in the future but has no current plans or future intentions to do so.

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

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject

to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

There are no such relevant agreements, giving rise to this report involving the Acquiror.

7. Change in material fact

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

Not applicable.

8. Exemption

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

Not applicable.

9. Certification

The undersigned, in my capacity as the authorized signing authority for the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated this 7th day of March, 2018.

"Emlyn J. David"
Emlyn J. David