

EARLY WARNING REPORT

PURSUANT TO NATIONAL INSTRUMENT 62-103F1 - THE EARLY WARNING SYSTEM AND RELATED TAKE-OVER BID AND INSIDER REPORTING ISSUES

This report has been amended to include reference to the beneficial holder of security referenced herein in Item 2.3.

Item 1 – Security and Reporting Issuer

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

Securities: Common shares (“Common Shares”)

Issuer: SustainCo Inc. (the **Issuer**)
1 Royal Gate Blvd., Suite D
Vaughn, ON 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.

Item 2 – Identity of the Acquiror

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

Roger Dent (the “**Creditor**”)
7 Wychwood Park
Toronto, ON M6G 2V5

- 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.**

The Creditor acquired an aggregate of \$77,267.41 principal amount of convertible debentures (“**Debenture**”) and 772,674 common share purchase warrants (“**Warrants**”) on July 14, 2020. The principal amount of the Debentures will be repaid, in cash, by the Issuer on the third anniversary of issuance (“**Maturity**”) and will carry an interest rate of 12% per year compounded monthly and payable at Maturity. Subject to receipt of shareholder approval, the Debentures are convertible into common shares of the Company at \$0.05 per share for the first year the Debentures are outstanding and at \$0.10 per share thereafter. Subject to receipt of shareholder approval, each Warrant is exercisable into one Common Share at an exercise price of \$0.10 per Common Share for a period of three years from the date of issuance. Shareholder approval was obtained on November 10, 2020.

- 2.3 State the names of any joint actors.**

Not applicable.

Item 3 – Interest in Securities of the Reporting Issuer

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

The Creditor acquired \$77,267.41 principal amount of Debentures, which are convertible into an aggregate of 1,545,348 Common Shares in the first year the Debentures are outstanding, which represents 8.9% of the Common Shares on a partially diluted basis. In addition, the Creditor acquired an aggregate of 772,674 Warrants, which are convertible into an aggregate

of 772,674 Common Shares, which represents 4.6% of the Common Shares on a partially diluted basis.

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.

Please see item 3.1 above.

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.

Prior to the closing of the Transaction, the Creditor owned an aggregate of 817,719 Common Shares.

After giving effect to the conversion of the Debentures and Warrants, the Creditor would own, directly and indirectly, 3,135,741 Common Shares representing approximately 17.3% of the Common Shares, on a partially diluted basis.

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,

Please see paragraph 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

Please see paragraph 3.4 above.

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

Not applicable.

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

Not applicable.

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

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

Not applicable.

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

Not applicable.

Item 4 – Consideration Paid

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

The Creditor acquired the Debentures and Warrants as a part of a private placement offering for aggregate subscription price of \$77,267.41.

- 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.**

Please see paragraph 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.**

Not applicable.

Item 5 – Purpose of the Transaction

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

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

- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The securities were acquired for investment purposes. The Creditor has a long-term view of the investment and may, depending on market and other conditions, or as future circumstances may dictate, from time to time, on an individual or joint basis, increase or dispose of some or all of the existing or additional securities it holds or will hold, or may continue to hold its current position. The Creditor currently has no other plans or intentions that relate to or would result in the matters listed in clauses (a) to (j), above. Depending on market conditions, general economic and industry conditions, the Issuer's business and financial condition and/or other relevant factors, the Creditor may develop such plans or intentions in the future.

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

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

Not applicable.

Item 7 – Change in material fact

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

Not applicable.

Item 8 – Exemption

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

Not applicable.

Item 9 – Certification

I, as 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 10th day of November, 2020.

(Signed "Roger Dent")

Roger Dent