

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus 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.

The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States of America, its territories and possessions, any State of the United States and the District of Columbia (the “**United States**”) or to, or for the account or benefit of, a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act) (a “**U.S. Person**”) unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States or to, or for the account or benefit of, any U.S. Person. See “Plan of Distribution”.

In Germany, the offering, as specified within this short form prospectus, is addressed to fewer than 150 non-qualified investors pursuant to Article 1 subsection (4)(b) of EU regulation 2017/1129 (European Prospectus Regulation). Accordingly, the offering is exempt from the prospectus requirement in Germany, and this short form prospectus does not constitute a prospectus in the meaning of the European Prospectus Regulation.

**Information has been incorporated by reference in this short form 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 the secretary of PlantX Life Inc. at 504 – 100 Park Royal South, West Vancouver, British Columbia, V7T 1A2, telephone (604) 355-6100, and are also available electronically at [www.sedar.com](http://www.sedar.com).

## SHORT FORM PROSPECTUS

New Issue

March 11, 2021



### PLANTX LIFE INC.

**MINIMUM OFFERING \$10 MILLION (9,523,810 OFFERED UNITS)**

**MAXIMUM OFFERING \$20 MILLION (19,047,619 OFFERED UNITS)**

**PRICE: \$1.05 PER OFFERED UNIT**

This short form prospectus (the “**Prospectus**”) qualifies the distribution of a minimum (the “**Minimum Offering**”) of 9,523,810 units (the “**Offered Units**”) and a maximum of 19,047,619 Offered Units (the “**Maximum Offering**”, and together with the Minimum Offering, the “**Offering**”) of PlantX Life Inc. (the “**Company**” or “**PlantX**”) at a price of \$1.05 per Offered Unit (the “**Offering Price**”) for aggregate gross proceeds of a minimum of \$10 million and a maximum of \$20 million. The Offered Units will be offered for sale on a “best efforts” agency basis without underwriter liability pursuant to the terms and conditions of an agency agreement dated March 11, 2021 (the “**Agency Agreement**”), between the Company and Mackie Research Capital Corporation (the “**Agent**”). Each Unit consists of one common share (a “**Common Share**”) in the capital of the Company (each, a “**Unit Share**”) and one Common Share purchase warrant of the Company (a “**Warrant**”, and together with the Units and Unit Shares, the “**Securities**”). Each Warrant entitles the holder thereof to acquire one Common Share (each, a “**Warrant Share**”) at an exercise price of \$1.25 per Warrant Share until 4:00 p.m. (Vancouver time) on the date that is 24 months following the closing of the Offering (the “**Closing Date**”), subject to adjustment in certain customary events and the Acceleration Provision (as defined herein). The Warrants will be governed by a warrant indenture (the “**Warrant Indenture**”) to be entered into on the Closing Date between the Company and Odyssey Trust Company (“**Odyssey**”), as warrant agent. The Offered Units will not trade and will separate into Unit Shares and Warrants after issuance.

The Common Shares are traded on the Canadian Securities Exchange Inc. (“**CSE**”) under the symbol “**VEGA**”, on the OTCQB under the symbol “**PLTXF**” and quoted on the Frankfurt Stock Exchange since February 20, 2017 under the symbol “**WNT**”. On March 10, 2021, the last trading day before the date of this Prospectus, the closing price of the Common Shares on the CSE was \$1.21, and on the OTCQB was US\$0.9781. The Company has applied to list the Unit Shares, the Warrant Shares and the Common Shares issuable upon the exercise, if any, of the Compensation Options (as defined herein), on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE.

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**\$1.05 per Offered Unit**

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	<b>Price to the Public<sup>(1)</sup></b>	<b>Agent’s Fee<sup>(2)</sup></b>	<b>Net Proceeds to the Company<sup>(3)</sup></b>
Per Offered Unit (non-President’s List) .....	\$1.05 <sup>(4)</sup>	\$0.063	\$0.987
Minimum Offering .....	\$10,000,000.50	\$600,000.03 <sup>(5)</sup>	\$9,400,000.47
Maximum Offering .....	\$19,999,999.95	\$1,200,000.00 <sup>(6)</sup>	\$18,799,999.95

Notes:

- (1) The Offering Price will be determined by arm’s length negotiation between the Company and the Agent in the context of the market.
- (2) The Company has agreed to pay the Agent a cash fee (the “**Agent’s Fee**”) equal to 6% of the gross proceeds from the Offering (including any gross proceeds raised on exercise of the Over-Allotment Option (as hereinafter defined)) except in respect of the sale of Offered Units made to certain pre-identified purchasers (the “**President’s List Purchasers**”), in respect of which the Agent will be paid an Agent’s Fee equal to 4% of the gross proceeds of the sale of the Offered Units to President’s List Purchasers. The Company has agreed to reimburse the Agent’s reasonable out-of-pocket expenses and the reasonable fees and disbursements of legal counsel to the Agent. The Agent will also receive, as additional compensation, non-transferable options (the “**Compensation Options**”) to purchase that number of Common Shares that is equal to 6% of the number of Units sold pursuant to the Offering, including any Units sold pursuant to the exercise of the Over-Allotment Option (4% of the number of Units sold to President’s List Purchasers). Each Compensation Option is exercisable for a period of 24 months from the Closing Date and at the price of \$1.25. This prospectus also qualifies the distribution of the Compensation Options. See “*Plan of Distribution*”.
- (3) Assuming there are no President’s List Purchasers, and after deducting the Agent’s Fee, but before deducting the expenses of the Offering (estimated to be approximately \$400,000), which will be paid from the proceeds of the Offering. If the Over-Allotment Option is exercised in full, the total gross proceeds of the Offering, the Agent’s Fee and the net proceeds to the Company (before deducting expenses of the Offering) will be \$22,999,999.05, \$1,379,999.94 and \$21,619,999.11, respectively. This short form prospectus also qualifies the distribution of the Over-Allotment Option and the Over-Allotment Securities issuable upon exercise of the Over-Allotment Option.
- (4) For its purposes, the Company intends to allocate \$1.04 of the Offering Price of each Offered Unit as consideration for the issue of each Unit Share and \$0.01 of the Offering Price of each Offered Unit for the Warrant comprising part of the Unit.
- (5) Minimum Agent’s Fee assuming no President’s List Purchasers.
- (6) Maximum Agent’s Fee assuming no President’s List Purchasers.

The Agent has been granted an over-allotment option, exercisable, in whole or in part, at the sole discretion of the Agent, for a period of 30 days from and including the Closing Date, to purchase up to an additional 2,857,142 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 in whole or in part at the Agent’s sole discretion, to acquire up to an additional 2,857,142 units of the Company with the same terms as the Offered Units (the “**Over-Allotment Units**”). The Over-Allotment Option may be exercised by the Agent to acquire: (i) Over- Allotment Units at the Offering Price; (ii) additional Common Shares (the “**Over-Allotment Shares**”, which term includes the Common Shares partially comprising the Over-Allotment Units) at a price of \$1.04 per Over-Allotment Share; (iii) additional Warrants (the “**Over-Allotment Warrants**”, which term includes the Warrants partially comprising the Over-Allotment Units) (the Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants are referred to collectively as the “**Over-Allotment Securities**”) at a price of \$0.01 per Over-Allotment Warrant; or (iv) any combination of Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants, so long as the aggregate

number of Over-Allotment Shares that may be issued under such Over-Allotment Option does not exceed 2,857,142 Over-Allotment Shares and the Over-Allotment Warrants that may be issued under such Over-Allotment Option does not exceed 2,857,142 Over-Allotment Warrants. Each Over-Allotment Warrant shall have the same terms as the Warrants and will be issued pursuant to the Warrant Indenture. If the Over-Allotment Option is exercised in full, the total “Price to the Public”, “Agent’s Fee” and “Net Proceeds to the Company” will be \$22,999,999.05, \$1,379,999.94 and \$21,619,999.11, respectively. This Prospectus qualifies the distribution of the Over-Allotment Option and the distribution of the Over-Allotment Securities issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Over-Allotment Securities forming part of the Agent’s over-allocation position acquires those Over-Allotment Securities under this 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*”.

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

<b>Agent’s Position</b>	<b>Maximum Number of Securities</b>	<b>Exercise Period</b>	<b>Exercise Price</b>
Over-Allotment Option <sup>(1)</sup>	2,857,142 Units	For a period of 30 days from and including the Closing Date	1.05 per Unit
Compensation Options	1,314,285 Common Shares <sup>(2)</sup>	24 months from the Closing Date	\$1.25 per Common Share

Note:

- (1) This Prospectus qualifies the distribution of the Over-Allotment Option and the distribution of all securities issuable thereunder. See “*Plan of Distribution*”.
- (2) Assumes exercise of the Over-Allotment Option in its entirety.

**Investing in the Offered Units is speculative and involves significant risks. You should carefully review and evaluate the risk factors contained in this Prospectus and in the documents incorporated by reference herein before purchasing the Offered Units, see “*Forward-Looking Information*” and “*Risk Factors*”. 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.**

The Offering is being conducted on a “best efforts” agency basis without underwriter liability by the Agent who conditionally offer the Offered Units for sale, if, as and when issued by the Company and accepted by the Agent in accordance with the terms and conditions contained in the Agency Agreement referred to under “*Plan of Distribution*”, and subject to the approval of certain legal matters on behalf of the Company by Gowling WLG (Canada) LLP and on behalf of the Agent by MLT Aikins LLP.

Subscriptions for the Offered Units will be received subject to rejection or allotment, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about March 18, 2021, or such other date as may be agreed upon by the Company and the Agent (the “**Closing Date**”). Pending closing of the Offering, all subscription funds will be deposited and held by the Agent in trust, until the Minimum Offering is raised, pursuant to the terms and conditions of the Agency Agreement. If the Closing Date does not occur within 90 days from the date a receipt is issued for the (final) short form prospectus or such other time as may be permitted by applicable securities legislation and consented to by persons or companies who subscribed within that period and the Agent, the Offering will be discontinued and all subscription monies will be returned to subscribers without interest, set-off or deduction. See “*Plan of Distribution*”.

It is anticipated that the Offered Units will be delivered under the book-based system through CDS Clearing and Depository Services Inc. (“**CDS**”) or its nominee and deposited in electronic form. A purchaser of Offered Units will receive only a customer confirmation from the registered dealer from or through which the Offered Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Offered Units on behalf of owners who have purchased Offered Units in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. Notwithstanding the foregoing, all Offered Units, Unit Shares, Warrants and any Warrant Shares, if applicable, offered and sold in the United States or to, or for the account or benefit of U.S. Persons who are “accredited investors” as such term is defined in Rule 501(a) of Regulation D promulgated under the U.S. Securities Act (the “**U.S. Accredited Investors**”), and who are not “qualified institutional buyers”, as such term is defined in Rule 144A under the U.S. Securities Act (“**Qualified Institutional Buyers**” and, together with the U.S. Accredited Investors, the “**U.S. Purchasers**”) will be issued in certificated, individually registered form. See “*Plan of Distribution*”.

Each of Julia Frank (CEO and Director) and Alex Hoffman (Chief Marketing Officer), who reside outside of Canada, have appointed Gowling WLG (Canada) LLP, 550 Burrard Street, Suite 2300, Vancouver, British Columbia V6C 2B5, as agent for service of process in Canada. Prospective purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process, see “*Risk Factors*”.

**Information contained on the Company’s website shall not be deemed to be a part of this Prospectus or incorporated by reference herein and may not be relied upon by prospective investors for the purpose of determining whether to invest in the securities qualified for distribution under this Prospectus.**

The Company’s head office is located Suite 504, 100 Park Royal South, West Vancouver, British Columbia, V7T 1A2 and registered and records office is located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC, V6C 2B5.

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## GENERAL MATTERS

Unless otherwise noted or the context indicates otherwise, the “**Company**”, “**PlantX**”, “**we**”, “**us**” and “**our**” refers to PlantX Life Inc. and its Subsidiaries (as defined herein).

An investor should rely only on the information contained or incorporated by reference in this Prospectus. Neither the Company nor the Agent has authorized anyone to provide investors with additional or different information. The Company and the Agent are not making an offer to sell or seeking offers to buy the Offered Units in any jurisdiction where the offer or sale is not permitted. Prospective purchasers should assume that the information disclosed or incorporated by reference in this Prospectus is accurate only as at the respective dates thereof, regardless of the time of delivery of the Prospectus or of any sale of the Offered Units. The Company’s business, financial condition, results of operations and prospects may have changed since that date.

All currency amounts in this Prospectus are stated in Canadian dollars, unless otherwise noted.

## FORWARD-LOOKING INFORMATION

This Prospectus, including information and documents incorporated by reference, contains certain information, forecasts, projections, and/or disclosures about the Company that may constitute “forward-looking information” and “forward-looking statements” under applicable securities laws (collectively, “**forward-looking statements**”). All such statements, forecasts, projections and/or disclosures included in this Prospectus and the documents and information incorporated by reference, other than those of historical fact, that address activities, events or developments that the Company anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking statements. Forward-looking statements are based upon the Company’s current internal expectations, estimates, projections and assumptions about future events and financial trends that management believes may affect the Company’s financial condition, results of operations, business strategy and financial needs, as the case may be. The forward-looking statements are subject to significant known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as “expect”, “likely”, “may”, “will”, “should”, “intend”, “anticipate”, “potential”, “proposed”, “estimate”, “believe”, “plan”, “forecast” and other words of similar import, understanding and meaning, including negative and grammatical variations thereof, or statements that certain events or conditions “may” or “will” happen, or by discussions of strategy. Actual results and developments may differ materially from those contemplated by these forward-looking statements. Forward-looking statements in this Prospectus and the documents incorporated by reference include, but are not limited to, statements with respect to:

- the completion of the Offering and the receipt of all regulatory and stock exchange approvals in connection therewith;
- the listing on the CSE of the Unit Shares and Warrant Shares issuable in connection with the Offering;
- the use of the net proceeds of the Offering;
- the Company’s business objectives and milestones and the anticipated timing of execution;
- the expected performance of the Company’s business and operations;
- the ability of the Company to sell its product offerings across its operating markets;
- the Company’s ability to expand and develop its foreign operations and supply arrangements;
- the Company’s ability to leverage the success of its North American operations and further develop its presence in the United Kingdom, Germany, Europe and Israel;
- the Company’s use of brick-and-mortar locations;
- the Company’s plans to establish a franchise model in respect of its brick-and-mortar locations;
- the Company’s use of dropshipping arrangements;
- the Company’s meal delivery offering a subscription service;
- the Company’s grocery and pantry products;

- the Company's plant shop products;
- the Company's recipes;
- the Company's private label products;
- the Company's plans to locate warehouse space and greenhouse space to further its distribution of ready-made meals and indoor plants;
- the features and expected launch of the Company's mobile app;
- potential future strategic acquisitions;
- the Company's ability to integrate the business of Bloombox and Score into its operations;
- expectations regarding the Company's revenues, expenses and profits;
- expectations in the growth of demand in the plant-based food and consumer product industries;
- the competitive conditions of the plant-based food industry, including ancillary industries such as plant-based cosmetics, plant-based vitamins and plant-based pet-food;
- the anticipated growth of consumer trends and preferences for plant-based offerings;
- the anticipated growth of consumer trends and preferences for online shopping;
- the Company's anticipated obligations to comply with food health and safety matters;
- the Company's anticipated obligations to comply with product safety matters;
- the Company's anticipated obligations to comply with employee health and safety matters;
- the effect of new or altered government regulations with respect to the marketing, acquisition, manufacture, management, transportation, storage, sale and disposal of consumer products;
- the grant or renewal of licenses or governmental approvals required to conduct activities related to the Company's business;
- the Company's ability to maintain ancillary business licenses, permits and approvals required to operate effectively;
- the intentions of management of the Company;
- the Company's intention to meet and seek advice from its advisory boards;
- the Company's ability to meet sales capacity;
- the Company's ability to conduct sales and marketing activities for its products;
- the impacts of future scientific findings regarding the plant-based market;
- the Company's ability to develop or facilitate introduction of new product offerings to the market;
- the Company's ability to implement effective distribution measures;
- the Company's ability to source raw materials, products and supplies at acceptable quantities, qualities and prices;
- the Company's ability to establish partnerships with third parties, suppliers and distribution partners;
- the Company's ability to fulfil its obligations to third parties, suppliers and distribution partners;
- the Company's expectations that third parties, suppliers and distribution partners will fulfill their obligations;
- the Company's ability to retain and attract key personnel and members of management;
- the scope of protection the Company is able to establish and maintain, if any, for intellectual property rights covering its products or services;
- the Company's intention to list its Common Shares on the NASDAQ Capital Market and the associated filing of a Form 40-F Registration with the United States Securities and Exchange Commission;
- the Company's ability to raise additional funds;
- future liquidity and financial capacity;
- the Company's ability to manage cash flows;
- the Company's plan with respect to any payments of dividends;
- the Company's possible exposure to liability relating to product recalls;
- the Company's ability to cope with the operational impacts of the COVID-19 pandemic; and
- contractual obligations and commitments.

Forward-looking statements are based on certain key assumptions and analyses made by the Company in light of management's experience, perception of historical trends, current conditions, expected future developments and other factors the Company believes are relevant and reasonable in the circumstances

at the date such forward-looking statements are made. These assumptions and analyses are based on information available at the time that the forward-looking statements are made. These assumptions and analyses include, but are not limited to:

- expectations regarding the Company's consolidated revenue, expenses and operations;
- the Company's anticipated cash needs, its needs for additional financing, its ability to generate cash flow from operations, and changes to its dividend policies;
- the Company's strategies to develop its business and its operations;
- current and future management will work towards the business objectives and strategies outlined in this Prospectus;
- the Company retaining its board of directors and management, and otherwise engaging qualified advisors having knowledge of the industry in which the Company operates;
- the Company's expectations with respect to how its products will be distributed to consumers in the United States, the United Kingdom, Germany, Israel and other international markets, if applicable;
- the Company's growth expectations and ability to maintain sufficient inventory;
- the United Kingdom's exit from the European Union;
- the Company's expectations with respect to future production costs and capacity;
- the Company's competitive position and the regulatory environment in which it operates; and
- the Company's expectations regarding the general economic, financial, regulatory and political conditions in which the Company operates.

Undue reliance should not be placed on forward-looking statements because a number of risks and factors may cause actual results to differ materially from those set out in such forward-looking statements. These include those risks identified below and also those more fully described under "*Risk Factors*":

- risks associated with an industry experiencing rapid growth and competition;
- risks of managing the growth of the Company's business, including the accuracy of financial projections;
- risks associated with unfavorable publicity or consumer perception;
- risks associated with the enforceability of contracts;
- risks associated with the reliance on suppliers, service providers and third parties;
- risks associated with protecting the Company's intellectual property and licensing third party intellectual property;
- risks associated with litigation and/or product liability;
- risks inherent in the food and consumer product business;
- risks associated with economic conditions, dependence on management and key personnel, and conflicts of interest;
- risks associated with changing consumer demand and preferences; and
- risks associated with general economic and financial market conditions, including with respect to COVID-19.

Purchasers are cautioned that the foregoing lists of forward-looking statements, assumptions, analyses and factors should not be construed as exhaustive.

Although the Company believes that the expectations reflected in the forward-looking statements in this Prospectus and the documents incorporated by reference are reasonable, it can give no assurance that such expectations will prove to be correct. New risks, uncertainties and other factors arise from time to time and it is not possible for management to predict all of those factors or to assess, in advance, the impact of each such factor on the Company's business. Purchasers are cautioned that actual future results may differ materially from management's current expectations and the forward-looking statements contained in this Prospectus are expressly qualified in their entirety by this cautionary statement and are made as of the date of this Prospectus. The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. Given the risks, uncertainties and assumptions associated with the forward-looking statements, undue reliance should not be placed on forward-looking statements contained in this



Prospectus or in documents incorporated by reference. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

### **DOCUMENTS INCORPORATED BY REFERENCE**

The following documents, each of which has been filed with the securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario, are specifically incorporated by reference and form an integral part of this Prospectus:

- (a) the annual information form of the Company dated February 12, 2021 for the year ended July 31, 2020 (the “**Annual Information Form**”);
- (b) the listing statement of the Company dated August 5, 2020 in respect of the RTO Transaction (as defined herein) transaction involving the Vegaste Technologies Corp. (formerly, Winston Resources Inc. and TargetCo (as defined herein));
- (c) the Company’s audited financial statements for the years ended July 31, 2020 and 2019, together with the independent auditors’ report thereon;
- (d) the Company’s management discussion and analysis for the years ended July 31, 2020 and 2019;
- (e) the Company’s condensed interim consolidated financial statements for the nine months ended December 31 2020 and for the period from October 11, 2019 (date of incorporation) to December 31, 2019;
- (f) the Company’s management discussion and analysis for the nine months ended December 31, 2020;
- (g) TargetCo’s Condensed Consolidated Interim Financial Statements for the three months ended June 30, 2020 and for the period from October 11, 2019 (date of incorporation) to March 31, 2020;
- (h) The Company’s business acquisition report dated January 15, 2021 with respect to the Company’s acquisition of Bloomboxclub Limited that closed on November 6, 2020;
- (i) The Company’s management information circular dated January 29, 2021 in respect of its annual general and special meeting to be held on February 26, 2021;
- (j) the Company’s material change report dated August 5, 2020 in respect of completion of the RTO Transaction and completion of the Consolidation (as defined herein) and Name Change (as defined herein);
- (k) the Company’s material change report dated September 22, 2020 in respect of the Company entering into a partnership agreement with Liv Marketplace LLC;
- (l) the Company’s material change report dated September 29, 2020 in respect of the Name Change;
- (m) the Company’s material change report dated November 13, 2020 in respect of the completion of acquisition of Bloomboxclub Limited;

- (n) the Company's material change report dated December 23, 2020 in respect of completion of a non-brokered private placement of units for aggregate proceeds of \$11,500,000; and
- (o) the Company's material change report dated January 15, 2021 in respect of completion of acquisition of Score Enterprises Ltd.; and
- (p) the Company's corporate presentation dated February 16, 2020 (the "**Marketing Materials**").

Any documents of the type referred to in paragraphs (a)-(o) above or similar material and any documents required to be incorporated by reference herein pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions*, including any annual information form, all material change reports (excluding confidential reports, if any), all annual and interim financial statements and management's discussion and analysis relating thereto, or information circular or amendments thereto that the Company files with any securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to the termination of this Offering will be deemed to be incorporated by reference in this Prospectus and will automatically update and supersede information contained or incorporated by reference in this Prospectus.

**Any statement contained in this Prospectus or 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. 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 not constitute a part of this Prospectus, except as so modified or superseded.**

## **MARKETING MATERIALS**

Any "template version" of "marketing materials" (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements*) will be incorporated by reference into the final short form prospectus. However, any such template version of marketing materials will not form part of the final short form prospectus to the extent that the contents of the template version of marketing materials are modified or superseded by a statement contained in the final short form prospectus. Any template version of marketing materials filed after the date of this Prospectus and before the termination of the distribution under the Offering (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated in this Prospectus.

## **DESCRIPTION OF THE BUSINESS**

### **Corporate Structure**

#### **Name, Address and Incorporation**

The Company was formed through an amalgamation between Gorilla Resources Corp. and Orca Wind Power Corp. under the *Business Corporations Act* (BC) (the "**BCBCA**") on October 14, 2011. The amalgamated entity was named "Gorilla Resources Corp." On June 22, 2012, the Company changed its name to "Winston Resources Inc." ("**Winston**").

PlantX Living Inc. (formerly PlantX Life Inc.) (the “**TargetCo**”), then a private company, was incorporated on October 11, 2019 under the BCBCA.

On April 1, 2020, TargetCo’s wholly-owned Subsidiary, Vegaste Technologies US Corp., was incorporated in Florida.

Pursuant to the terms of the RTO Transaction, the Company agreed to: (i) complete the Consolidation, which was completed on July 17, 2020; and (ii) complete the Concurrent Financing (as defined herein), which was completed on July 15, 2020.

On July 17, 2020, the Company changed its name to “Vegaste Technologies Corp.”

On August 5, 2020, the RTO Transaction was completed pursuant to available exemptions under applicable securities legislation. Following the completion of the RTO Transaction, the business of TargetCo became the business of the Company.

On August 10, 2020, the Common Shares resumed trading on the CSE under the symbol “VEGA”.

On September 28, 2020, the Company changed its name to “PlantX Life Inc.”

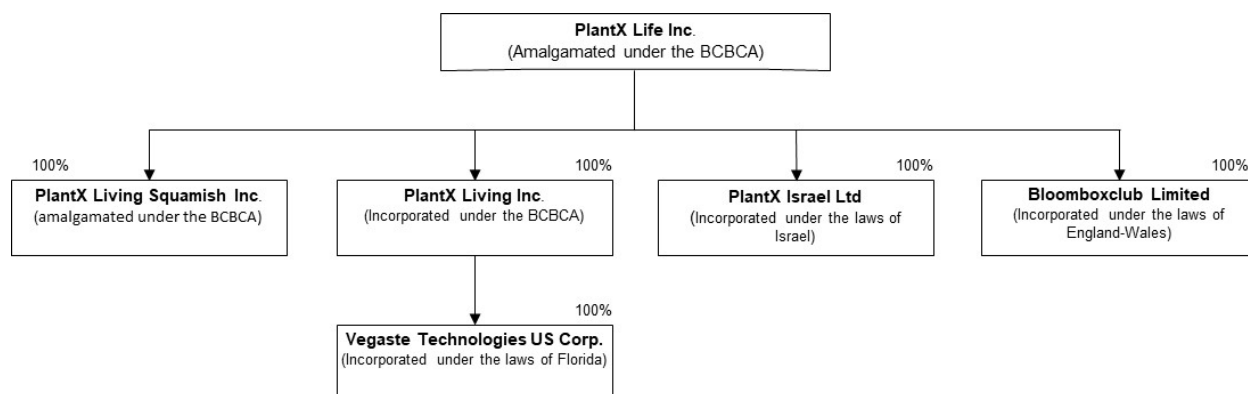
In connection with the RTO Transaction, the Company adopted the year-end of TargetCo and changed its year end to March 31.

The Company is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario.

The Company’s head office is located Suite 504, 100 Park Royal South, West Vancouver, British Columbia, V7T 1A2 and registered and records office is located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

**Intercorporate Relationships**

As of the date hereof, the Company carries on business through the following wholly-owned subsidiaries (the “**Subsidiaries**”).



**Covid-19 Pandemic Update**

Management continues to closely monitor the impact of the COVID-19 global pandemic on the Company’s business and operations, with a focus on the health and safety of the Company’s employees, business continuity and supporting its communities. The Company has continued to successfully operate under preventative measures and has experienced minimal disruption to its production and operations. One area of impact for the Company has been with respect to travel. The impact of COVID-19 has severely limited

management's ability to travel, which, given the emerging international nature of the Company's business, management team and clientele, has impacted the Company's ability to manage its business in a traditional manner. Although, the Company has adapted well to the new work-from-home environment, limited travel is suboptimal for managing a company with growing international operations.

The Company's employees and consultants continue to effectively work remotely using various technology tools and the Company has been able to maintain its full operations and internal controls over financial reporting and disclosures.

As of the date of this Prospectus, LIV Marketplace has continued to operate largely unchanged other than implementing the appropriate Public Health orders with respect to Covid-19 measures. The Company's e-commerce platforms, including PlantX and Bloombox, have continued operations largely unchanged. To date, the Company has not been negatively impacted by COVID-19 due to the observed acceleration in the adoption of e-commerce and healthier lifestyle choices.

Nonetheless, given the uncertainties associated with the COVID-19 pandemic (including a potential resurgence due to variant cases), disruptions to the global and local economies due to related stay-at-home orders, quarantine policies and restrictions on travel, trade and business operations and a reduction in discretionary consumer spending, the Company is unable to estimate the impact of the COVID-19 pandemic on its business, financial condition, results of operations, and/or cash flows. The uncertain nature of the impacts of the COVID-19 pandemic may affect the Company's results of operations for the balance of fiscal 2021.

The Company believes it has sufficient liquidity available from cash, cash equivalents and short-term investments on hand to meet its working capital, operating requirements and settle its liabilities.

## **General Development of Business**

### **Three Year History**

#### *History of the Company Prior to the RTO Transaction*

Prior to the completion of the RTO Transaction, the Company was an exploration stage mining company engaged in the acquisition and exploration of mineral properties in Canada.

On May 31, 2017, the Company entered into a share exchange agreement (the "**GT Agreement**") with GT Therapeutics Corporation ("**GTT**") pursuant to which the Company intended to complete a reverse takeover and acquire from the shareholders of GTT all of the issued and outstanding shares of GTT, causing GTT to become a wholly-owned subsidiary of the Company. Pursuant to the GT Agreement, the Company intended to issue an aggregate of 5,500,000 Common Shares to the existing shareholders of GTT, on a pro rata basis, at a deemed price of \$0.45 per share for total consideration of \$2,475,000.

On January 10, 2018, the Company assigned all of its rights and interests in the GT Agreement to Abattis Biocellicals Corp. ("**Abattis**") and certain shareholders of GTT pursuant an assignment and novation agreement. In consideration of the assignment, Abattis issued to the Company 15,000,000 common shares of Abattis at a deemed price of \$0.48. On June 7, 2018, the Company distributed the 15,000,000 common shares of Abattis to its shareholders on the basis of 0.5968 common share of Abattis for every Common Share. The Abattis share distribution was recorded as a \$3,000,000 dividend paid to shareholders of the Company.

#### *RTO Transaction with TargetCo*

On April 3, 2020, the Company announced the entering into of a share exchange agreement with TargetCo., a privately-held, British Columbia-based company, dated March 27, 2020 (the "**Share Exchange**")

**Agreement**") whereby the Company would acquire all of the outstanding common shares of TargetCo (the "**TargetCo Shares**") in exchange for Common Shares, resulting in a reverse takeover of the Company by the TargetCo Shareholders (the "**RTO Transaction**"). TargetCo was an emerging e-commerce company that marketed, sold and distributed plant-based foods, beverages and other products throughout North America.

To raise operating capital, on July 15, 2020, the Company completed a non-brokered private placement of 12,819,200 subscription receipts ("**Subscription Receipts**") at a price of \$0.25 per Subscription Receipt for gross proceeds of \$3,204,800 (the "**Concurrent Financing**"). Each Subscription Receipt would, for no additional consideration, automatically be exchanged for one Common Share immediately prior to the closing of the RTO Transaction.

On July 17, 2020, the Company completed a consolidation of its Common Shares on the basis of one post-consolidation Common Share for every 10 pre-consolidation Common Shares held, and changed its corporate name to "Vegaste Technologies Corp." (the "**Name Change**") all in accordance with the terms of the RTO Transaction.

On August 5, 2020, the Company and TargetCo completed the RTO Transaction and the business of TargetCo became the business of the Company. The board of directors of the Company was reconstituted to be comprised of Messrs. Peter Simeon, Lorne Rapkin, Quinn Field-Dyte and Todd Shapiro. Ms. Julia Frank was appointed Chief Executive Officer and Mr. Rapkin appointed Chief Financial Officer of the Company. In accordance with the terms of the Share Exchange Agreement, TargetCo Shareholders received an aggregate of 35,572,220 Common Shares, on a post-Consolidation basis, in exchange for 35,572,220 TargetCo Shares. In addition, all outstanding options of TargetCo (the "**TargetCo Options**") were cancelled in exchange for Options on a one-for-one basis. The Company also issued 3,557,222 post-Consolidation Common Shares to an arm's length finder at a deemed price of \$0.25 per Common Share as a transaction fee for introducing TargetCo to the Company. The Company also changed its financial year-end to March 31, the financial year-end of TargetCo.

On August 10, 2020, the Company resumed trading on the CSE under the new ticker symbol "VEGA".

#### *Post-RTO Transaction Developments*

On September 14, 2020, the Company announced a partnership agreement with Liv Marketplace LLC ("**Liv Marketplace**") whereby Liv Marketplace agreed to serve as the exclusive online fulfilment partner and retail distributor of the Company's products in the United States. Additionally, Liv Marketplace agreed to establish and operate retail stores, coffee shops and cafés in the United States under the "PlantX" name.

On September 28, 2020, the Company amended its Notice of Articles in accordance with the BCBCA and changed its name from "Vegaste Technologies Corp." to "PlantX Life Inc."

On November 6, 2020, the Company completed the acquisition of Bloomboxclub Limited ("**Bloombox**"), a privately held e-commerce company based in the United Kingdom that sells and delivers indoor plants, pursuant to a definitive purchase agreement between the Company and the shareholders of Bloombox (the "**Bloombox Acquisition**"). Bloombox and the Bloombox shareholders were at arm's length to the Company. The Bloombox Acquisition marked the Company's initial entrance into the United Kingdom and Europe as part of its international expansion strategy.

The Company paid a purchase price of £8 million that was satisfied by a combination of £560,000 in cash and £7,440,000 in Common Shares (the "**Bloombox Consideration Shares**"). An aggregate of 10,782,559 Bloombox Consideration Shares were issued to the sellers of Bloombox at a deemed price of C\$1.17 per Common Share, that being equal to the ten (10) day volume weighted average trading price of the Common Shares immediately preceding the public announcement of the Bloombox Acquisition (the "**Bloombox Consideration Share Price**"). The Bloombox Consideration Shares are subject to a four (4) month hold period ending on March 7, 2021, in accordance with applicable Canadian securities laws.

Pursuant to the terms of the definitive purchase agreement, the Bloombox Consideration Shares were deposited into escrow whereby the Bloombox Consideration Shares will be released from escrow in accordance with the following release schedule:

- 20% of the Bloombox Consideration Shares were immediately released from escrow on closing of the Bloombox Acquisition;
- 15% were released three (3) months after the from closing of the Bloombox Acquisition;
- 15% will be released six (6) month from closing of the Bloombox Acquisition;
- 15% will be released nine (9) months from closing of the Bloombox Acquisition;
- 15% will be released twelve (12) months from closing of the Bloombox Acquisition;
- 10% will be released fifteen (15) months from closing of the Bloombox Acquisition; and
- the remaining 10% will be released eighteen (18) months from closing of the Bloombox Acquisition.

Pursuant to Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations*, the Bloombox Acquisition constituted a significant acquisition and the Company filed a business acquisition report on Form 51-102F4 on January 15, 2021, which is available on SEDAR.

In connection with the Bloombox Acquisition, the Company paid a financial advisory fee equal to 10% of the value of the Bloombox Acquisition to an arm's length, third party financial advisor for its assistance in introducing, evaluating, and structuring the Bloombox Acquisition for the Company. The fee was satisfied by a combination of \$135,883 in cash and 1,043,473 in Common Shares at a deemed price per share equal to the Bloombox Consideration Share Price. The Common Shares issued to the advisor are subject to a 4 month hold period ending on March 7, 2021, in accordance with applicable Canadian securities laws.

On December 1, 2020, the Company announced the formation of a medical advisory board comprised of certain of doctors and specialists to provide medical expertise and guidance to the Company and its consumer market regarding the health benefits of a plant-based lifestyle (the "**Medical Advisory Board**"). The Medical Advisory Board meets with the Company on a monthly basis to review its products, meals, recipes and plants, and then makes recommendations on how each will affect consumers' health and wellness. The Medical Advisory Board also discusses advancements in the plant-based industry and how the Company can capitalize on such advancements.

On December 16, 2020 the Company completed a non-brokered private placement of 20,909,091 units of the Company (each a "**December Unit**") at a price of \$0.55 per December Unit for aggregate gross proceeds of \$11,500,000 (the "**December 2020 Placement**").

Each December Unit consisted of one (1) Common Share and one (1) Common Share purchase warrant (the "**December Warrant**"). Each December Warrant entitles the holder to acquire one (1) Common Share at an exercise price of \$0.75 per share until December 16, 2022 (the "**December Warrant Expiry Date**"). In the event that the trading price of the Common Shares on the CSE (or such other Canadian stock exchange on which the Common Shares are listed for trading) equals or exceeds \$2.00 per Common Share for any period of 10 consecutive trading days, then the Company may, at its option, within 10 business days following such 10-day period, accelerate the December Warrant Expiry Date by issuing a press release (a "**December Warrant Acceleration Press Release**"), and, in such case, the December Warrant Expiry Date will be deemed to be 5:00 p.m. (Vancouver time) on the 30<sup>th</sup> day following the issuance of the December Warrant Acceleration Press Release (the "**December Warrant Acceleration Option**").

In connection with the December 2020 Placement, the Company compensated certain finders that introduced subscribers to the Company by way of: (i) a cash finders' fee to each such finder of up to 7% of the aggregate gross proceeds of the subscribers introduced to the Company by such finder ("**December Finder's Fees**"); and (ii) the issuance of non-transferable December Warrants to each such finder of up to 7% of the aggregate December Units of the subscribers introduced to the Company by such finder ("**December Finder's Warrants**"). Each December Finder's Warrant has the same terms as the December Warrants. The Company paid a total of \$430,495.65 in December Finders' Fees and issued an aggregate of 774,757 December Finders' Warrants to such finders in connection with the December 2020 Placement.

The securities issued in connection with the December 2020 Placement, including the December Finders' Warrants, are subject to a four (4) month hold period ending on April 17, 2021 in accordance with applicable Canadian securities laws.

On December 17, 2020, the Company announced plans to expand the Company's e-commerce platform into the State of Israel. The Company's Israeli expansion would also include establishing a brick-and-mortar PlantX location in the country in the future.

On December 22, 2020, the Company announced that its Common Shares commenced trading on the OTCQB® Venture Market in the United States under the symbol "PLTXF".

On January 7, 2021, the Company completed the acquisition of Score Enterprises Ltd. ("**Score**") pursuant to a share agreement between the Company and the shareholders of Score (the "**Score Acquisition**"). Score and the Score shareholders were at arm's length to the Company. Prior to the Score Acquisition, Score was a privately-held company that operated the Squamish, British Columbia-based Locavore Bar & Grill and other related businesses including the "Cloudburst Café", and "Locavore Food Truck". The restaurant location will be redesigned as the PlantX Canadian flagship brick-and-mortar shop. The Company paid a purchase price of \$1.35 million that was satisfied by a combination of \$327,435 in cash and \$1,022,565 in Common Shares ("**Score Consideration Shares**"). An aggregate of 1,897,152 Score Consideration Shares were issued to the sellers of Score at a deemed price of \$0.539 per Common Share, that being equal to the ten (10) day volume weighted average trading price of the Common Shares immediately preceding the public announcement of the Score Acquisition.

Pursuant to the terms of the share purchase agreement, the Score Consideration Shares are subject to a lock-up agreement whereby the Score Consideration Shares will be released from lock-up in accordance with the following release schedule:

- 10% of the Score Consideration Shares were immediately released on closing of the Score Acquisition;
- 30% will be released three (3) months from closing of the Score Acquisition;
- 30% will be released six (6) month from closing of the Score Acquisition; and
- 30% will be released nine (9) months from closing of the Score Acquisition.

Following the closing of the Score Acquisition, Score changed its name to PlantX Living Squamish Inc. and operates as wholly-owned subsidiary of the Company.

On January 11, 2021, the Company announced that it has applied to list its Common Shares on the NASDAQ Capital Market. The Company intends to file a Form 40-F Registration with the United States Securities and Exchange Commission.

On February 3, 2021, the Company announced the formation of an advisory board comprised of reputable executives in the business, marketing and finance industries (the "**Advisory Board**"). The Advisory Board provides the Company with advice with respect to mergers and acquisitions, logistics, marketing and innovation.

On February 4, 2021, the Company announced the expansion Bloombox's plant subscription platform into Germany.

## Description of the Business

### General

#### *Summary*

The Company is primarily an e-commerce company that offers multiple plant-based brands at its “one-stop shop for everything plant-based”. The Company’s e-commerce platform is an online source for high-quality plant-based products including groceries, ingredients, food and beverages, cosmetics, pet foods and plants. The Company makes more than 10,000 plant-based products available to consumers throughout North America on its e-commerce websites.

The Company currently operates its business using a supply-chain management system known as “dropshipping” whereby Subsidiaries of the Company and/or its Subsidiaries facilitate the delivery of the goods from a third-party manufacturer to a third party distributor and then to the end-point consumer who places the associated order. Dropshipping typically does not require the Company to own inventory. Strategically, dropshipping enables the Company’s business to operate with limited overhead and inventory, thus improving margins and, ultimately, net revenue.

PlantX also seeks to create brand-awareness through its brick-and-mortar strategy. As of the date of this Prospectus, PlantX has announced brick-and-mortar locations in San Diego, California, Squamish, British Columbia, and Tel Aviv, Israel. With the exception of the Squamish location (which is corporate owned), the Company intends to execute its brick-and-mortar strategy through a franchising model. The purpose of the PlantX branded locations is to provide a customer-friendly experience where consumers can engage and become educated about the benefits of a plant-based lifestyle, sample and purchase featured plant-based products and engage in the PlantX community.

The PlantX platform also features a collaborative forum and blog to help like-minded consumers to engage through social media and via partnerships with top nutritionists, chefs and brands. By combining this online strategy with the opportunities to engage at brick-and-mortar locations, the Company seeks to cultivate a PlantX community that translates into increased sales through its e-commerce platform. Establishing a core consumer base that makes recurring purchases from the Company’s e-commerce platform is critical to the execution of the Company’s business model.

#### E-commerce Platforms

The Company has developed its e-commerce platforms, into an online source for high-quality plant-based products with distribution throughout Canada, the United States, the United Kingdom, and Germany and with expansion planned to Israel. Shortly after launching the online platform, PlantX introduced its collaborative forum and blog to help likeminded consumers connect with each other. On the website, users can now start a discussion with the entire community about plant-based health, nutrition, and recipes.

The U.S. PlantX website, [www.plantx.com](http://www.plantx.com), is the Company’s primary marketing and sales tool. Since launching on April 1, 2020, the site has received over 76,000 unique visitors, and has over 830 user accounts. The Canadian PlantX website, [www.plantx.ca](http://www.plantx.ca), focuses on the Canadian marketplace. Since launching on September 21, 2020, the Canadian site has received over 60,000 unique visitors, and has over 1,600 user accounts.

Through both websites, consumers can:

- establish an account;
- shop from a selection of plant-based products;
- order weekly meal deliveries of prepared or ready-to-cook vegan meals (currently available in Canada only);



- participate in online forums and discussion groups; and
- order houseplants directly from our greenhouse partners.

As the popularity of home-delivered prepared or ready-to-cook meal offerings continues to grow, the Company will use this delivery model to offer exclusively plant-based and vegan menus. The Company has also introduced a meal-subscription option that allows for a recurring revenue stream from consumers purchasing from PlantX meal delivery options. All meals will be pre-portioned with quality ingredients and delivered with step-by-step instructions that take only minutes to prepare. Ms. Amy Gensel has joined the Medical Advisory Board to oversee the nutritional elements and menu offerings of this business segment.

### Brick-and-Mortar Locations

The PlantX brick-and-mortar locations, including its anticipated flagship stores, are expected to provide a sensory experience for customers to experience plant-based shopping. The locations are intended to attract new customers, build brand recognition, and create a loyal PlantX consumer base. All PlantX customers should expect a consistent experience – whether shopping on-line or at a flagship store. Certain brick-and-mortar stores will also be used as distribution centers that warehouse goods and ship directly to consumers from orders placed on the e-commerce platform.

The announced flagship locations in Squamish, British Columbia, San Diego, California and Tel Aviv, Israel are expected to feature plant-based education centres, cafés, and restaurants with plant-based meals designed by a team of executive chefs and nutritionists. These locations will be used as a training center for future staff. The design, layout and offerings will be another way to help make a plant-based lifestyle accessible to residents across North America and Israel.

The proposed PlantX flagship locations are strategically positioned to represent geographical locations where management believes that the plant-based lifestyle is most popular and where they believe there will be continued growth. These flagship locations complement and are integral to the broader North American strategy and expansion into Israel and Europe. The Squamish, British Columbia location is corporate-owned and it is the Company's intention to use a franchising model for the remaining locations. The Company does not currently have any agreements in place with franchisees and its franchise model is under development. See *"Use of Proceeds – Business Objectives and Milestones"*.

The Company's mobile app is currently in development and is expected to launch in March 2021 in conjunction with the US flagship brick-and-mortar store in San Diego, California. App users will be able to scan the QR codes in the PlantX stores, add items to their cart and check-out without going through a traditional check-out register. Additionally, the app will be available for general use, including purchasing products from the e-commerce platform, viewing recipes, and accessing the PlantX forum. See *"Use of Proceeds – Business Objectives and Milestones"*.

As of the date of this Prospectus, the Company has only commenced brick-and-mortar operations at its location in Squamish, British Columbia. The US flagship brick-and-mortar store in San Diego, California is expected to launch in Spring of 2021. The Tel Aviv brick-and-mortar store is also expected to launch in 2021. The Company believes that the brick-and-mortar strategy will be an important growth segment for the Company.

### Partnerships

To execute its commercial strategy, the Company relies significantly on exclusive and non-exclusive partnerships. Partners are integral to a dropshipping business model as dropshipping partners are primarily responsible for fulfilling customer orders placed with the Company.

As of the date of this Prospectus, the Company has formed partnerships with:

- Ready C Food Services Inc. doing business as UpMeals, to provide a selection of plant-based meals and delivery across Canada;
- Geoponics Inc. to distribute fresh indoor plants throughout Canada;
- Liv Marketplace to serve as the exclusive online fulfilment partner and retail distributor of the Company's products in the United States. Liv Marketplace will also establish and operate retail stores and cafés in the United States under the PlantX brand beginning with the first anticipated location in San Diego, California. Under the terms of the Liv Marketplace partnership, Liv Marketplace will purchase a minimum of US\$25,000,000 (approximately CAD\$31,715,000) of the Company's products over a one year term for distribution in the United States. In addition, Liv Marketplace will pay the Company a 6% royalty on the gross revenue generated under their partnership agreement. The Company will not have to incur additional US labour costs and will limit carrying costs for inventory in the US due to Liv Marketplace fulfilling online orders using its own facilities and staff.
- Odacité Inc. to offer plant-based cosmetics products on the Company's U.S. e-commerce platform. The selection of skincare products will be of natural origin including fragrances and colorants;
- Kirtana Inc. ("**Kirtana**") to offer plant-based pet foods on the PlantX e-commerce platforms. PlantX intends to offer a variety of pet food products from Kirtana including Evolution Diet, Ami and Benevo brands, featuring plant-based dry kibble formulas, an assortment of wet food in cans, and delicious vegan bone treats. PlantX will offer Kirtana products that are ethically-produced and eco-friendly. The key ingredients used in the products include oats, maize, soy, pea protein, and sunflower seeds. The products have been formulated in accordance with the Association of American Feed Control Officials and European Pet Food Industry Federation nutritional standards to ensure that cats and dogs get 100% of the nutrients that they need to be healthy and thrive;
- Iris Construction Management ("**Iris**") to design and build the Company's United State flagship brick-and-mortar shop in San Diego, California and to help develop future franchise locations across North America and Israel. Iris will help create turnkey solutions for potential PlantX franchisees looking to add a café, shop, or any other planned features. Iris specializes in design, planning, budgeting, tendering selection, money management, and quality control;
- Les Marches TAU Natural Food Stores ("**TAU**") to assist PlantX in launching a new line of PlantX private label products, make available TAU's products to the PlantX e-commerce platform and provide consulting services for PlantX's planned brick-and-mortar locations;
- House Plant Shop to assist the Company in launching house plants on the Company's U.S. e-commerce platform. The Company intends to feature House Plant Shop products on the platform. House Plant Shop supplies several e-commerce companies its house plant product lines for distribution. PlantX intends to offer House Plant Shop products at its future brick-and-mortar location in San Diego, California. The Company believes that the indoor plant market will be an important growth segment for the Company;
- Else Nutrition Holdings Inc. ("**Else Nutrition**") to offer plant-based baby formula products on the Company's U.S. e-commerce platform. Else Nutrition's plant-based baby formula contains natural and organic ingredients to create a sustainable upbringing for children that is free from dairy, GMOs, corn syrup and gluten. Intended for babies 12 months and older, the formula is made with primarily almonds, buckwheat and tapioca in addition to 20 vitamins and minerals to support growth and development at an early age;
- Nootka & Sea to sell their apothecary and cosmetic products on the Company's U.S. and Canadian e-commerce platform; and

- Farm Cup Coffee in West Hollywood, California to display and sell a selection of PlantX houseplants in their retail location.

The Company further intends to supply its products to specialty grocery stores in their plant-based and natural food aisles. The Company has also collaborated with chefs to create a rotating menu of plant-based meals for delivery and distribution throughout Canada.

The Company believes that establishing of key exclusive and non-exclusive partnerships will be an important growth strategy for the Company.

### Product and Services

The Company's primary sources of revenue are sales made through its e-commerce platform, wholesale arrangements and dropshipping partnerships. Secondary revenue sources include the Company's sales made directly to restaurants, grocery stores partnerships and through food delivery service providers.

The core business of PlantX is its online marketplace that offers a wide range of plant-based food, beverages, plants, and prepared meals available for home delivery. The products and services offerings are grouped into the following categories: (i) meal delivery, (ii) grocery and pantry, (iii) plant shop, (iv) recipes and (v) private-labels products.

### Meal Delivery

PlantX delivers 100% plant-based and sustainable meal deliveries directly to consumers across Canada. The PlantX menu rotates to keep the menu fresh and provide the consumer with a variety of options. The Company has also introduced meal delivery subscription options that will allow this product offering to create a recurring revenue stream and to compete with other companies in the growing meal subscription industry.

### Grocery and Pantry

PlantX distributes thousands of plant-based goods from pantry items, cosmetics, pet food, and infant and children products. PlantX utilizes dropshipping arrangements so that limited inventory will be owned at any time by the Company. Consumers can purchase their items through a familiar and consolidated check-out process on the e-commerce program and different warehouses will ship their respective products.

### Plant Shop

Partnerships with greenhouses in Canada and the United States allow PlantX to ship plants directly from greenhouses to customers. PlantX greenhouse partners are committed to providing fresh, hand picked, and quality-checked plants to the PlantX customers and offer ready-to-grow plants. The PlantX platform retrieves up-to-date inventory from partners ensuring that only a fresh supply of plants is available on the platform for purchase. Additionally, the acquisition of Bloombox has facilitated the distribution of plants across the UK and Germany.

### Recipes

Plant-based recipes are added to the website weekly to provide customers inspiration on what to cook on a daily basis, but also to demonstrate how easily plant-based meals can be created. The recipes mainly feature products that can be purchased via the PlantX e-commerce platform. While recipes do not directly generate revenue for the Company, they are integral to the PlantX business model and the Company intends to generate e-commerce growth from engaging and broadening the PlantX community.

### PlantX Private Label Products

PlantX distributes private label products, which currently include Canadian glacial water and plant-based meals via its websites in Canada and the United States. The Company intends to add additional private label offerings which will include PlantX Organic Black Rice, PlantX Red Pepper Tapenade, PlantX Extra Virgin Olive Oil, PlantX Chocolate Hummus and PlantX Coffee Beans. These private label products are 100% plant-based and organic and will be available on the Company's e-commerce platforms and the brick-and-mortar locations. The Company believes that private label products will be an important growth segment for PlantX.

### *Specialized Skill and Knowledge*

The Company believes that its success is largely dependent on the performance of its management and key employees, many of whom have specialized experience relating to our industry, products, regulatory environment, customers and business. The assembled management team and Board has experience in the management and growth of successful emerging enterprises.

The Company believes that it has adequate personnel with the specialized skills and knowledge to successfully carry out the Company's business and operations. See *Risks Related to the Company's Business – Retention and Acquisition of Skilled Personnel* for additional information on the risks of losing such specialized skill and knowledge.

The Medical Advisory Board was formed to provide medical expertise and guidance to the Company and its consumer market regarding the health benefits of a plant-based lifestyle. The members of the Medical Advisory Board, as of the date of the Prospectus, are set out below.

<b>Name and Residence</b>	<b>Board Member Since</b>	<b>Biography</b>
<b>Thomas A. Burdon, MD</b> <i>Palo Alto, California</i>	December 1, 2020	Dr. Burdon is a Professor of Cardiothoracic Surgery at Stanford University and Chief of Surgery at the VA Palo Alto in California. He is an active surgeon and supervises more than 150 staff that perform 6,000 surgical cases a year. Dr. Burdon's commitment to improving the quality of life for his patients encompasses corrective and palliative surgical techniques, as well as providing dietary information and other methods to ameliorate and improve lifestyle habits. He is known by his colleagues and patients for the "Dr. Burdon Diet", which has helped many in his work environment.
<b>Katie Cooper</b> <i>London, England</i>	December 1, 2020	Dr. Cooper is a doctor of psychology based out of London, England. Dr. Cooper is the author of the book Plant Therapy, which focuses on the well-being benefits of plants and the negative effects that an indoor lifestyle can have on mental health. After seeing how powerful plants could be as therapeutic tools with clients, Dr. Cooper went on to launch Bloombox.
<b>Edward Tam, MD, FRCPC</b> <i>Vancouver, British Columbia</i>	December 1, 2020	Dr. Tam is a clinical hepatologist with a full time clinical practice in Vancouver, British Columbia where he is also active in clinical research, teaching, education, and community outreach. He has a focused interest in the area of non-alcoholic fatty liver disease, including the intersection of lifestyle and pharmacotherapeutic interventions.

<b>Paul Gross, MD</b> <i>Vancouver, British Columbia</i>	December 1, 2020	Dr. Gross is a family physician working in Vancouver, British Columbia. He completed medical school at McGill University and residency at St. Paul's Hospital. Most of his clinical practice is concentrated at Spectrum Health, a multidisciplinary primary care clinic in downtown Vancouver that provides full-service care with an emphasis on the LGBTQ community.
<b>Eva Weinlander, MD</b> <i>Stanford, California</i>	December 1, 2020	Dr. Weinlander is a Clinical Professor in the Department of Medicine, Division of Primary Care and Population Health at Stanford Health Care. She is a seasoned family medicine physician with a passion for high-quality primary care, medical education, primary care research and healthcare professional wellness.
<b>Amy Gensel, RD, CSNC</b> <i>Palo Alto, California</i>	December 7, 2020	Ms. Gensel is a registered dietitian that specializes in nutrition support at the Veterans Affairs Hospital in Palo Alto, California. She has a passion for wellness and is also a group fitness instructor. Ms. Gensel has 15 years of experience as a registered dietitian and believes nutrition plays a crucial role in disease treatment and prevention.

The Advisory Board was formed to provide the Company advice with respect to mergers and acquisitions, logistics, marketing and innovation. The members of the Advisory Board, as of the date of the Prospectus, are set out below.

<b>Name and Residence</b>	<b>Board Member Since</b>	<b>Biography</b>
<b>Jose Abbo</b> <i>Panama City, Panama</i> <i>Chairman</i>	February 3, 2021	Mr. Abbo has more than 30 years of experience in the financial sector as a senior executive, having developed numerous benchmark studies, financial performance analyses, competitive intelligence analyses and economic analyses and research. Mr. Abbo is a prominent speaker who is consistently invited to international events and is a published author in The Economist and the Wall Street Journal. In 2000, Mr. Abbo achieved international prestige upon publishing a book titled 'Divisando Wall Street' on analyzing securities markets and companies. In 2008, he co-authored another book called 'The Big Gamble: Are You Investing or Speculating?'
<b>Joel Milgram</b> <i>Montreal, Quebec</i>	August 10, 2020	Mr. Milgram is the former CFO and Proprietor of Milgram & Company until the company was acquired by C.H. Robinson in 2017. C.H. Robinson was ranked as one of Canada's 50 best managed companies by the National Post, Deloitte and CIBC. He has served on finance committees for various schools and charities, is currently a canvasser for Federation CJA, and focuses on mentoring in the fashion industry.
<b>Ralph Moxness</b> <i>Ottawa, Ontario</i>	August 10, 2020	Mr. Moxness is President of Greenfields Investment Corporation, a firm that he founded in 1987, which specializes in advisory services related to mergers and acquisitions and corporate finance. With a background in banking and finance, he is an asset to the PlantX team.
<b>Bernie Tevel</b> <i>Montreal, Quebec</i>	August 10, 2020	Mr. Tevel brings his background in sales and marketing to the PlantX team. He has worked in fashion and manufacturing throughout most of his professional life.

<b>Johnny Karls</b> <i>Montreal, Quebec</i>	August 10, 2020	Mr. Karls has decades of experience in worldwide distribution and will be able to provide logistics and distribution expertise to PlantX.
<b>Michael Galloro</b> <i>Toronto, Ontario</i>	August 10, 2020	Mr. Galloro is a financial executive with over 25 years of experience. He works closely with emerging private and publicly listed companies.
<b>John Di Girolamo</b> <i>Toronto, Ontario</i>	August 10, 2020	Mr. Di Girolamo is an experienced investor and entrepreneur with twenty years of global business experience in both the public and private sectors.
<b>Fred Leigh</b> <i>Toronto, Ontario</i>	August 10, 2020	Mr. Leigh has played key executive and founder roles in the junior resources sector for nearly four decades. He has been a founder, director, and investor in many public companies. He serves on the Capital Markets Team at Forbes & Manhattan, a private merchant bank, assisting CEOs and CFOs in financing, market support, and business advice.

### *Competitive Conditions*

The e-commerce marketplace is highly competitive. PlantX serves several high-growth industries, including online grocery delivery, online food delivery, online meal kit delivery, and online plant delivery. The Company offers product lines under a variety of brands using a centralized online platform, and fulfills orders that are predominantly fulfilled using dropshipping agreements. This allows the Company to address an array of customer needs and preferences, while mitigating risk and increasing opportunities for diversified sales. PlantX connects customers to brands they may not have previously discovered and provides partners the opportunity to expand their reach through the PlantX business.

To the knowledge of the Company, PlantX has a first mover advantage as being the first publicly-listed one-stop shop for all things plant-based. While there are numerous publicly-traded companies that offer plant-based products, PlantX is currently the only company that offers such combination of products and services through a dropshipping network. This unique integrated service provision increases PlantX's competitiveness and strengthens its capital markets profile.

The global dropshipping market was valued at US\$162.44 billion in 2019 and is projected to reach US\$591.77 billion by 2027. This market is expected to grow at a compound annual growth rate of 18.3% from 2020 to 2027.<sup>1</sup>

The plant-based food market is also growing, with sales of plant-based foods growing significantly across all relevant categories. Globally, this industry is expected to reach US\$74.2 billion by 2027, according to Meticulous Research.<sup>2</sup> PlantX believes that it has a business model that is built with fundamentals appropriate to grow in sync with these two high-growth markets.

PlantX expects that competition will increase as the industry continues to evolve. It is likely that there will be new market entrants and some of the existing competitors might choose to merge or consolidate. Potential new competitors could have additional resources that PlantX does not yet have, such as larger international infrastructure, greater marketing and technical capacity, or larger customer bases. All these

<sup>1</sup>"Dropshipping Market Forecast to 2027 – Global COVID-19 Impact and Analysis by Product Type, Organization Size, and Geography – ResearchAndMarkets.com", businesswire (09 October 2020), online: <[www.businesswire.com](http://www.businesswire.com)>.

<sup>2</sup>"Plant Based Food Market Worth \$74.2 Billion by 2027 – Exclusive Report by Meticulous Research", Yahoo!Finance (16 July 2020), online: <[finance.yahoo.com](http://finance.yahoo.com)>.

factors could affect the market dynamics and potentially affect our market share, revenue, or stream of operations.

PlantX is consistently increasing its competitive profile by adding new product verticals, expanding its product and service base, creating new partnerships with logistics service providers to expand its operational infrastructure, and regularly engaging with new and existing investors.

### *Components*

PlantX ensures efficient distribution of its products through its partnerships with third-party vendors and shipping companies. The Company is not reliant on any particular third-party service provider, which increases its distribution flexibility and efficiency. However, relying on external service providers involves logistics considerations such as performance issues, and contractual management.

PlantX has been actively monitoring and adapting to supply and demand market dynamics to determine the pricing of its products, which can be fixed or variable, based on trading prices. While plant-based products tend to be more expensive, the Company utilizes a competitive pricing strategy to improve product accessibility.

### *Intangible Properties*

As of the date of this AIF, the Company has applied for the following trademarks:

- “The digital face of the plant-based community” (United States trademark serial No.90258516);
- PlantX (word mark) (United States trademark serial No. 90190237); and
- PlantX (logo) (United States trademark serial No. 90190223).

The Company may develop or acquire new intangible properties that become an important part of the Company and enhance the Company's ability to compete in the markets within which the Company may carry on its business. At such time that management deems appropriate, the Company intends to pursue protections for its intangible properties by seeking to obtain applicable registrations where possible and developing and implementing operating procedures to protect trade secrets, technical know-how and other proprietary information. As at the date of this Prospectus, the Company's intangible properties are primarily comprised of its brand names, customer lists and relationships, registered and unregistered trademarks, and goodwill associated with the Company's product offerings. The Company restricts access to the Company's proprietary and confidential information through the use of confidentiality and non-disclosure agreements with contractors, consultants, customers, suppliers and other Persons which the Company may from time to time deal with.

### *Employees*

As at the date of this Prospectus, there are 33 employees of the Company.

### *Foreign Operations*

The Company intends to achieve revenue streams in the international market including, but not limited to, from the United States of America, United Kingdom, Germany and Israel. These revenue sources include (i) through e-commerce platforms, (ii) partnerships; and (iii) brick-and-mortar retail.

Since the Company's acquisition of Bloombox in November 2020, the Company has had business operations in the United Kingdom. In light of the United Kingdom's departure from the European Union, the Company has set up their operations to ensure minimal disruption. The Company expects an additional

Mini One Stop Shop filing, a special European VAT filing for providers of e-commerce, in July 2021 and has engaged advisors to assist with the Company's obligations.

## CONSOLIDATED CAPITALIZATION

The following table sets out the share and loan capital of the Company as at December 31, 2020, the date of the Company's most recently filed financial statements, both before and after giving effect to the Offering. The table should be read in conjunction with the annual and interim financial statements of the Company which are incorporated by reference into this Prospectus as well as the other disclosure in this Prospectus, including "Description of the Business" and "Prior Sales".

	<b>As at December 31, 2020 before giving effect to the Offering<sup>(1)</sup></b>	<b>As at December 31, 2020 after giving effect to the Minimum Offering</b>	<b>As at December 31, 2020 after giving effect to the Maximum Offering</b>	<b>As at December 31, 2020 after giving effect to the Maximum Offering and the Over-Allotment Option<sup>(7)</sup></b>
<b>Share Capital</b>	Unlimited common shares	Unlimited common shares	Unlimited common shares	Unlimited common shares
<b>Common Shares</b>	88,832,159 <sup>(1)(2)</sup>	98,355,969 <sup>(1)(2) (5)(6)</sup>	107,879,778 <sup>(5)(6)</sup>	110,736,921 <sup>(5)(6)</sup>
<b>Options</b>	7,537,036 <sup>(3)</sup>	7,537,036 <sup>(3)(5)</sup>	7,537,036 <sup>(5)</sup>	7,537,036 <sup>(5)</sup>
<b>Warrants</b>	20,909,091	30,432,901 <sup>(6)</sup>	39,956,710 <sup>(6)</sup>	42,813,853 <sup>(6)</sup>
<b>Broker Warrants</b>	810,757	1,382,186	1,953,614	2,125,043
<b>RSUs/PSUs</b>	Nil <sup>(4)</sup>	Nil <sup>(4)</sup>	Nil	Nil
<b>Total assets</b>	\$14,755,798	\$24,155,798	\$33,555,798	\$36,375,798
<b>Comprehensive loss</b>	\$(12,014,050)	\$(12,014,050)	\$(12,014,050)	\$(12,014,050)
<b>Total capitalization</b>	<b>\$12,444,987</b>	<b>\$21,844,987</b>	<b>\$31,244,987</b>	<b>\$34,064,987</b>

Notes:

- (1) Subsequent to the period ended December 31, 2020 on January 7, 2021, the Company completed the Score Acquisition and issued 1,897,152 Common shares in connection therewith.
- (2) Subsequent to the period ended December 31, 2020, in January 2021, the Company issued 144,977 Common Shares pursuant to debt settlement agreements and an aggregate of 847,384 Common Shares to consultants as compensation.
- (3) In December 2020, the Company granted an aggregate of 3,685,000 stock options.
- (4) In December 2020, the Company issued an aggregate of 8,653,000 restricted share units and performance share units.
- (5) Subsequent to the period ended December 31, 2020, the Company issued an aggregate of 137,500 Common Shares on exercise of stock options.
- (6) Subsequent to the period ended December 31, 2020, the Company issued an aggregate of 19,800 Common Shares on exercise of warrants.
- (7) Assuming the Over-Allotment Option is exercised in full.

## USE OF PROCEEDS

### Proceeds

The Offering will not be completed and subscription funds will not be advanced to the Company unless the Minimum Offering has been raised. The Company estimates the net proceeds to the Company from the



Offerings to be: \$9,400,000.47 in the case of the Minimum Offering, after deducting the payment of the Agent's Fee of \$600,000.03 and \$18,799,999.95 in the case of the Maximum Offering, after deducting the payment of the Agent's Fee of \$1,200,000.00, but before deducting the estimated expenses of the Offering in the amount of approximately \$400,000. If the Over-Allotment Option is exercised in full, the net proceeds to the Company from the Offering are estimated to be an aggregate of \$21,619,999.11, after deducting the payment of the Agent's Fee of \$1,379,999.94, but before deducting the estimated expenses of the Offering in the amount of approximately \$400,000.

## Principal Purposes

The Company currently anticipates using the net proceeds from the Offering as set forth in the following table:

<u>Principal Purpose</u>	<u>Approximate Use of Net Proceeds of Minimum Offering</u>	<u>Approximate Use of Net Proceeds of Maximum Offering</u>	<u>Approximate Use of Net Proceeds of Maximum Offering and the Over-Allotment Option<sup>(1)</sup></u>
Expenses relating to the Offering (Agent's Fee and estimated Offering expenses)	\$1,000,000.03 <sup>(2)</sup>	\$1,600,000.00 <sup>(2)</sup>	\$1,779,999.94 <sup>(2)</sup>
Expansion of Operations	\$1,900,000.00	\$2,500,000.00	\$2,900,000.00
Development of User App	\$1,750,000.00	\$1,750,000.00	\$2,000,000.00
Acquisitions	\$3,500,000.00	\$7,400,000.00	\$7,400,000.00
General & Administrative	\$763,000.00	\$1,144,500.00	\$1,250,000.00
Working capital	\$1,087,000.47	\$5,605,499.95	\$7,669,999.11
<b>Total</b>	<b>\$10,000,000.50</b>	<b>\$19,999,999.95</b>	<b>\$22,999,999.05</b>

Note:

(1) Assuming the Over-Allotment Option is exercised in full.

(2) Including the estimated expenses of the Offering in the amount of approximately \$400,000 which includes, among others, legal counsel, auditor and printing expenses.

The above noted allocation represents the Company's intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. The current COVID-19 pandemic as well as future developments in the Company's business or unforeseen events, including those listed under the "Risk Factors" and the AIF may impact this allocation. Actual expenditures may differ from the estimates set forth above. There may be circumstances where for sound business reasons, the Company reallocates the use of proceeds, see "Risk Factors – Discretion in the Use of Proceeds" and "Risk Factors – Additional Financing".

Until applied, the net proceeds will be held as cash balances in the Company's bank account or invested in certificates of deposit and other instruments issued by banks or obligations of or guaranteed by the Government of Canada or any province thereof.

The Company had a negative operating cash flow for the financial year ended July 31, 2020 and 2019, for the nine months ended December 31, 2020 and for the period from October 11, 2019 (date of incorporation) to December 31, 2019. Although the Company anticipates it will have positive cash flow from operating

activities in future periods, the Company cannot guarantee it will have a cash flow positive status from operating activities in future periods. To the extent that the Company has negative cash flow in any future period, certain of the proceeds from the Offering may be used to fund such negative cash flow from operating activities, see “*Risk Factors – Negative Cash Flow from Operations*”.

### **Business Objectives and Milestones**

The following sets out the primary business objectives for the Company over the next 12 months and the significant events that need to occur for the business objectives to be accomplished:

1. Expansion of Operations (\$1,900,000 if Minimum Offering is raised, \$2,500,000 if Maximum Offering is raised, and \$2,900,000 if the Over-Allotment is exercised in full):
  - a. The Company is seeking strategic partnership opportunities to enhance its current offerings of plants and plant-based products in Canada, United States, the United Kingdom and the European Union. While this is an ongoing objective for the Company, the expected time frame for executing on this objective is by fall of 2021 (\$960,000 if Minimum Offering is raised, \$960,000 if Maximum Offering is raised, and \$1,200,000 if the Over-Allotment is exercised in full);
  - b. The Company is searching for warehousing space to act as distribution outlets for perishable and readymade meals as well as greenhouse space to grow its own indoor plants. The expected timeframe for achieving this objective is during the second quarter of 2021 (\$100,000 if Minimum Offering is raised, \$100,000 if Maximum Offering is raised and \$100,000 if the Over-Allotment is exercised in full); and
  - c. Development of franchise model for PlantX stores. Design and launch the first Canadian and European locations to display to potential franchisees. The expected timeframe for achieving this objective is by the end of 2021 (\$840,000 if Minimum Offering is raised, \$1,440,000 if Maximum Offering is raised, and \$1,600,000 if the Over-Allotment is exercised in full).
2. Development of a user app (\$1,750,000 if Minimum Offering is raised, \$1,750,000 if maximum Offering is raised, and \$2,000,000 if the Over-Allotment is exercised in full):
  - a. The Company is currently working to build out a team of developers to launch the PlantX app and is planning to launch the app in the United States and Canada by summer 2021.
3. Acquisitions (\$3,500,000 if Minimum Offering is raised, \$7,400,000 if maximum Offering is raised and \$7,400,000 if the Over-Allotment is exercised in full):
  - a. The Company is planning to seek acquisitions of companies that specialize in food distribution logistics in order to centralize the operations. This is an ongoing objective for the Company and the company is seeking suitable acquisitions by the end of 2021.

### **PLAN OF DISTRIBUTION**

The Company has engaged the Agent pursuant to the Agency Agreement to offer for sale to the public on a “best efforts” agency basis without underwriter liability, and the Agent has agreed to sell, a minimum of 9,523,810 Offered Units and a maximum of 19,047,619 Offered Units for aggregate gross proceeds of a minimum of \$10 million and a maximum of \$20 million payable in cash to the Company against delivery of the Offered Units, subject to the terms and conditions of the Agency Agreement. The Offering Price was determined by arm’s length negotiation between the Company and the Agent in the context of the market. The obligations of the Agent under the Agency Agreement are subject to certain closing conditions and may be terminated at its discretion on the basis of “material change out”, “disaster out”, “regulatory out”, “market out”, “breach out” and “due diligence out” provisions in the Agency Agreement and may also be

terminated upon the occurrence of certain other stated events. The Agent is not obligated to purchase any Offered Units under the Agency Agreement.

The Company has granted the Agent the Over-Allotment Option, exercisable, in whole or in part, at the sole discretion of the Agent, for a period of 30 days from and including the Closing Date. The Over-Allotment Option may be exercised in whole or in part at the Agent's sole discretion, to acquire up to an additional 2,857,142 units of the Company with the same terms as the Offered Units (the "**Over-Allotment Units**"). The Over-Allotment Option may be exercised by the Agent to acquire: (i) Over-Allotment Units at the Offering Price; (ii) additional Unit Shares (the "**Over-Allotment Shares**") at a price of \$1.04 per Over-Allotment Share; (iii) additional Warrants (the "**Over-Allotment Warrants**") (the Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants are referred to collectively as the "**Over-Allotment Securities**") at a price of \$0.01 per Over-Allotment Warrant; or (iv) any combination of Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants, so long as the aggregate number of Over-Allotment Shares that may be issued under such Over-Allotment Option does not exceed 2,857,142 Over-Allotment Shares and the Over-Allotment Warrants that may be issued under such Over-Allotment Option does not exceed 2,857,142 Over-Allotment Warrants. Each Over-Allotment Warrant shall have the same terms as the Warrants and will be issued pursuant to the Warrant Indenture. If the Over-Allotment Option is exercised in full, the total "Price to the Public", "Agent's Fee" and "Net Proceeds to the Company" will be \$22,999,999.05, \$1,379,999.94 and \$21,619,999.11, respectively. This Prospectus qualifies the distribution of the Over-Allotment Option and the distribution of the Over-Allotment Securities issuable upon exercise of the Over-Allotment Option. A purchaser who acquires Over-Allotment Securities forming part of the Agent's over-allocation position acquires those Over-Allotment Securities under this Prospectus, regardless of whether the over-allocation 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 Company has agreed to pay the Agent the Agent's Fee equal to 6% of the gross proceeds from the Offering, including any gross proceeds raised on exercise of the Over-Allotment Option (4% in the case of President's List Purchasers). The Agent will also receive Compensation Options to purchase that number of Units that is equal to 6%, including any Over-Allotment Units sold pursuant to the exercise of the Over-Allotment Option (4% in the case of President's List Purchasers) of the Offered Units sold pursuant to the Offering. Each Compensation Option is exercisable to purchase one Common Share at a price of \$1.25 for a period of 24 months from the Closing Date. This prospectus also qualifies the distribution of the Compensation Options

The Offering is being made in British Columbia, Alberta and Ontario. The Offered Units will be offered in each of the relevant provinces through the Agent or its affiliates who are registered to offer the Offered Units for sale in such provinces and such other registered dealers as may be designated by the Agent.

The Company has applied to list the Unit Shares, Warrant Shares (including the Unit Shares and Warrant Shares issuable under the Over-Allotment Option) and the Common Shares issuable upon the exercise, if any, of the Compensation Options (as defined herein), on the CSE. Listing will be subject to the Company fulfilling all of the listing requirements of the CSE.

Other than the Offering, the Company has agreed until the date that is thirty (30) days following the Closing, without the prior written consent of the Agent, not to offer, sell or issue, or negotiate or enter into any agreement to offer, to sell or issue, any securities of PlantX or make any announcement with respect to the foregoing, excluding: (i) any issuance of securities pursuant to the exercise or conversion, as the case may be, of convertible securities of the PlantX already in place; (ii) grants of rights and options under the PlantX stock option plan; (iii) the occurrence of a take-over bid or similar transaction involving a change of control of PlantX; and (iv) any issuance of securities in arm's length acquisitions.

Pursuant to policy statements of certain securities regulators, the Agent may not, throughout the period of distribution, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions including: (a) a bid or purchase permitted under the Universal Market Integrity Rules for Canadian

Marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, (b) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution, provided that the bid or purchase was for the purpose of maintaining a fair and orderly market and not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, such securities, or (c) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. Consistent with these requirements, and in connection with this distribution, the Agent may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. If these activities are commenced, they may be discontinued by the Agent at any time. The Agent may carry out these transactions on the CSE, in the over-the-counter market or otherwise.

Subscriptions for the Offered Units will be received subject to rejection or allotment, in whole or in part, and the Agent reserves the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about March 18, 2021, or such other date as may be agreed upon by the Company and the Agent. Pending closing of the Offering, all subscription funds, will be deposited and held by the Agent in trust, until the Minimum Offering is raised, pursuant to the terms and conditions of the Agency Agreement. If the Closing Date does not occur within 90 days from the date a receipt is issued for the (final) short form prospectus or such other time as may be permitted by applicable securities legislation and consented to by persons or companies who subscribed within that period and the Agent or the Minimum Offering is not raised, the Offering will be discontinued and all subscription monies will be returned to subscribers without interest, set-off or deduction.

Pursuant to the terms of the Agency Agreement, the Company has agreed to reimburse the Agent for certain expenses incurred in connection with the Offering and to indemnify the Agent and its directors, officers, employees, and agents against certain liabilities and expenses and to contribute to payments the Agent may be required to make in respect thereof.

The Offered Units, Unit Shares, Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered, sold or delivered, directly or indirectly, to, or for the account or benefit of, a person in the United States or a U.S. Person except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Except as permitted in the Agency Agreement, and as expressly permitted by applicable laws of the United States, the Agent will not offer, sell or deliver, directly or indirectly, the Offered Units to, or for the account or benefit of, a person in the United States or a U.S. Person. The Agency Agreement will permit the Agent, by or through its U.S. registered broker-dealer affiliates, to offer and sell the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons to (i) U.S. Accredited Investors and (ii) Qualified Institutional Buyers who are also U.S. Accredited Investors provided in each case such offers and sales are made in transactions in accordance with Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws. Moreover, the Agency Agreement will provide that the Agent will offer and sell the Offered Units outside the United States to non-U.S. Persons only in accordance with Rule 903 of Regulation S under the U.S. Securities Act.

The Offered Units, Unit Shares, Warrants and Warrant Shares that are sold in the United States or to, or for the account or benefit of, U.S. Persons will be restricted securities within the meaning of Rule 144(a)(3) of the U.S. Securities Act and may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act. In addition, until 40 days after the commencement of the Offering, any offer or sale of the Offered Units within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirement of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirement of the U.S. Securities Act. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Units to, or for the account or benefit of, a person in the United States or a U.S. Person.

## DESCRIPTION OF SECURITIES BEING DISTRIBUTED

### Description of Offered Units

The Offering consists of a minimum of 9,523,810 Offered Units and a maximum of 19,047,619 Offered Units (with an additional 2,857,142 additional Offered Units being issued if the Over-Allotment Option is exercised in full), with each Offered Unit consisting of one Unit Share and one Warrant. Each Warrant will entitle the holder thereof to acquire one Warrant Share at an exercise price of \$1.25 per Warrant Share, until 4:00 p.m. (Vancouver time) on the date that is 24 months following the Closing Date, subject to the Acceleration Provision and adjustment in certain customary events. The Offered Units will immediately separate into Unit Shares and Warrants upon issuance. The Offered Units will not be certificated.

### Unit Shares and Warrant Shares

The Unit Shares and Warrant Shares will have all of the characteristics, rights and restrictions of our Common Shares. The authorized share structure of the Company consists of an unlimited number of Common Shares without par value. As of March 10, 2021, there were 91,878,972 Common Shares issued and outstanding on a non-diluted basis.

The holders of Common Shares are entitled to receive notice of, to attend and vote at all meetings of the holders of Common Shares and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the holders of Common Shares. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Company, are entitled to receive such dividends in any financial year as the Board may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Company, the remaining property and assets of the Company.

### Warrants

The Warrants will be issued under and governed by the Warrant Indenture to be entered into on the Closing Date between the Company and Odyssey, as warrant agent. The following summary of certain anticipated provisions of the Warrant Indenture does not purport to be complete and is subject in its entirety to the detailed provisions of the Warrant Indenture. Reference is made to the Warrant Indenture for the full text of the attributes of the Warrants which will be filed by the Company under its corporate profile on SEDAR following the closing of the Offering. A register of holders will be maintained at the principal offices of Odyssey in Calgary, Alberta.

The Unit Shares and the Warrants comprising the Offered Units will separate upon the closing of the Offering. Each Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$1.25 until 4:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date (the “**Expiry Date**”), after which time the Warrants will be void and of no value, provided that, if, at any time, the daily volume weighted average trading price (or closing price on trading days when there are no trades) of the Common Shares on the CSE (or if the Common Shares are not listed on the CSE, then on such other recognized Canadian stock exchange on which the Common Shares are then listed) equals or exceeds \$2.00 per Common Share over any 10 consecutive trading days, the Company shall be entitled, at its option, within 10 business days following such 10-day period, to accelerate the exercise period of the Warrants through the issuance of a press release specifying the new expiry date (the “**Acceleration Notice**”) and, in such case, the new time of expiry shall be deemed to be 4:00 p.m. (Vancouver time) on the 30th day following the issuance of the Acceleration Notice. From and after the new time of expiry specified in such Acceleration Notice, no Warrants may be issued or exercised, and all unexercised Warrants shall be void and of no effect following the new Expiry Date (the “**Acceleration Provision**”).

There is no market through which the Warrants may be sold.

The number of Warrant Shares issuable upon the exercise of the Warrants and the exercise price per Warrant Share are subject to adjustment from time to time upon the occurrence of certain events, including:

- (a) the subdivision, redivision or change of the Common Shares into a greater number of Common Shares;
- (b) the reduction, combination or consolidation of the Common Shares into a lesser number of Common Shares;
- (c) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares to all or substantially all of the holders of the Common Shares as a stock dividend or other distribution (other than a distribution of Common Shares upon the exercise of Warrants or any outstanding options);
- (d) the issuance to all or substantially all of the holders of the outstanding Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per Common Share (or at an exchange or conversion price per share) of less than 95% of the Current Market Price, as this term is defined in the Warrant Indenture, for the Common Shares on such record date;
- (e) the distribution to all or substantially all or substantially all of the holders of the outstanding Common Shares of securities of any class other than the Common Shares; rights, options or warrants to acquire Common Shares or securities exchangeable or convertible into Common Shares; evidences of indebtedness, or any property or other assets;
- (f) a (i) reclassification of the Common Shares or a capital reorganization of the Company (other than as described in clauses (a), (b) or (c) above), (ii) consolidation, amalgamation, arrangement, merger or other business combination of the Company with or into another entity, in which case each holder of a Warrant which is thereafter exercised will receive, in lieu of Common Shares, the kind and number or amount of other securities or property which such holder would have been entitled to receive as a result of such event if such holder had exercised the Warrants prior to the event.

The Company will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to Odyssey and to the registered holders of Warrants of its intention to fix a record date for any matter for which an adjustment may be required, at least 14 days prior to such record date. The Company will further covenant in the Warrant Indenture that it will not close its transfer books or take any other corporate action which might deprive the registered holders of Warrant holder of the opportunity to exercise its right of acquisition pursuant thereto during the period of 14 days after the giving of the notice.

No fractional Common Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional Common Shares. Nothing in the Warrant Indenture or in the holding of a certificate representing Warrants will make the holder thereof a shareholder of the Company or entitle such holder to any right or interest as a shareholder except as expressly provided in the Warrant Indenture. Holders of Warrants will not have any voting rights, the right to receive notice of, or to attend, meetings of shareholders or any other proceedings of the Company, or the right to dividends and other allocations.

The Warrant Indenture will provide that, from time to time, Odyssey and the Company may be able to supplement the Warrant Indenture for certain purposes, including: (i) setting forth any adjustments resulting from the application of the adjustment provisions of the Warrant Indenture; adding to the provisions hereof such additional covenants and enforcement provisions (provided that the same are not prejudicial to the interests of the registered holders of Warrants); (ii) giving effect to any Extraordinary Resolution (as defined

therein); (iii) making such provisions as may be necessary or desirable with respect to matters or questions arising or for the purpose of obtaining a listing or quotation of the Warrants on any stock exchange (provided that such provisions are not prejudicial to the interests of the registered Holders of Warrants); (iv) adding to or altering the provisions in respect of the transfer of Warrants, making provision for the exchange of Warrants, and making any modification in the form of the certificates representing the Warrants which does not affect the substance thereof; (v) modifying any of the provisions of the Warrant Indenture, including relieving the Company from any of the obligations, conditions or restrictions contained therein (provided that such modification or relief shall be effective only if such modification or relief in no way prejudices any of the rights of the registered holders of Warrants or of Odyssey; (vi) providing for the issuance of additional Warrants and any consequential amendments to the Warrant Indenture as may be required by Odyssey; and (vii) for any other purpose not inconsistent with the terms of the Warrant Indenture, including the correction or rectification of any ambiguities, defective or inconsistent provisions, errors, mistakes or omissions therein (provided that the rights of Odyssey and of the registered holders of Warrants are in no way prejudiced).

The Warrants and the Warrant Shares issuable upon the exercise of the Warrants have not been and will not be registered under the U.S. Securities Act or any state securities laws. The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. Person, nor will any certificates representing the Warrant Shares issuable upon exercise of the Warrants be registered or delivered to an address in the United States, unless an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing to such effect in form and substance reasonably satisfactory to the Company; provided, however, that a U.S. Purchaser that purchased Warrants in the Offering for its own account, or for the account of another U.S. Purchaser for which it exercised sole investment discretion with respect to such original purchase (an "Original Beneficial Purchaser"), will not be required to deliver an opinion of counsel or such other evidence if it exercises those Warrants for its own account or for the account of the Original Beneficial Purchaser, if any, if each of it and such Original Beneficial Purchaser, if any, is a U.S. Accredited Investor at the time of exercise of such Warrants. Certificates representing Warrant Shares issued in the United States or to, or for the account or benefit of, U.S. persons will bear a legend restricting the transfer and exercise of such securities under applicable United States federal and state securities laws.

Registered holders of Warrants may, by Extraordinary Resolution: (a) agree to any modification of the rights of registered holders of Warrants or Odyssey or on behalf of the registered holders of Warrants against the Company; (b) amend any Extraordinary Resolution previously passed; (c) direct Odyssey to enforce any of the covenants of the Company or to enforce any of the rights of the registered holders of Warrants or to refrain from enforcing any such covenant or right; (d) waive, and direct Odyssey to waive, any default on the part of the Company; (e) restrain any registered holder of Warrants from taking or instituting any proceeding against the Company for the enforcement of any of the covenants of the Company or to enforce any of the rights of the registered holders of Warrants; (f) direct any registered holder of Warrants who has brought any proceeding to stay or to discontinue same; (g) assent to any change in or omission from the provisions contained in the Warrant Indenture or any supplement, and to authorize Odyssey to concur in and execute any supplemental indenture embodying the change or omission; (h) with the consent of the Company, remove Odyssey or its successor in office and to appoint a new warrant agent; and (i) assent to any compromise or arrangement with any creditor(s) or holders of any shares or other securities of the Company.

An "Extraordinary Resolution" will be defined in the Warrant Indenture as a resolution that is 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 Common Shares that could be acquired at the meeting and voted on the poll upon such resolution; or (ii) in writing signed by the holders of at least 66 2/3% of the then outstanding Warrants on any matter that would otherwise be voted upon at a meeting called to approve such resolution.

The principal transfer office of Odyssey in Calgary, Alberta is the location at which Warrants may be surrendered for exercise or transfer.

### PRIOR SALES

The following table sets forth the details regarding all issuances of Common Shares and securities convertible or exchangeable into Common Shares, during the 12-month period before the date of this Prospectus.

Date	Type of Security Issued <sup>(1)</sup>	Number/Principal Amount of Securities Issued	Issuance/Exercise Price per Security
July 15, 2020	Subscription Receipts	12,819,200 <sup>(1)</sup>	\$0.25
July 17, 2020	Common Shares	2,513,394 <sup>(13)</sup>	N/A
August 5, 2020	Common Shares	35,572,220 <sup>(2)</sup>	\$0.25
August 5, 2020	Options	1,500,000 <sup>(2)</sup>	\$0.10
August 5, 2020	Common Shares	3,557,222 <sup>(2)</sup>	\$0.25
August 5, 2020	Common Shares	12,819,200 <sup>(3)</sup>	\$0.25
August 5, 2020	Warrants	36,000 <sup>(4)(1)</sup>	\$0.25
August 10, 2020	Options	3,962,036	\$0.25
November 6, 2020	Common Shares	11,826,032 <sup>(11)</sup>	\$1.17
November 16, 2020	Common Shares	35,000 <sup>(7)</sup>	\$0.25
November 23, 2020	Common Shares	25,000 <sup>(7)</sup>	\$0.25
November 24, 2020	Common Shares	25,000 <sup>(7)</sup>	\$0.25
November 26, 2020	Common Shares	1,500,000 <sup>(7)</sup>	\$0.10
December 1, 2020	Common Shares	25,000 <sup>(7)</sup>	\$0.25
December 2, 2020	Restricted Share Units	550,000	N/A
December 2, 2020	Performance Share Units	3,950,000	N/A
December 2, 2020	Options	1,815,000	\$0.70
December 9, 2020	Common Shares	25,000 <sup>(7)</sup>	\$0.25
December 16, 2020	Common Shares	20,909,091 <sup>(9)</sup>	\$0.55
December 16, 2020	Restricted Share Units	4,153,000	N/A
December 16, 2020	Warrants	20,909,091 <sup>(9)</sup>	\$0.75
December 16, 2020	Warrants	774,757 <sup>(10)</sup>	\$0.75
December 16, 2020	Options	1,870,000	\$1.45
January 4, 2021	Common Shares	554,430 <sup>(5)</sup>	\$1.03
January 6, 2021	Common Shares	437,931 <sup>(6)</sup>	\$1.45
January 7, 2021	Common Shares	1,897,152 <sup>(12)</sup>	\$0.539
January 8, 2021	Common Shares	13,200 <sup>(8)</sup>	\$0.25
January 11, 2021	Common Shares	37,500 <sup>(7)</sup>	\$0.25
January 29, 2021	Common Shares	6,600 <sup>(8)</sup>	\$0.25
February 2, 2021	Common Shares	50,000 <sup>(7)</sup>	\$0.25
February 10, 2021	Common Shares	25,000 <sup>(7)</sup>	\$0.25
February 12, 2021	Common Shares	25,000 <sup>(7)</sup>	\$0.25

Notes:

- (1) Issued pursuant to the Concurrent Financing. The Company also paid a cash finder's fee of \$10,000 and 36,000 finder's warrants on the date of the conversion of subscription receipts.
- (2) Issued pursuant to the RTO Transaction.
- (3) Issued pursuant to the conversion of Subscription Receipts.
- (4) Issued pursuant to the Concurrent Financing.
- (5) 144,977 Common Shares were issued pursuant to debt settlement agreements; 409,453 Common Shares were issued to consultants of the Company.
- (6) 437,931 Common Shares were issued to a consultant of the Company.
- (7) Issued pursuant to the exercise of options.
- (8) Issued pursuant to the exercise of warrants issued pursuant to the Concurrent Financing.



- (9) Issued pursuant to the December 2020 Placement.
- (10) Warrants issued as a finders fee in connection with the private placement.
- (11) Issued in connection with the acquisition of Bloombox, and includes both common shares issued as consideration and a financial advisory fee payable in Common Shares.
- (12) Issued in connection with the acquisition of Score Enterprises Ltd.
- (13) Issued pursuant to the consolidation.

## TRADING PRICE AND VOLUME

The outstanding Common Shares are currently traded on the CSE under the trading symbol “VEGA”, on the OTCQB® Venture Market under the trading symbol “PLTXF” and quoted on the Frankfurt Stock Exchange since February 20, 2017 under the symbol “WNT”. Prior to the RTO Transaction, the Common Shares were listed for trading on the CSE since October 31, 2011 under the symbol “WRW”. In connection with the RTO Transaction, the Common Shares began trading under the symbol “VEGA”. The following table sets forth the reported intraday high and low prices and monthly trading volumes of the Common Shares on the CSE for the 12-month period prior to the date of this Prospectus:

<u>Period</u>	<u>High</u>	<u>Low</u>	<u>Volume</u>
March 1 – 10, 2021	\$1.26	\$0.81	6,513,865
February 2021	\$1.54	\$1.03	12,201,048
January 2021	\$2.34	\$1.13	12,007,951
December 2020	\$1.58	\$0.57	12,871,155
November 2020	\$1.25	\$0.44	4,253,580
October 2020	\$2.15	\$1.20	3,034,274
September 2020	\$1.38	\$1.30	1,494,943
August 2020 <sup>(2)</sup>	\$2.25	\$0.70	2,516,138
July 2020 <sup>(1)</sup>	-	-	-
June 2020 <sup>(1)</sup>	-	-	-
May 2020 <sup>(1)</sup>	-	-	-
April 2020 <sup>(1)</sup>	-	-	-
March 2020 <sup>(1)</sup>	-	-	-
February 2020 <sup>(1)</sup>	-	-	-

Notes:

- (1) The Common Shares were halted on January 23, 2020, prior to the announcement of the letter of intent with of the RTO Announcement.
- (2) Trading in the Common Shares resumed on August 10, 2020 following the Completion of the RTO Transaction.

On March 10, 2021, the last day of trading prior to the date of this Prospectus, the closing price per Common Share on the CSE was \$1.21 and on the OTCQB was US\$0.9781.

## CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Gowling WLG (Canada) LLP, counsel to the Company and MLT Aikins LLP, counsel to the Agent, the following is, as of the date hereof, a general summary of the principal Canadian federal income tax considerations under the *Income Tax Act* (Canada) (the “**Tax Act**”) and the regulations thereunder (the “**Regulations**”) generally applicable to a holder who acquires Unit Shares and Warrants comprising the Offered Units pursuant to the Offering, and Warrant Shares upon exercise of the Warrants, as beneficial owner pursuant to this Prospectus and who, at all relevant times, for the purposes of the Tax

Act, deals at arm's length with the Company and the Agent, is not affiliated with the Company or the Agent, and will acquire and hold Unit Shares, Warrants, and Warrant Shares acquired on the exercise of Warrants (collectively with the Unit Shares referred to as the "**Shares**") as capital property (each, a "**Holder**"), all within the meaning of the Tax Act. The Shares and Warrants will generally be considered to be capital property to a Holder unless the Holder holds or uses the Shares or Warrants, or is deemed to hold or use the Shares or Warrants, in the course of carrying on a business of trading or dealing in securities or has acquired them or deemed to have acquired them in a transaction or transactions considered to be an adventure in the nature of trade.

This summary does not apply to a Holder (a) that is a "financial institution" for purposes of the mark-to-market rules contained in the Tax Act; (b) an interest in which is or would constitute a "tax shelter investment" as defined in the Tax Act; (c) that is a "specified financial institution" as defined in the Tax Act; (d) that is a corporation resident in Canada (for the purpose of the Tax Act) or a corporation that does not deal at arm's length (for purposes of the Tax Act) with a corporation resident in Canada, and 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 not dealing with each other at arm's length for the purposes of the foreign affiliate dumping rules in Section 212.3 of the Tax Act; (e) that reports its "Canadian tax results" in a currency other than Canadian currency, all as defined in the Tax Act; (f) that is exempt from tax under the Tax Act; (g) that has entered into, or will enter into, a "synthetic disposition arrangement" or a "derivative forward agreement" with respect to the Shares or the Warrants, as those terms are defined in the Tax Act; or (h) that receives dividends on the 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.

This summary does not address the deductibility of interest by a Holder who has borrowed money or otherwise incurred debt in connection with the acquisition of Offered Units.

This summary is based upon the current provisions of the Tax Act and the Regulations in force as of the date hereof, specific proposals to amend the Tax Act and the Regulations (the "**Tax Proposals**") which have been announced by or on behalf the Minister of Finance (Canada) prior to the date hereof, the current provisions of the *Canada-United States Income Tax Convention (1980)* (the "**Canada-U.S. Tax Convention**"), and counsel's understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**").

This summary assumes that the Tax Proposals will be enacted in the form proposed and does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ from the Canadian federal income tax considerations discussed herein. No assurances can be given that the Tax Proposals will be enacted as proposed or at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein. **This summary is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Offered Units. This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal, business, or income tax advice to any particular Holder. Holders should consult their own income tax advisors with respect to the tax consequences applicable to them based on their own particular circumstances.**

### **Amounts Determined in Canadian Dollars**

For purposes of the Tax Act, all amounts relating to the Shares or Warrants must be expressed in Canadian dollars, including cost, adjusted cost base, proceeds of disposition and dividends, and amounts denominated in U.S. dollars must be converted to Canadian dollars using the daily exchange rate published by the Bank of Canada on the particular date the particular amount arose or such other rate of exchange as may be accepted by the CRA. Holders may therefore realize additional income or gain by virtue of changes in foreign exchange rates, and are advised to consult with their own tax advisors in this regard. Currency tax issues are not discussed further in this summary.

## **Allocation of Purchase Price of Units**

The total purchase price of an Offered Unit to a Holder must be allocated on a reasonable basis between the Unit Share and the Warrant which comprise that Offered Unit to determine the cost of each to the Holder for purposes of the Tax Act.

For its purposes, the Company intends to allocate \$1.04 of the Offering Price of each Offered Unit as consideration for the issue of each Unit Share and \$0.01 of the Offering Price of each Offered Unit for the Warrant comprising part of the Offered Unit. Although the Company believes that its allocation is reasonable, it is not binding on the CRA or the Holder. The Holder's adjusted cost base of the Unit Share comprising a part of each Offered Unit will be determined by averaging the cost allocated to the Unit Share with the adjusted cost base to the Holder of all Common Shares of the Company owned by the Holder as capital property immediately prior to such acquisition.

## **Exercise of Warrants**

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 adjusted cost base of such Warrant and the exercise price paid for the Warrant Share. The Holder's adjusted cost base of the Warrant Share so acquired will be determined by averaging such cost with the adjusted cost base to the Holder of all Common Shares of the Company owned by the Holder as capital property immediately prior to such acquisition.

## **Residents of Canada**

The following portion of this summary is generally applicable to a Holder who, for the purposes of the Tax Act, is resident or deemed to be resident in Canada at all relevant times (each, a "**Resident Holder**"). Certain Resident Holders whose Shares might not otherwise qualify as capital property may be entitled to make an irrevocable election pursuant to subsection 39(4) of the Tax Act to have the Shares, and every other "Canadian security" (as defined by the Tax Act) owned by such Resident Holder in the taxation year of the election and in all subsequent taxation years, deemed to be capital property. This election does not apply to Warrants. Resident Holders should consult their own tax advisors for advice as to whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances.

### *Expiry of Warrants*

In the event of the expiry of an unexercised Warrant, a Resident Holder generally will realize a capital loss equal to the Resident Holder's adjusted cost base of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Taxation of Capital Gains and Losses".

### *Taxation of Dividends Received by Resident Holders*

In the case of a Resident Holder who is an individual (including certain trusts), dividends (including deemed dividends) received on the Shares will be included in the Resident Holder's income and be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by an individual from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit for "eligible dividends" properly designated as such by the Company. Taxable dividends received by such Resident Holder may give rise to minimum tax under the Tax Act.

In the case of a Resident Holder that is a corporation, such dividends (including deemed dividends) received on the Shares will be included in the Resident Holder's income and will normally be deductible in computing

such Resident Holder's taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a "private corporation" or "subject corporation" (as such terms are defined in the Tax Act) may be liable to pay a refundable tax under Part IV of the Tax Act on dividends received or deemed to be received on the Shares to the extent that such dividends are deductible in computing the Resident Holder's taxable income for the year.

#### *Disposition of Shares and Warrants*

A Resident Holder who disposes of, or is deemed to have disposed of, a Share (other than to the Company, unless purchased by the Company in the open market in the manner in which shares are normally purchased by any member of the public in the open market) or a Warrant (other than on the exercise thereof) will realize a capital gain (or incur a capital loss) equal to the amount by which the proceeds of disposition in respect of such Share or Warrant, as applicable, exceed (or are exceeded by) the aggregate of the adjusted cost base to the Resident Holder of such Share or Warrant, as applicable, immediately before the disposition or deemed disposition and any reasonable expenses incurred for the purpose of making the disposition. The adjusted cost base to a Resident Holder of a Share will be determined by averaging the cost of that Share with the adjusted cost base (determined immediately before the acquisition of the Share) of all other Common Shares held as capital property at that time by the Resident Holder. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Taxation of Capital Gains and Losses".

#### *Taxation of Capital Gains and Losses*

Generally, one-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder must be included in the Resident Holder's income for the taxation year in which the disposition occurs. Subject to and in accordance with the provisions of the Tax Act, one-half of any capital loss incurred by a Resident Holder (an "**allowable capital loss**") must generally be deducted from taxable capital gains realized by the Resident Holder in the taxation year in which the disposition occurs. Allowable capital losses in excess of taxable capital gains for the taxation year of disposition generally may be carried back and deducted in the three preceding taxation years or carried forward and deducted in any subsequent year against taxable capital gains realized in such years, in the circumstances and to the extent provided in the Tax Act.

A capital loss realized on the disposition of a Share by a Resident Holder that is a corporation may in certain circumstances be reduced by the amount of dividends which have been previously received or deemed to have been received by the Resident Holder on the Share. Similar rules may apply where a corporation is, directly or indirectly through a trust or partnership, a member of a partnership or a beneficiary of a trust that owns Shares. A Resident Holder to which these rules may be relevant is urged to consult its own tax advisor.

Capital gains realized by an individual (including certain trusts) may result in the individual paying minimum tax under the Tax Act.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax on its "aggregate investment income" (as defined in the Tax Act) for the year, which is defined to include an amount in respect of taxable capital gains.

## **Non-Residents of Canada**

The following portion of this summary is generally applicable to a Holder who, for purposes of the Tax Act and at all relevant times, is neither resident nor deemed to be resident in Canada and does not use or hold, and will not be deemed to use or hold, Shares or Warrants in a business carried on in Canada (each, a **“Non-Resident Holder”**). The term **“U.S. Holder”**, for the purposes of this summary, means a Non-Resident Holder who, for purposes of the Canada-U.S. Tax Convention, is at all relevant times a resident of the United States and is a “qualifying person” within the meaning of the Canada-U.S. Tax Convention. In some circumstances, persons deriving amounts through fiscally transparent entities (including limited liability companies) may be entitled to benefits under the Canada-U.S. Tax Convention. U.S. Holders are urged to consult their own tax advisors to determine their entitlement to benefits under the Canada-U.S. Tax Convention based on their particular circumstances.

Special considerations, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer that carries on an insurance business in Canada and elsewhere or an authorized foreign bank (as defined in the Tax Act). Such Non-Resident Holders should consult their own advisors.

### *Taxation of Dividends*

Subject to an applicable tax treaty or convention, dividends paid or credited, or deemed to be paid or credited, to a Non-Resident Holder on the Shares will be subject to Canadian withholding tax under the Tax Act at the rate of 25% of the gross amount of the dividend. Such rate is generally reduced under the Canada-U.S. Tax Convention to 15% if the beneficial owner of such dividend is a U.S. Holder. The rate of withholding tax is further reduced to 5% if the beneficial owner of such dividend is a U.S. Holder that is a company that owns, directly or indirectly, at least 10% of the voting stock of the Company. In addition, under the Canada-U.S. Tax Convention, dividends may be exempt from such Canadian withholding tax if paid to certain U.S. Holders that are qualifying religious, scientific, literary, educational or charitable tax-exempt organizations or qualifying trusts, companies, organizations or arrangements operated exclusively to administer or provide pension, retirement or employee benefits or benefits for the self-employed under one or more funds or plans established to provide pension or retirement benefits or other employee benefits that are exempt from tax in the United States and that have complied with specific administrative procedures.

### *Disposition of Shares and Warrants*

A Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized by such Non-Resident Holder on a disposition of Shares or Warrants, unless the Shares or Warrants constitute “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Holder at the time of the disposition and are not “treaty-protected property” (as defined in the Tax Act) of the Non-Resident Holder at the time of the disposition.

Generally, as long as the Shares are then listed on a designated stock exchange (which currently includes the CSE), the Shares and Warrants will not constitute taxable Canadian property of a Non-Resident Holder, unless at any time during the 60-month period immediately preceding the disposition the following two conditions are met concurrently: (a) the Non-Resident Holder, persons with which the Non-Resident Holder does not deal at arm’s length, partnerships whose members include, either directly or indirectly through one or more partnerships, the Non-Resident Holder or persons which do not deal at arm’s length with the Non-Resident Holder, or any combination of them, owned 25% or more of the issued shares of any class or series of shares of the capital stock of the Company, and (b) more than 50% of the fair market value of the Shares was derived directly or indirectly, from one or any combination of real or immovable property situated in Canada, “Canadian resource properties”, “timber resource properties” (each as defined in the Tax Act), and options in respect of or interests in, or for civil law rights in, any such property (whether or not such property exists). The Tax Act may also deem the Shares to be taxable Canadian property in certain circumstances.

In the case of a U.S. Holder, the Shares of such U.S. Holder will generally constitute “treaty-protected property” for purposes of the Tax Act unless the value of the Shares is derived principally from real property situated in Canada. For this purpose, “real property” has the meaning that term has under the laws of Canada and includes any option or similar right in respect thereof and usufruct of real property, rights to explore for or to exploit mineral deposits, sources and other natural resources and rights to amounts computed by reference to the amount or value of production from such resources.

If Shares or Warrants are taxable Canadian property of a Non-Resident Holder and are not treaty-protected property of the Non-Resident Holder at the time of their disposition, the consequences above under “Residents of Canada — Taxation of Capital Gains and Losses” will generally apply.

**Non-Resident Holders whose Shares or Warrants are taxable Canadian property should consult their own advisors.**

## **RISK FACTORS**

An investment in the Offered Units is speculative and involves certain risks. When evaluating the Company and its business, prospective purchasers of the Offered Units should consider carefully the information set out in this Prospectus and the risks described below and in the documents incorporated by reference in this Prospectus, including those risks identified and discussed under the heading “*Risk Factors*” in the Annual Information Form, which is incorporated by reference herein.

The risks and uncertainties described or incorporated by reference herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company is unaware of or that are currently deemed immaterial, may also adversely affect the Company and its business.

### **Risks Related to the Offering**

#### *Disease Outbreaks May Negatively Impact the Company*

A local, regional, national or international outbreak of a contagious disease, including the novel coronavirus COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu or any other similar illness, could cause staff shortages, supply shortages and increased government regulation all of which may negatively impact the business, financial condition and results of operations of the Company. A pandemic could cause temporary or long-term disruptions in the Company’s supply chains and/or delays in the delivery of the Company’s inventory. Further, such risks could also adversely affect the Company’s customers’ financial condition, resulting in reduced spending for the products the Company sells. Moreover, an epidemic, pandemic, outbreak or other public health crisis, such as COVID-19, could cause employees to avoid the Company’s properties, which could adversely affect the Company’s ability to adequately staff and manage its businesses. “Shelter-in-place” or other such orders by governmental entities could also disrupt the Company’s operations, if employees who cannot perform their responsibilities from home, are not able to report to work. Risks related to an epidemic, pandemic or other health crisis, such as COVID-19, could also lead to the complete or partial closure of one or more of the Company’s facilities or operations of its sourcing partners. The ultimate extent of the impact of any epidemic, pandemic or other health crisis on the Company’s business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of such epidemic, pandemic or other health crisis and actions taken to contain or prevent their further spread, among others. These and other potential impacts of an epidemic, pandemic or other health crisis, such as COVID-19, could therefore materially and adversely affect the Company’s business, financial condition and results of operations.

Specifically, the impact of COVID-19 has severely limited management’s ability to travel, which, given the emerging international nature of the Company’s business, management team and clientele, has impacted the Company’s ability to manage its business in a traditional manner. Although, the Company has adapted

well to the new work-from-home environment, limited travel is suboptimal for managing a company with growing international operations.

At present, as is common across many industries and geographies, PlantX could be materially and adversely affected by a range of factors and developments related to COVID-19 (including a potential resurgence due to variant cases), largely beyond its control. The extent to which the coronavirus impacts PlantX's business, including its operations and market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. The public health impact of the coronavirus, as well as the steps taken by governments and businesses around the world to combat its spread, could have an adverse impact on the global economy. Any such economic downturn, either short-term or prolonged, could impact PlantX as well.

To the extent that the COVID-19 pandemic continues and/or worsens, the impacts on the global economy are unpredictable and could have a material adverse effect on the Company's business, results of operations and financial condition. In particular, the continued spread of the coronavirus globally could materially and adversely impact PlantX's business including without limitation, employee health, workforce productivity, increased expenses and other factors that will depend on future developments beyond PlantX's control, which could have a material adverse effect on the Company's business, results of operations and financial condition. Such adverse effect could be rapid and unexpected.

#### *An investment in the Offered Units is speculative*

An investment in the Offered Units and the Company's prospects generally, are speculative due to the risky nature of its business and the present stage of its development. Investors may lose their entire investment and should carefully consider the risk factors described below and under the heading "Risk Factors" in the Annual Information Form. The risks described below and in the Annual Information Form are not the only ones facing the Company. Additional risks not currently known to the Company, or that the Company currently deems immaterial, may also impair the Company's operations. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below (or incorporated by reference herein) or other unforeseen risks. If any of the risks described below or in the Annual Information Form actually occur, then the Company's business, financial condition and operating results could be adversely affected. Investors should carefully consider the risks below and in the Annual Information Form and the other information elsewhere in this Prospectus and consult with their professional advisors to assess any investment in the Company.

#### *Discretion in the Use of Proceeds*

Management will have 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 use the net proceeds of the Offering other than as described under the heading "Use of Proceeds" if they believe it would be in the Company's best interest to do so and in ways that an investor may not consider desirable. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Company's results of operations may suffer.

#### *Additional Financing*

The continued development of the Company will require additional financing. There is no guarantee that the Company will be able to achieve its business objectives. The Company intends to fund its business objectives by way of additional offerings of equity and/or debt financing as well as through anticipated positive cash flow from operations in the future. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of current business objectives. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on terms acceptable to the Company. If additional funds are raised by

offering equity securities, existing shareholders could suffer significant dilution. The Company will require additional financing to fund its operations until positive cash flow is achieved, see “*Risk Factors – Negative Cash Flow from Operations*”.

#### *Volatile Market Price of the Common Shares*

The market price of the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company’s control. This volatility may affect the ability of holders of Common Shares to sell their securities at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company’s operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities analysts’ estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by government and regulatory authorities, the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Common Shares.

Financial markets have at times historically experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company’s operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company’s operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

#### *Risk Factors Related to Dilution*

The Company may issue additional securities in the future, which may dilute a shareholder’s holdings in the Company. The Company’s articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of further issuances. Moreover, additional Common Shares will be issued by the Company on the exercise of options under the Company’s stock option plan and upon the exercise of outstanding warrants.

#### *Negative Cash Flow from Operations*

The Company had a negative operating cash flow for the financial year ended July 31, 2020 and 2019, for the nine months ended December 31, 2020 and for the period from October 11, 2019 (date of incorporation) to December 31, 2019. Although the Company anticipates it will have positive cash flow from operating activities in future periods, the Company cannot guarantee it will have a cash flow positive status from operating activities in future periods. To the extent that the Company has negative cash flow in any future period, certain of the proceeds from the Offering may be used to fund such negative cash flow from operating activities, see “*Use of Proceeds*”.

#### *There is an absence of a public market for the Warrants*

There is no public market for the Warrants to be issued in the Offering and the Company does not intend to apply for listing of the Warrants on any securities exchanges.

### **ELIGIBILITY FOR INVESTMENT**

In the opinion of Gowling WLG (Canada) LLP, counsel to the Company and MLT Aikins LLP, counsel to the Agent, based on the current provisions of the Tax Act and the Regulations, if the Shares were issued



on the date hereof and listed on a “designated stock exchange” as defined in the Tax Act (which includes the CSE), then the Shares and Warrants would, at that time, be a “qualified investment” under the Tax Act and the Regulations for a trust governed by a “registered retirement savings plan” (“RRSP”), “registered retirement income fund” (“RRIF”), “tax-free savings account” (“TFSA”), “registered education savings plan” (“RESP”), “deferred profit sharing plan” or “registered disability savings plan” (“RDSP”), as those terms are defined in the Tax Act (collectively but not including a “deferred profit sharing plan”, the “Registered Plans”), provided that, in the case of the Warrants, the Company deals at arm’s length with each person who is an annuitant, a beneficiary, an employer, or a subscriber under, or a holder of, such Registered Plan. The Warrants, if issued on the date hereof and listed on a “designated stock exchange”, would also at that time be a “qualified investment” for a trust governed by a Registered Plan or a “deferred profit sharing plan”.

Notwithstanding that a Share or Warrant may be a qualified investment for a Registered Plan, if the Share or Warrant is a “prohibited investment” within the meaning of the Tax Act for a Registered Plan, the holder, annuitant or subscriber of the Registered Plan, as the case may be, will be subject to penalty taxes as set out in the Tax Act. The Shares or Warrants will generally be a “prohibited investment” for a Registered Plan if the holder, annuitant or subscriber, as the case may be, does not deal at arm’s length with the Company for the purposes of the Tax Act or has a “significant interest” (as defined in the Tax Act) in the Company. However, the Shares will not be a prohibited investment if the Shares are “excluded property” within the meaning of the Tax Act for the Registered Plan.

**Holders and annuitants of Registered Plans should consult their own tax advisors with respect to whether Shares or Warrants would be prohibited investments having regard to their particular circumstances.**

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

Securities legislation in certain 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, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions 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 adviser.

In an offering of convertible, exchangeable or exercisable securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus is limited, in securities legislation of certain provinces, to the price at which the convertible, exchangeable or exercisable securities is offered to the public under an 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 adviser.

## **DIVIDEND POLICY**

The Company has not declared or paid any cash dividends on the Common Shares since its inception. The Company currently intends to retain future earnings, if any, to finance the operation and expansion of its business and does not anticipate paying any cash dividends in the foreseeable future. Payment of any future dividends, if any, will be at the discretion of the Board of Directors and will depend on the financial condition, results of operations, capital requirements, restrictions contained in current or future financing instruments of the Company, provisions of applicable law and other factors the Board of Directors deems relevant.

## INTEREST OF EXPERTS

Certain financial statements incorporated by reference in this short form prospectus have been audited by the Company's auditors, Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants. Dale Matheson Carr-Hilton Labonte LLP has confirmed that it is independent of the Company in accordance with the relevant rules and related interpretation prescribed by the Chartered Professional Accountants of British Columbia.

Dale Matheson Carr-Hilton Labonte LLP has also audited certain financial statements of the TargetCo incorporated by reference in this short form prospectus. Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants. Dale Matheson Carr-Hilton Labonte LLP has confirmed that it is independent of the Company in accordance with the relevant rules and related interpretation prescribed by the Chartered Professional Accountants of British Columbia

Certain financial statements incorporated by reference in this short form prospectus have been audited by the Bloombox's auditors, Azets Audit Services Limited, 5 Yeomans Court, Ware Road, Hertford SG13 7HJ, UK. Azets Audit Services Limited has confirmed that it is independent of the Company in accordance with the relevant rules and related interpretation prescribed by the UK Ethical Standard(s) issued by the Financial Reporting Council.

Certain legal matters in connection with this Offering will be passed upon on behalf of the Company by Gowling WLG (Canada) LLP, and on behalf of the Agent by MLT Aikins LLP.

As at the date hereof, the partners and associates of Gowling WLG (Canada) LLP and MLT Aikins LLP and Azets Audit Services Limited, each as a group, beneficially own, directly and indirectly, in the aggregate, less than one percent (1%) of the Common Shares. As at the date hereof, the partners and associates of Azets Audit Services Limited do not own, directly and indirectly, any of the Common Shares.

## PROMOTER

Mr. Sean Dollinger may be considered to be a promoter of the Company within the meaning of applicable securities legislation because he took the initiative in founding and organizing the business of the Company. Mr. Dollinger owns, directly or indirectly, 4,513,282 Common Shares of the Company, being 4.91% of the issued and outstanding Common Shares of the Company.

On December 20, 2019 TargetCo granted 1,500,000 TargetCo Options, exercisable at \$0.10 per share to Mr. Dollinger, and on March 24, 2020 issued 1,072,220 TargetCo Shares at a deemed price of \$0.25 per share in settlement of \$268,055 in debt. Pursuant to the terms of the Share Exchange Agreement, Mr. Dollinger's TargetCo Shares and TargetCo Options were converted and replaced with Common Shares and Options of the Company. On December 9, 2020, Mr. Dollinger exercised 1,500,000 Options.

On August 1, 2020, the Company engaged Mr. Dollinger to provide services through his wholly owned consulting firm, Dollinger Innovations Inc (the "**Dollinger Consulting Agreement**"). In accordance with the terms of the Dollinger Consulting Agreement, Mr. Dollinger is responsible for the providing e-commerce strategies, UX design and architecture, business development functions and acquisition advisory. The Dollinger Consulting Agreement provides for monthly remuneration of \$16,666.67 for a term of one year.

On January 4, 2021, the Company issued 207,782 Common Shares to Mr. Dollinger in satisfaction for compensation accrued under the Dollinger Consulting Agreement.

## AGENT FOR SERVICE OF PROCESS

Each of Julia Frank (CEO and Director) and Alex Hoffman (Chief Marketing Officer), who reside outside of Canada, have appointed Gowling WLG (Canada) LLP, 550 Burrard Street, Suite 2300, Vancouver, British

Columbia V6C 2B5, as agent for service of process in Canada. Prospective purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process, see "*Risk Factors*".

#### **AUDITOR, TRANSFER AGENT AND REGISTRAR**

Dale Matheson Carr-Hilton Labonte LLP is the independent auditor of the Company and is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The registrar and transfer agent for the Common Shares is Odyssey Trust Company at its offices in Calgary, Alberta - Suite 1230, 300 5th Avenue SW Calgary, Alberta T2P 3C4.

## CERTIFICATE OF THE COMPANY

March 11, 2021

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

(Signed) "*Julia Frank*"

Chief Executive Officer

(Signed) "*Lorne Rapkin*"

Chief Financial Officer

### On behalf of the Board of Directors:

(Signed) "*Quinn Field-Dyde*"

Director

(Signed) "*Peter Simeon*"

Director

## CERTIFICATE OF PROMOTER

March 11, 2021

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

(Signed) "*Sean Dollinger*"

Founder

## **CERTIFICATE OF THE AGENT**

March 11, 2021

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

### **MACKIE RESEARCH CAPITAL CORPORATION**

(Signed) "*Jovan Stupar*"  
Managing Director  
Investment Banking