

**EARLY WARNING REPORT  
(Form 62-103F1)**

**Made Pursuant to  
NATIONAL INSTRUMENT 62-103  
*The Early Warning System and Related Take-Over Bid and  
Insider Reporting Issues***

**Item 1 – Security and Reporting Issuer**

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

Common shares, common share purchase warrants and contingent value rights of Beyond Oil Ltd. (formerly, FTC Cards Inc.) (the “**Issuer**”), head office located at 33157 Tunbridge Avenue, Mission, British Columbia, V2V 6X9.

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

On May 12, 2022, the Issuer acquired all of the shares of Beyond Oil Ltd. a company existing under the laws of Israel (the “**Beyond Oil Israel**”), pursuant to a definitive share purchase agreement (the “**SPA**”) dated September 26, 2021, among the Issuer, Beyond Oil Israel and the shareholders of Beyond Oil Israel (the “**Transaction**”).

**Item 2 – Identity of the Acquiror**

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

Jonathan Or (the “**Acquiror**”)  
Tel Aviv, Israel

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

Immediately prior to the completion of the Transaction, the Acquiror held 800,819 ordinary shares in the capital of Beyond Oil Israel.

On May 12, 2022, pursuant to the Transaction, the Issuer acquired all of the issued and outstanding shares of Beyond Oil Israel, including those held by the Acquiror, in exchange for common shares, common share purchase warrants and contingent value rights of the Issuer.

Pursuant to the Transaction, the Acquiror acquired ownership and control over 6,414,831 common shares of the Issuer (the “**Payment Shares**”), 646,693 common share purchase warrants (the “**Consideration Warrants**”) and 5,131,864 contingent value rights (the “**Contingent Rights**”) of the Issuer.

Each Consideration Warrant entitles the Acquiror to purchase one common share of the Issuer at a price of C\$1.18 per common share until May 12, 2023.

The Contingent Rights entitle the Acquiror to an aggregate of 5,131,864 common shares of the Issuer in accordance with the following:

- (i) 1,282,966 common shares upon the Issuer obtaining orders for, or agreements to purchase, at least an aggregate of US\$3 million from customers (including distributors and resellers) on or prior to May 12, 2023;
- (ii) 1,282,966 common shares upon the Issuer achieving US\$6 million in cumulative sales in the period commencing on the closing date of the Transaction and ending on November 12, 2023, as reported in the Issuer’s financial statements for that period;
- (iii) 1,282,966 common shares, upon the Issuer achieving US\$13 million in cumulative sales in the period commencing on the closing of the Transaction and ending on November 12, 2024 as reported in the Issuer’s financial statements for that period;
- (iv) 1,282,966 common shares, upon the Issuer’s annual audited financial statements for the year ended December 31, 2023 disclosing a positive EBITDA for that period;

(each of the events described in items (i), (ii), (iii) or (iv), is hereinafter a “**Milestone**” and the period for achievement therefor a “**Milestone Period**”).

Provided that if a Milestone is not achieved within the prescribed Milestone Period, but the Issuer shall have entered into a definitive agreement with a recognized participant in the food service industry or oil industry (including refining and premium oil) pursuant to which the Issuer receives US\$10 million in revenues over a 24 month period during that Milestone Period (the “**Alternative Milestone**”) that Milestone (and only that Milestone) will be deemed to have been satisfied, and the Alternative Milestone will cease to be available in respect of other Milestones.

As a result of the Transaction, an aggregate of 48,821,008 common shares of the Issuer are outstanding immediately after giving effect to the Transaction.

The 6,414,831 common shares held by or controlled by the Acquiror following the completion of the Transaction represent approximately 13.14% of the outstanding common shares of the Issuer on a non-diluted basis. On a partially

diluted basis, assuming the exercise of all the Consideration Warrants and the issuance of common shares pursuant to the Contingent Rights (including those held by the Acquiror), the Acquiror will hold an aggregate of 12,193,388 common shares of the Issuer representing approximately 17.67 % of the outstanding common shares of the Issuer.

The 6,414,831 Payment Shares and Contingent Rights are subject to an escrow agreement among FTC Cards Inc., Endeavor Trust Corporation, as escrow agent, and the Acquiror dated May 12, 2022 (the “**Escrow Agreement**”) in the form prescribed by National Policy 46-201 – *Escrow For Initial Public Offerings*. In addition, the Payment Shares are subject to certain contractual restrictions on resale set forth in the SPA

For more information on the Transaction, refer to the SPA, the Escrow Agreement, and the prospectus of FTC Cards Inc. dated April 27, 2022, all available under the Issuer’s SEDAR profile at [www.sedar.com](http://www.sedar.com).

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

Not applicable.

**Item 3 – Interest in Securities of the Reporting Issuer**

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

See Item 2.2 above.

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

See Item 2.2 above.

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

Not applicable.

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

See Item 2.2 above.

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

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

See Item 2.2 above.

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

See Item 2.2 above.

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

Not applicable.

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

Not applicable.

**3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement. State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

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

Not applicable.

#### **Item 4 – Consideration Paid**

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

The Payment Shares, Consideration Warrants and Contingent Rights were issued pursuant to the Transaction, which was completed pursuant to a reverse takeover.

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

See Items 2.2 and 4.1 above.

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

The Payment Shares, Consideration Warrants and Contingent Rights were issued pursuant to the Transaction, which was completed pursuant to a reverse takeover.

#### **Item 5 – Purpose of the Transaction**

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

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;**

- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

The Payment Shares, Consideration Warrants and Contingent Rights were acquired for investment purposes. The Acquiror will evaluate its investment in the Issuer from time to time and may, depending on various factors including, without limitation, the Issuer's financial position, the price levels of the common shares of the Issuer, conditions in the securities markets and general economic and industry conditions, the Issuer's business or financial condition, and other factors and conditions the Acquiror deems appropriate, increase, decrease or change its beneficial ownership over the Issuer's common shares or other securities of the Issuer in the future but has no current plans to do so.

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

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

Not applicable.

#### **Item 7 – Change in Material Fact**

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

Not applicable.

**Item 8 – Exemption**

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

Not applicable.

**Item 9 – Certification**

**The acquiror must certify that the information in this report is true and complete in every respect. In the case of an agent, the certification is based on the agent's best knowledge, information and belief but the acquiror is still responsible for ensuring that the information filed by the agent is true and complete. This report must be signed by each person on whose behalf the report is filed or his or her authorized representative. It is an offence to submit information that, in a material respect and at the time and in the light of the circumstances in which it is submitted, is misleading or untrue.**

**Certificate**

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

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

---

**Jonathan Or**