A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada, except Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

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 authorized to sell such securities.

*The securities offered under this short form prospectus 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 (as such term is defined in Regulation S under the U.S. Securities Act), and may not be offered or sold within the United States (as defined in Regulation S under the U.S. Securities Act) or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act (a "U.S. Person")), except as permitted by the Underwriting Agreement (as defined herein) and in transactions exempt from registration under the U.S. Securities Act and applicable United States state securities laws. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account or benefit of, U.S. Persons.*

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of VEXT Science, Inc., Suite 2250 – 1055 West Hastings Street, Vancouver, BC V6E 2E9, Telephone: (604) 688-9588, and are also available electronically at www.sedar.com.*

PRELIMINARY SHORT FORM PROSPECTUS

New Issue January 19, 2021

VEXT SCIENCE, INC.

$18,032,000

16,100,000 Units

Price: $1.12 per Unit

This short form prospectus (this "**Prospectus**") qualifies the distribution (the "**Offering**") of 16,100,000 units (the "**Initial Units**") of VEXT Science, Inc. ("**VEXT**" or the "**Company**") at a price of $1.12 per Initial Unit (the "**Offering Price**") for total gross proceeds of 18,032,000. The Offering is being made on a "bought deal" basis pursuant to the terms and conditions of an underwriting agreement (the "**Underwriting Agreement**") to be entered into between the Company and Beacon Securities Limited, as lead underwriter (the "**Lead Underwriter**"), Canaccord Genuity Corp. and Eight Capital (collectively with the Lead Underwriter, the "**Underwriters**"). The Offering Price was determined based upon arm's length negotiations between the Company and the Lead Underwriter with reference

to the prevailing market price of the common shares of the Company (the "**Subordinated Voting Shares**") on the Canadian Securities Exchange (the "**CSE**"). See "Plan of Distribution".

Each Initial Unit consists of one Subordinated Voting Share (each, a "**Unit Share**") and one-half of one share purchase warrant of the Company (each whole warrant, a "**Warrant**"). Each Warrant will entitle the holder to purchase, subject to adjustment in certain circumstances, one Subordinated Voting Share (each, a "**Warrant Share**") at an exercise price of $1.40 until 4:00 p.m. (Toronto time) on the date that is 36 months from the Closing Date (as defined herein), subject to the Accelerated Exercise Period (as defined herein), after which time the Warrants will be void and of no value. If, at any time prior to the expiry date of the Warrants, the volume weighted average trading price of the Subordinated Voting Shares on the CSE (or such other stock exchange where the Subordinated Voting Shares are then listed) is greater than or equal to $2.50 for a period of 20 consecutive trading days, the Company may provide written notice to the holders of the Warrants by way of a news release advising that the Warrants will expire at 4:00 p.m. (Toronto time) on the 30th day following the date of such notice unless exercised by the holders prior to such date (the "**Accelerated Exercise Period**"). The Warrants will be created and issued pursuant to the terms of a warrant indenture (the "**Warrant Indenture**") to be entered into on the Closing Date between the Company and Odyssey Trust Company (the "**Warrant Agent**"), as warrant agent.

The Subordinated Voting Shares are listed and posted for trading on the CSE under the trading symbol "VEXT" and are quoted on the OTCQX under the trading symbol "VEXTF". On January 18, 2021, the last trading day prior to the filing of this Prospectus, the closing price of the Subordinated Voting Shares on the CSE was $1.35 and on the OTCQX was US$1.07. The Company will apply to list the Unit Shares, Warrants, Warrant Shares, Compensation Option Shares (as defined herein) and Work Fee Shares (as defined herein) to be distributed under this Prospectus on the CSE. Listing will be subject to the Company fulfilling all of the applicable requirements of the CSE. There is currently no market through which the Warrants may be sold. See "Risk Factors".

	Price to the Public	**Underwriters' Fee[(1)(2)]**	**Net Proceeds to the Company[(3)]**
Per Initial Unit	$1.12	$0.08461	$1.03539
Total[(4)(5)]	$18,032,000	$1,362,240	$16,669,760

Notes:

(1) In consideration for the services rendered by the Underwriters in connection with the Offering, the Company has agreed to pay to the Underwriters a cash fee equal to 7.0% of the gross proceeds of the Offering (the "**Underwriters' Fee**") (including in respect of any exercise of the Over-Allotment Option (as defined herein), if any), subject to a reduced fee of 3.5% for up to $2,000,000 of the Units sold by the Underwriters to certain purchasers designated by the Company on the President's list (the "**President's List**"). The table above assumes that no Units are purchased by President's List purchasers. The Company has also agreed to pay the Underwriters a cash work fee of $100,000 (the "**Work Fee**"). See "Plan of Distribution".

(2) As additional consideration for the services rendered by the Underwriters in connection with the Offering, the Company has agreed to issue to the Underwriters transferable compensation options (the "**Compensation Options**"). The Compensation Options will entitle the Underwriters to purchase that number of Subordinated Voting Shares as is equal to 7.0% of the number of Offered Units (as defined herein) (including any Additional Units (as defined herein) issued upon the Underwriters' exercise of the Over-Allotment Option, if any) issued under the Offering (the "**Compensation Option Shares**"), subject to a reduced number of Compensation Options equal to 3.5% for up to $2,000,000 of the Units sold by the Underwriters to purchasers on the President's List, subject to adjustment in certain circumstances, at an exercise price of $1.12 per Compensation Option Share for a period of 36 months following the Closing Date. The Company has also agreed to issue to the Underwriters 90,000 transferable work fee options (the "**Work Fee Options**") on completion of the Offering. Each Work Fee Option will be exercisable to acquire one additional Subordinated Voting Share (a "**Work Fee Share**") subject to adjustment in certain circumstances, at an exercise price of $1.12 per Work Fee Share for a period of 36 months following the Closing Date. This Prospectus also qualifies the issuance of the Compensation Options and the Work Fee Options. See "Plan of Distribution".

(3) After deducting the Underwriters' Fee and the Work Fee, but before deducting the expenses and costs relating to the Offering which are estimated to be $300,000. The Underwriters' Fee, the Work Fee and the expenses and costs relating to the Offering will be paid by the Company from the gross proceeds of the Offering. See "Use of Proceeds".

(4) The Underwriters have been granted an over-allotment option, exercisable, in whole or in part, by the Lead Underwriter on behalf of the Underwriters, at any time and from time to time, until the date that is 30 days following the Closing Date, to purchase up to an additional 2,415,000 units of the Company (the "**Additional Units**") at the Offering Price to cover the Underwriters' over-allocation position, if any, and for market stabilization purposes (the "**Over-Allotment Option**"). Each

Additional Unit consists of one Subordinated Voting Share (each, an "**Additional Unit Share**") and one-half of one share purchase warrant of the Company (each whole warrant, an "**Additional Warrant**"). Each Additional Warrant will entitle the holder thereof to purchase, subject to adjustment in certain circumstances, one Subordinated Voting Share (each, an "**Additional Warrant Share**") at an exercise price of $1.40 per Additional Warrant Share until 4:00 p.m. (Toronto time) on the date that is 36 months following the Closing Date, subject to the Accelerated Exercise Period. The Over-Allotment Option may be exercised by the Underwriters to offer either: (i) Additional Units at the Offering Price; (ii) Additional Unit Shares at a price of $1.05 per Additional Unit Share; (iii) Additional Warrants at a price of $0.14 per Additional Warrant; or (iv) any combination of Additional Units, Additional Unit Shares and Additional Warrants. If the Over-Allotment Option is exercised in full for the Additional Units, the total "Price to the Public", "Underwriters' Fee" and "Net Proceeds to the Company" will be $20,436,800, $1,551,576 and $18,885,224, respectively (assuming no Units are purchased by President's List purchasers). This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Units, Additional Unit Shares and/or Additional Warrants issuable upon exercise of the Over-Allotment Option and the grant and issuance of additional Compensation Options (the "**Additional Compensation Options**"). A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires those 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".

(5) Subject to rounding.

The following table sets out the number of Additional Units, Compensation Options and Work Fee Options that may be issued by the Company to the Underwriters in connection with the Offering:

Underwriters' Position[(1)]	Number of Securities Available or Maximum Size	Exercise Period	Exercise Price
Over-Allotment Option	2,415,000 Additional Units, 2,415,000 Additional Unit Shares and/or 1,207,500 Additional Warrants	Up to 30 days following the Closing Date	$1.12 per Additional Unit $1.05 per Additional Unit Share $0.14 per Additional Warrant
Compensation Options[(2)]	1,296,050 Compensation Options[(3)]	36 months following the Closing Date	$1.12 per Compensation Option Share
Work Fee Options[(4)]	90,000 Work Fee Options	36 months following the Closing Date	$1.12 per Work Fee Share

Notes:

(1) This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Units. See "Plan of Distribution".

(2) Pursuant to the Underwriting Agreement, the Underwriters will receive Compensation Options equal to 7.0% of the number of Offered Units issued under the Offering (including any Additional Units issued upon the Underwriters' exercise of the Over-Allotment Option, if any). This Prospectus also qualifies the issuance of the Compensation Options. See "Plan of Distribution".

(3) Assuming the Over-Allotment Option is exercised in full and that no Units are purchased by President's List purchasers.

(4) Pursuant to the Underwriting Agreement, the Underwriters will receive 90,000 Work Fee Options. This Prospectus also qualifies the issuance of the Work Fee Options. See "Plan of Distribution".

The Additional Units, together with the Initial Units, are the "**Offered Units**". Unless the context otherwise requires, all references to the "Offering", "Unit Shares", "Warrants", "Warrant Shares", "Compensation Options" and "Compensation Option Shares" in this Prospectus includes all securities issuable upon exercise of the Over-Allotment Option.

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

The Offering is being conducted on a "bought deal" basis by the Underwriters who, as principal, conditionally offers the Offered Unit, subject to prior sale, if, as and when issued by the Company and accepted by the Underwriters, in

accordance with the terms and conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain Canadian legal matters relating to the Offering on behalf of the Company by McMillan LLP and on behalf of the Underwriters by Cassels Brock & Blackwell LLP. See "Plan of Distribution".

The Underwriters propose to offer the Offered Units initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Units at such price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Offered Units is less than the proceeds paid by the Underwriters to the Company. See "Plan of Distribution".

The Offering is being made in each of the provinces of Canada, except Québec. The Offered Units will be offered in each of such provinces through the Underwriters or their affiliates who are registered to offer the securities for sale in such provinces and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, the Underwriters may offer the Offered Units in the United States and such other jurisdictions outside of Canada and the United States as agreed between the Company and the Underwriters. See "Plan of Distribution".

Subject to applicable laws and in connection with the Offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Subordinated Voting Shares at levels other than those which might otherwise prevail in the open market in accordance with applicable stabilization rules. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

Subscriptions for the Offered Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about February 3, 2021 or such later date as may be agreed upon by the Company and the Underwriters (the "**Closing Date**"), but in any event, on or before a date that is not later than 42 days after the date of the receipt for the final short form prospectus.

Subject to certain exceptions, it is expected 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 with CDS on the Closing Date. Subject to certain exceptions, a purchaser of Offered Units will receive only a customer confirmation from the registered dealer through which the Offered Units are purchased and who is a CDS depository service participant. CDS will record the CDS participants who hold Units Shares and Warrants comprising the Offered Units on behalf of owners who have purchased them in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required. See "Plan of Distribution".

In addition to the Offering, the Company intends to complete a concurrent non-brokered private placement of up to 1,785,715 Units for aggregate gross proceeds of up to approximately $2,000,000 million, on or prior to the Closing Date (the "**2021 Concurrent Private Placement**"). The Prospectus does not qualify the distribution of the Subordinated Voting Shares and Warrants issuable pursuant to the 2021 Concurrent Private Placement. The 2021 Concurrent Private Placement is expected to close simultaneously with the Offering; however, the Offering is not conditional on the closing of the 2021 Concurrent Private Placement. Closing of the 2021 Concurrent Private Placement is subject to a number of conditions, including the approval of the CSE. The Subordinated Voting Shares and Warrants issued pursuant to the 2021 Concurrent Private Placement will be subject to a statutory hold period lasting four months and one day following the closing of the 2021 Concurrent Private Placement pursuant to Canadian securities laws. The Underwriters are not acting in connection with, and no fee or commission will be paid to the Underwriters in respect of, the Units issued under the 2021 Concurrent Private Placement. See "2021 Concurrent Private Placement".

An investment in the Offered Units involves a high degree of risk, and should only be made by persons who can afford the total loss of their investment. Prospective purchasers should consider the risk factors described under "Risk Factors" in this Prospectus and in the AIF (as defined herein) which can be found under the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com, before purchasing Offered Units. Prospective investors are advised to consult their legal counsel and other professional advisors in order to assess income tax, legal and other aspects of the investment. See "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Information".

Prospective purchasers should rely only on the information contained or incorporated by reference in this Prospectus. The Company and the Underwriters have not authorized anyone to provide prospective purchasers with information different from that contained or incorporated by reference in this Prospectus. The Underwriters are offering to sell and seeking offers to buy the Offered Units only in jurisdictions where, and to persons to whom, offers and sales are lawfully permitted. Readers should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the cover page of this Prospectus, regardless of the time of delivery of this Prospectus or any sale of the Offered Units. The Company's business, financial condition, operating results and prospects of the Company may have changed since the date of this Prospectus.

Certain United States federal income tax considerations and certain Canadian federal income tax considerations are addressed under "*Certain United States Federal Income Tax Considerations*" and "*Certain Canadian Federal Income Tax Considerations*" in this Prospectus. Prospective purchasers are advised to consult their own tax advisors regarding all tax considerations applicable to their particular circumstances in all relevant jurisdictions, including tax considerations arising in respect of the Company's status as a United States corporation for United States federal income tax purposes in addition to its status as a Canadian resident for Canadian federal income tax purposes. See also "*Risk Factors – United States Tax Classification of the Company*".

Prospective purchasers are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Offered Units, including the relevant tax consequences applicable to a foreign controlled Canadian corporation that acquires the Offered Units.

This Prospectus qualifies the distribution of securities of an entity that currently indirectly derives and is expected to continue to indirectly derive a portion of its revenues from the cannabis industry in certain states of the United States, which industry is illegal under United States federal law. VEXT is indirectly involved (through ancillary operations and through investments in third-party corporate entities in the United States) in the cannabis industry in the United States where local state laws permit such activities.

As of the date of this Prospectus, 36 states, plus the District of Columbia (and the territories of Guam, Puerto Rico, the U.S. Virgin Islands and the Northern Mariana Islands), have legalized the cultivation and sale of cannabis for medical purposes. In 14 states, the sale and possession of cannabis is legal for both medical and adult use, and the District of Columbia has legalized adult use but not commercial sale. On November 3, 2020, voters in South Dakota approved the legalization of recreational use of cannabis via a constitutional amendment, which comes into effect on July 1, 2021. Notwithstanding the permissive regulatory environment of medical cannabis at the state level, cannabis continues to be categorized as a Schedule I controlled substance under the *Controlled Substances Act* (the "CSA") in the United States and as such, cannabis-related practices or activities, including without limitation, the manufacture, importation, possession, use or distribution of cannabis are illegal under United States federal law. There is no guarantee that state laws legalizing and regulating the sale and use of cannabis will not be repealed or overturned, or that local governmental authorities will not limit the applicability of state laws within their respective jurisdictions. Further, strict compliance with state laws with respect to cannabis will neither absolve the Company of liability under United States federal law, nor will it provide a defence to any federal proceeding which may be brought against the Company. Any such proceedings brought against the Company may adversely affect the Company's operations and financial performance.

As a result of the conflicting views between state legislatures and the federal government of the United States regarding cannabis, investments in cannabis businesses in the United States are subject to inconsistent legislation and regulation. Unless and until the United States Congress amends the CSA with respect to cannabis (and as to the timing or scope of any such potential amendments there can be no assurance), there is a risk that federal authorities may enforce current federal law, which may adversely affect the current and future investments of the Company in the United States. As such, there are a number of risks associated with the Company's existing and future investments in the United States.

For the reasons set forth above, the Company's existing interests in the United States cannabis market may become the subject of heightened scrutiny by regulators, stock exchanges, clearing agencies and other authorities in Canada.

There are a number of risks associated with the business of the Company. See "Risk Factors" generally and for the risks related to the United States cannabis industry see "Risk Factors – Risks Specifically Related to the United States Regulatory System" in the AIF.

Eric Offenberger, Brian Cameron, Jason T. Nguyen and Dr. Jonathan Shelton, directors and/or officers of the Company, and Bianchi and Brandt, U.S. counsel of the Company, reside outside of Canada. Each of the foregoing, have appointed McMillan LLP, located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person who resides outside of Canada, even if the party has appointed an agent for service of process. See "Enforcement of Judgments Against Foreign Persons or Companies" and "Risk Factors".

Unless otherwise noted, all currency amounts in this Prospectus are stated in Canadian dollars.

The Company's head office is located at Suite 2250 – 1055 West Hastings Street, Vancouver, BC V6E 2E9. The Company's registered office is located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, Canada.

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated herein by reference contain certain statements that are forward-looking statements or forward-looking information within the meaning of United States securities laws and Canadian securities laws, respectively (collectively "**forward-looking statements**"). Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

In particular, this Prospectus contains forward-looking statements relating to:

- the Company's expectations with respect to pursuing new opportunities and its future growth;
- the Company's expectations with respect to its working capital requirements and financial obligations;
- the ability of the Company to continue to provide shareholders with exposure to cannabis cultivators, processors, and dispensaries throughout the United States;
- the ability of the Company to raise additional capital in the future;
- the Company's expectations regarding the Company's ability to generate returns from its revenue sources including interest income from debt financing structures, dividend income and capital appreciation from equity investments, management and advisory fees with certain license holders;
- the Company's business objectives for the next twelve months and the anticipated use of proceeds from the Offering and the 2021 Concurrent Private Placement;
- the Company's plans with respect to the payment of dividends;
- the Company's ability to obtain additional funds through the sale of equity or debt instruments;
- the ability of the Company's products and services to access markets;
- the Company's ability to derive gross revenue and net income from its operating agreements;
- the Company's ability to develop its operations for medical and adult-use cannabis and CBD products and services, including cultivation, processing, product development, and wholesale and retail distribution;
- the Company's ability to enter new markets; or
- the Company's expectations regard the ability of its joint ventures to produce revenue and net profits in 2021.

These forward-looking statements are necessarily based on a number of factors and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. With respect to the forward-looking statements, the Company has made assumptions, which may prove to be incorrect, including, among other things:

- the Company will be able to generate cash flow from operations and obtain necessary financing on acceptable terms;
- government regulation of the Company's activities will remain the same;
- consumer interest in the Company's products and perception of the medical-use and adult-use cannabis industry continues to affect the market price of cannabis-related products;

- general economic, financial market, regulatory and political conditions in which the Company operates will remain the same;
- the Company will be able to compete in the cannabis industry;
- the Company will be able to manage anticipated and unanticipated costs;
- the Company will be able to obtain qualified staff, equipment and services in a timely and cost-efficient manner; and
- the Company will be able to enter contracts with target companies.

This list is not exhaustive of the factors that may affect any of forward-looking statements or information of the Company. Readers should not place undue reliance on forward-looking information contained in this Prospectus. Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management of the Company to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. See "Risk Factors.

EXCHANGE RATE DATA

The Company publishes its consolidated financial statements in United States dollars. In this Prospectus, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars and references to ''CDN$'' or ''$'' are to Canadian dollars and references to ''US$'' are to United States dollars.

The following table sets forth certain exchange rates based on the exchange rate as reported by the Bank of Canada. Such rates are set forth as United States dollars per CDN$1.00 and are the inverse of exchange rates quoted by the Bank of Canada for Canadian dollars per US$1.00. On January 18, 2021, the exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada, was US$1.00 = CDN$1.2762.

	Nine Months Ended September 30,	Year Ended December 31,		
	2020	2019	2018	2017
High	0.7710	0.7699	0.8138	0.8245
Low	0.6898	0.7353	0.7330	0.7276
Average[(1)]	0.7391	0.7537	0.7721	0.7708
Period end	0.7497	0.7699	0.7330	0.7971

Note:

(1) The average of the exchange rates on the last day of each month during the applicable period.

FINANCIAL INFORMATION

The Company prepares its financial statements, which are incorporated by reference into this Prospectus, in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. Accordingly, the Company's financial statements are not comparable to financial statements of United States companies.

GENERAL MATTERS

Prospective purchasers should rely only on information contained or incorporated by reference in this Prospectus. Neither the Company nor the Underwriters have authorized any other person to provide prospective purchasers with different information. If a prospective purchaser is provided with different or inconsistent information, the prospective purchaser should not rely on such information. The information contained on the Company's website is not intended to be included in or incorporated by reference into this Prospectus and prospective investor should not rely on such information when deciding whether or not to invest in the Offered Units. The information contained in this Prospectus is accurate only as of the date of this Prospectus or the respective dates of the documents incorporated by reference herein, regardless of the time of delivery of this Prospectus or of any sale of the Offered Units offered hereunder. The Company does not undertake to update the information contained or incorporated by reference herein, except as required by applicable securities laws. The Offered Units may be sold only in those jurisdictions where offers and sales are permitted. Neither the Company nor the Underwriters are making an offer to sell in any jurisdiction where the offer or sale is not permitted.

Unless the context otherwise requires, any references in this Prospectus to the "Company" or "VEXT" refer to VEXT Science, Inc. and its subsidiaries.

ELIGIBILITY FOR INVESTMENT

In the opinion of McMillan LLP, counsel to the Company, and Cassels Brock & Blackwell LLP, counsel to the Underwriters, based on the current provisions of the *Income Tax Act* (Canada) and the regulations thereunder (collectively, the "**Tax Act**"), and any specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof, and subject to the provisions of any particular plan trust, the Unit Shares, Warrants and Warrant Shares, if issued on the date hereof, would be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), registered education savings plan ("**RESP**"), registered retirement income fund ("**RRIF**"), deferred profit sharing plan ("**DPSP**"), registered disability savings plan ("**RDSP**") or tax-free savings account ("**TFSA**"), each as defined in the Tax Act, provided:

1. in the case of the Unit Shares and Warrant Shares, either (A) the Unit Shares or Warrant Shares, as applicable, are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the CSE), or (B) the Company is otherwise a "public corporation" (other than a mortgage investment corporation) as defined in the Tax Act, and

2. in the case of the Warrants, either

    (a) the Warrants are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the CSE), or

    (b) Warrant Shares are qualified investments as described in 1 above and neither the Corporation, nor any person with whom the Corporation does not deal at arm's length, is an annuitant, a beneficiary, an employer or a subscriber under or a holder of such RRSP, RRIF, RDSP, RESP, DPSP or TFSA, as the case may be.

Notwithstanding that the Unit Shares, Warrants and Warrant Shares may be qualified investments as described above, if the Unit Shares, Warrants or Warrant Shares are "prohibited investments" for a RRSP, RRIF, TFSA, RDSP or RESP, the annuitant, holder or subscriber thereof (as the case may be) will be subject to a penalty tax under the Tax Act. The Unit Shares, Warrants and Warrant Shares will generally not be a "prohibited investment" for these purposes unless the annuitant, holder or subscriber, as the case may be, (i) does not deal at arm's length with the Company for purposes of the Tax Act, or (ii) has a "significant interest", as defined in subsection 207.01(4) the Tax Act, in the Company. In addition, the Unit Shares and Warrant Shares will not be "prohibited investments" if they are "excluded property" (as defined in the Tax Act) for a trust governed by a RRSP, RRIF, TFSA, RDSP or RESP.

Prospective investors who intend to acquire or hold the Unit Shares, Warrants or Warrant Shares in their RRSP, RRIF, TFSA, RDSP, DPSP or RESP should consult their own tax advisors in advance in regard to the application of these and other tax rules in their particular circumstances.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in each of the provinces of Canada, except Québec. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of the Company at Suite 2250 – 1055 West Hastings Street, Vancouver, BC V6E 2E9, Telephone: (604) 688-9588, and are also available electronically under the Company's profile on SEDAR at www.sedar.com.

The following documents of the Company, filed with securities commissions or similar authorities in each of the provinces of Canada, except Québec, are specifically incorporated by reference into, and form an integral part of, this Prospectus:

- the Annual Information Form of the Company dated September 17, 2020 for the year ended December 31, 2019 (the "**AIF**");
- the audited consolidated financial statements of the Company for the years ended December 31, 2019 and 2018 together with the notes thereto and the auditors' report thereon;
- management's discussion and analysis of financial condition and result of operations of the Company for the years ended December 31, 2019 and 2018;
- the unaudited condensed interim consolidated financial statements of the Company for the three and nine months ended September 30, 2020 and 2019, together with the notes thereto (the "**Interim Financial Statements**");
- management's discussion and analysis of financial condition and results of operations of the Company for the three and nine months ended September 30, 2020 and 2019;
- the statement of executive compensation of the Company dated October 19, 2020 for the years ended December 31, 2019 and 2018;
- the material change report dated October 8, 2020 in respect of the pricing and terms of the Company's previous overnight marketed offering of units for gross proceeds of approximately $5 million (the "**November 2020 Public Offering**");
- the material change report dated November 10, 2020 in respect of closing of the November 2020 Public Offering and a concurrent private placement of units (the "**November 2020 Concurrent Private Placement**") for aggregate gross proceeds of approximately $6.4 million; and
- the material change report dated December 3, 2020 in respect of the exercise and closing of the agents' over-allotment option related to the November 2020 Public Offering for gross proceeds of approximately $500,000.

Material change reports (other than confidential reports), business acquisition reports, annual financial statements, interim financial statements, the associated management's discussion and analysis of financial condition and results of operations and all other documents of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 - *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and before completion or withdrawal of the Offering, will be deemed to be incorporated by reference into this Prospectus. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Company and readers should review all information contained in this Prospectus and the documents incorporated or deemed to be incorporated by reference herein.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained in this Prospectus or in any subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or

superseded will not constitute a part of this Prospectus, except as so modified or superseded. 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 statement or document that it modifies or supersedes. The making of such a modifying or superseding statement will not be deemed an admission for any purpose 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 be deemed in its unmodified or superseded form to constitute part of this Prospectus.

MARKETING MATERIALS

No "template version" of any "marketing materials" (as such terms are defined in National Instrument 41-101 - *General Prospectus Requirements* of the Canadian Securities Administrators) that are utilized by the Underwriters in connection with the Offering, are part of this Prospectus to the extent that the contents of such marketing materials have been modified or superseded by a statement contained in this Prospectus or any amendment.

In addition, any template version of any marketing materials that is filed under the Company's profile on SEDAR at www.sedar.com with the securities commission or similar authority in each of the provinces of Canada, except Québec, in connection with the Offering after the date of this Prospectus and before the termination of the distribution of the Offering (including any amendments to, or an amended version of, any template version of any marketing materials) is deemed to be incorporated by reference into this Prospectus.

DESCRIPTION OF THE BUSINESS

Name, Address and Incorporation

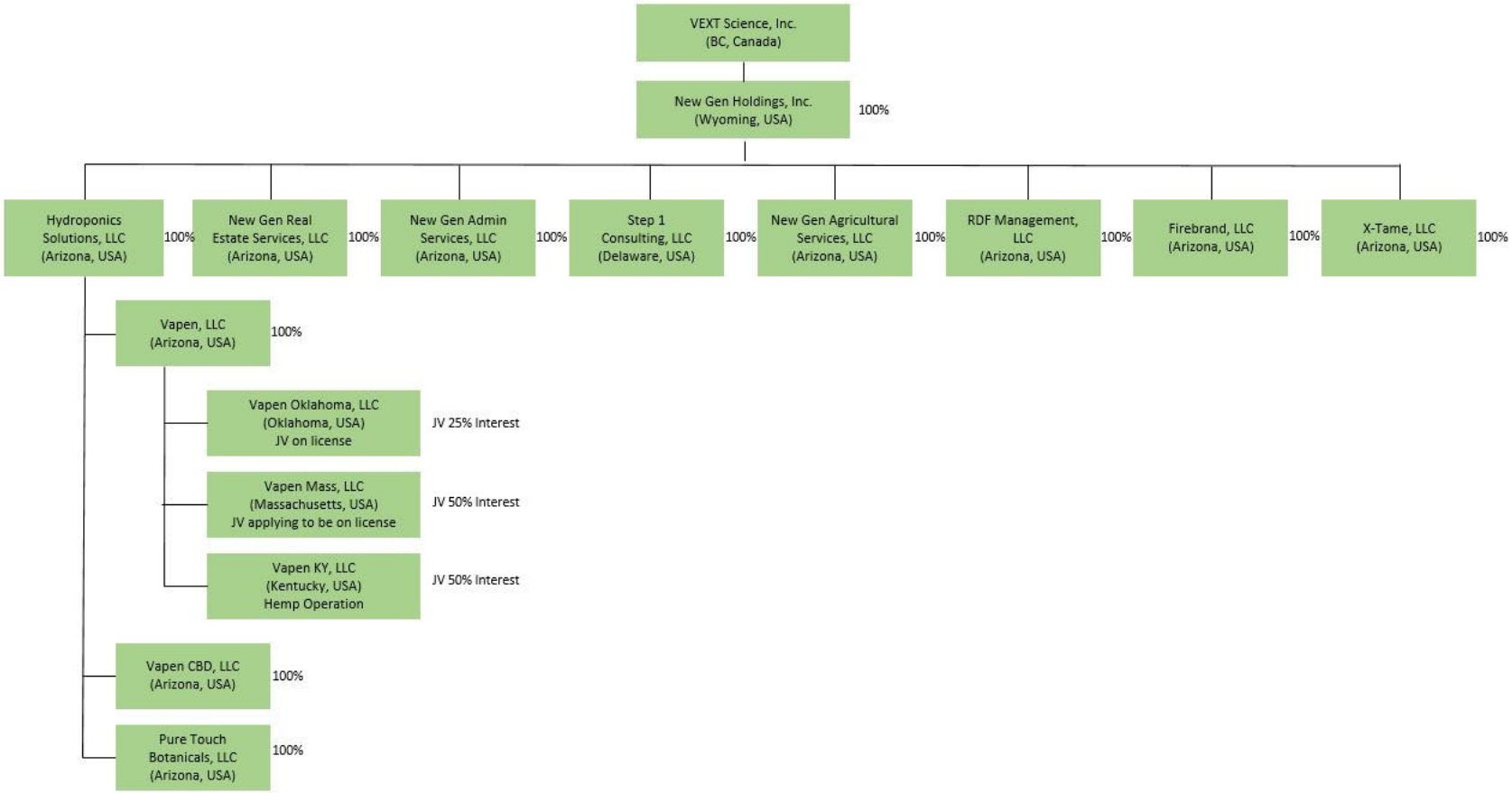
The Company was incorporated under the name "Fabula Exploration Inc." under the *Business Corporations Act* (British Columbia) on December 11, 2015. On December 31, 2018, the Company completed a share exchange agreement where it acquired all the issued and outstanding shares of New Gen Holdings, Inc. ("**New Gen**") in exchange for certain shares of the Company (the "**New Gen Transaction**"). As a result of the New Gen Transaction, New Gen became a wholly-owned subsidiary of the Company and the Company amended its Articles of Incorporation to change its name from Fabula Exploration Inc. to "Calyx Growth Corporation". On March 25, 2019, the Company changed its name from Calyx Growth Corporation to "Vapen MJ Ventures Corporation". On November 12, 2019, the Company changed its name from Vapen MJ Ventures Corporation to "VEXT Science, Inc.".

The Company's head office is located at Suite 2250 – 1055 West Georgia Street, Vancouver, BC V6E. The Company's registered office is located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, Canada.

The Subordinated Voting Shares of the Company are listed and posted for trading on the CSE under the trading symbol "VEXT" and are quoted on the OTCQX under the trading symbol "VEXTF".

Inter-corporate Relationships

The diagram below describes the inter-corporate relationships of the Company as of the date of this Prospectus:


VEXT Science, Inc.
(BC, Canada)
New Gen Holdings, Inc.
(Wyoming, USA)
100%
Hydroponics Solutions, LLC (Arizona, USA)
100%
New Gen Real Estate Services, LLC (Arizona, USA)
100%
New Gen Admin Services, LLC (Arizona, USA)
100%
Step 1 Consulting, LLC (Delaware, USA)
100%
New Gen Agricultural Services, LLC (Arizona, USA)
100%
RDF Management, LLC (Arizona, USA)
100%
Firebrand, LLC (Arizona, USA)
100%
X-Tame, LLC (Arizona, USA)
100%
Vapen, LLC (Arizona, USA)
100%
Vapen Oklahoma, LLC (Oklahoma, USA) JV on license
JV 25% Interest
Vapen Mass, LLC (Massachusetts, USA) JV applying to be on license
JV 50% Interest
Vapen KY, LLC (Kentucky, USA) Hemp Operation
JV 50% Interest
Vapen CBD, LLC (Arizona, USA)
100%
Pure Touch Botanicals, LLC (Arizona, USA)
100%

As at the date of the Prospectus, the Company has the following wholly-owned subsidiaries and joint ventures:

Name	Jurisdiction	Ownership
New Gen Holdings, Inc.	Wyoming, USA	100%
Step 1 Consulting, LLC	Delaware, USA	100%
New Gen Admin Services, LLC	Arizona, USA	100%
New Gen Agricultural Services, LLC	Arizona, USA	100%
New Gen Real Estate Services, LLC	Arizona, USA	100%
Hydroponics Solutions, LLC	Arizona, USA	100%
X-Tane, LLC	Arizona, USA	100%
Pure Touch Botanicals, LLC	Arizona, USA	100%
Vapen, LLC	Arizona, USA	100%
Vapen CBD, LLC	Arizona, USA	100%
RDF Management, LLC	Arizona, USA	100%
Firebrand, LLC	Arizona, USA	100%

Joint Ventures		
Name	**Jurisdiction**	**Ownership**
Vapen Mass, LLC	Massachusetts, USA	50%
Vapen Oklahoma, LLC	Oklahoma, USA	25%
Vapen KY, LLC	Kentucky, USA	50%

Business of the Company

VEXT, through its wholly-owned subsidiaries, currently operates in the U.S. as an agricultural technology, services and property management company utilizing a full vertical integration business model to oversee and execute all aspects of cultivation, extraction, manufacturing (THC and CBD cartridges, concentrates, edibles), retail dispensary, and wholesale distribution of high margin cannabis THC and hemp CBD products under the Vapen and Pure Touch Botanicals Brands. VEXT's expansion plans include partnering with cannabis license holders and hemp farms in multiple states within the U.S.

The Company is an agricultural technology, services and property management company utilizing a full vertical integration business model to oversee and execute all aspects of cultivation, extraction, manufacturing (THC and CBD cartridges, concentrates, edibles), retail dispensary, and wholesale distribution of high margin cannabis THC and hemp CBD products. The Company currently provides these management and marketing services in Arizona. The Company has also entered into management agreements, operating agreements, or non-binding letters of intent in Kentucky, Nevada, Massachusetts, California, and Oklahoma. From the beginning in Arizona, the Company has developed proven and sought after standard operating procedures ("**SOPs**") to produce a full line of branded flower, Vapen branded THC and CBD distillates, concentrates, extracts, and edibles.

The Company has built and operates a service business for cannabis cultivation and processing located in the State of Arizona. Products produced under contract are sold through Herbal Wellness Center ("**HWC**"), a not-for-profit company that holds licenses to cultivate, extract, and dispense connoisseur-grade cannabis brands and cannabis-related products in Arizona. In other jurisdictions, the Company will provide SOPs and extraction expertise to partners pursuant to operating agreements. Products produced from these facilities will be branded as "Vapen". The Company

will earn and record its proportional interests in the derived gross revenue and net income for each location, where appropriate, and in certain circumstances treat its annual share of income or loss as part of its investment in those entities. The Company may assist in opening retail dispensaries where appropriate. The model minimizes the capital needed to enter new markets by avoiding, where appropriate, the costs and time associated with licensing and acquiring real estate. The business model provides both near term return on invested capital and minimized lead-time to market. The Company provides management services to two dispensaries located in Arizona.

The Company's multi-state operations will encompass a full spectrum of medical and adult-use cannabis and CBD product and services, including cultivation, processing, product development, and wholesale and retail distribution. Cannabis products include flower and trim, products containing cannabis flower and trim (such as pre-rolls), cannabis infused products, and products containing cannabis extracts (such as cartridges, concentrates, wax products, oils, tinctures, topical creams and edibles). CBD products include tinctures, lotions, balms, cartridges and inhaler delivery systems.

The Company will enter new markets with limited capital risk, leveraging its operational expertise and brand strength. As a leader in the Arizona market, the Company is now monetizing both its manufacturing and distribution expertise. The Company has set up joint ventures in multiple states and the Company expects to grow by reinvesting its net profits back into the business. The Company expects the joint ventures and joint operation to produce revenue and net profits in fiscal year 2021; however, there can be no guarantee that this will happen. The Company's actual financial results may differ materially from the expectations of the Company's management. As a result, the Company's revenue, net income and cash flow may differ materially from the Company's projected revenue, net income and cash flow. See "Risk Factors". The Company's collection terms are to collect accounts receivable within 12 months. The Company's write-off policy is that any amounts not collected within the relevant 12-month period are assessed and are written off if not collected. For example, the allowance of $14,372,999 related to accounts receivable from HWC as at December 31, 2018 was written off during the year ended December 31, 2019 as these amounts were not collected.

See "Description of the Business" in the AIF. See also "Risk Factors – Risks Specifically Related to the United States Regulatory System".

Arizona Operations

General

The Company's services are provided individually by operating subsidiaries pursuant to ten-year renewable management services agreements providing, among other things, employee leasing services, physical plant for cultivation and extraction of cannabis and derivative products, agricultural technology and research services, and related management and administrative services.

HWC and Organica sell products on a retail basis to customers holding a valid medical marijuana card and on a wholesale basis to other licensed cannabis operations throughout the State of Arizona.

HWC and Organica are independent from the Company and operate pursuant to Arizona law as not-for-profit corporations. The Company's subsidiaries provide services to HWC and Organica enabling both to conduct their respective businesses.

Organica

On April 6, 2020, the Company acquired RDF Management, LLC ("**RDF**") and Firebrand, LLC ("**Firebrand**"), Arizona based companies, in order to provide exclusive services for the management, administration and operation of Organica Patient Group, Inc. ("**Organica**"), an Arizona not for profit corporation, which was issued and holds in good standing, a Medical Marijuana Dispensary Registration Certificate, by the Arizona Department of Health Services in the State of Arizona and certain intangible assets (the "**Organica Transaction**"). Organica has been operational in the Arizona market since 2013, with its retail dispensary located and operational in Chino Valley, Arizona and its offsite cultivation facility located in and operational in Prescott Valley, Arizona. Organica cultivates and produces medical marijuana and medical marijuana products which are sold and distributed on a retail and wholesale basis in State of Arizona. As consideration for the acquisition of RDF and Firebrand, the Company issued: (i) 67,000 Super

Voting Shares; (ii) a promissory note of $5,500,000 for a period of 18 months (no interest will accrue on the promissory note during the 18-month period, and thereafter, interest will accrue at 10% per annum; and (iii) an undertaking to assist RDF in settling and resolving certain existing liabilities, allocating a total maximum of $3,500,000 in funds to settle such liabilities.

Upon closing of the Organica Transaction, the Company entered into a $3,000,000 line of credit secured promissory note with Organica. Any amounts advanced by the Company to Organica pursuant to the line of credit contains a 36 month term with one-third (1/3) of such advance to be paid each year of the balance at a 10% interest rate. As at the date of this Prospectus, Organica has drawn down a total of $1,641,926 pursuant to the line of credit.

RDF Management, LLC

Organica entered into a management services agreement with RDF effective as of March 20, 2020. Pursuant to the terms of the agreement, RDF agreed to provide services to Organica in connection with the operation and management of certain licensed medical or recreational marijuana cultivation, infusion kitchen and extraction facilities or dispensaries. As consideration for such services, Organica agreed to pay RDF a monthly management fee of $200,000 and any required reimbursements owed. The initial term of the agreement is ten years. Either party may terminate the agreement upon written notice to the other party, in the event of a material default by the other party that is not cured within 30 days of such notice, or by mutual consent. Organica will not acquire any rights to RDF's intellectual property provided to Organica pursuant to the agreement. The management services agreement does not grant RDF a security interest in the assets of Organica.

Herbal Wellness Center

On December 31, 2018, the Company completed the New Gen Transaction pursuant to which New Gen became a wholly-owned subsidiary of the Company. New Gen was incorporated in the State of Wyoming on July 8, 2014. New Gen has several wholly-owned subsidiaries for the purpose of providing exclusive operating services to HWC. New Gen manages the activities of its operating subsidiaries and has done so since its incorporation.

On December 31, 2019, the Company and HWC entered into a promissory note, whereby $2,933,957 owing to the Company by HWC was reclassified from accounts receivable into an interest-bearing note. The note bears an interest rate of 10% per annum, beginning on January 1, 2020, and is payable as follows: $913,775, as well as accrued interest due on or before December 31, 2020; $1,000,779 as well as accrued interest due on or before December 31, 2021; and $1,019,403, as well as accrued interest due on or before December 31, 2022. As of September 30, 2020, HWC has paid the Company $820,341.30 pursuant to the note, and the remaining outstanding balance due by December 31, 2020 is $93,433.70. In addition, the amounts due on or before December 31, 2021 and December 31, 2022, respectively, remain outstanding.

New Gen Agricultural Services, LLC

HWC entered into a management services agreement with New Gen Agricultural Services, LLC ("**New Gen Agricultural**") effective as of July 1, 2018. Pursuant to the terms of the agreement, New Gen Agricultural agreed to provide services to HWC in connection with the operation and management of certain licensed medical or recreational marijuana cultivation, infusion kitchen and extraction facilities. As consideration for such services, HWC agreed to pay New Gen Agricultural a monthly management fee of $250,000 and any required reimbursements owed. The initial term of the agreement is ten years. Either party may terminate the agreement upon written notice to the other party, in the event of a material default by the other party that is not cured within 30 days of such notice, or by mutual consent. HWC will not acquire any rights to New Gen Agricultural 's intellectual property provided to HWC pursuant to the agreement. The management services agreement does not grant New Gen Agricultural a security interest in the assets of HWC.

Step 1 Consulting, LLC

HWC entered into a management services agreement with Step 1 Consulting, LLC ("**Step 1**") effective as of July 1, 2018. Pursuant to the agreement, Step 1 agreed to provide services to HWC in connection with the management and operation of certain licensed medical or recreational marijuana cultivation, infusion kitchen and extraction dispensaries. As consideration for such services, HWC agreed to pay to Step 1 a monthly management fee of $150,000

and any required reimbursements owed. The initial term of the agreement is ten years. Either party may terminate the agreement upon written notice to the other party, in the event of a material default by the other party that is not cured within 30 days of such notice, or by mutual consent. HWC will not acquire any rights to Step 1's intellectual property provided to HWC pursuant to the agreement. The management services agreement does not grant Step 1 a security interest in the assets of HWC.

Joint Ventures and Joint Operations

None of the Company's joint ventures or joint operations are with related parties of the Company.

Vapen Mass, LLC

In 2019, Vapen, LLC entered into an operating agreement with Caregiver Patient Connection, LLC ("**CPC**") to form Vapen Mass, LLC ("**Vapen Mass**"). Vapen Mass is owned on a 50/50 basis as a joint operation for the purposes of extracting THC in Massachusetts, contingent upon regulatory approval for a change of ownership application adding Vapen Mass to a product manufacturer provisional license**.** Pursuant to the terms of the operating agreement, the Company will provide the capital equipment, SOPs, branding, training of staff, and a working capital loan. CPC will provide the facility, operating license, and working capital loan as needed by Vapen Mass to operate in Massachusetts. Vapen Mass is inactive and will remain inactive until the State of Massachusetts approves a change of ownership application adding Vapen Mass to a product manufacturer provisional license held by CPC and the Company obtains final building approval for occupancy. Vapen Mass is expected to commence operations in the first quarter of 2021, assuming approval of the change of ownership application by that time. However, the commencement of operations may be delayed if the State of Massachusetts does not provide timely approval of the change of ownership application.

Vapen Mass has the right (but not the obligation) to purchase a member's membership interests upon the occurrence of certain triggering events. Vapen Mass is required to generate and deliver a monthly sales report by the second business day after the end of each calendar month, generate and deliver an operating budget within 60 days after the end of each fiscal year, and provide for its own accounting and full access to accounting and bank records. Upon CPC ceasing to be a member of the joint operation, a breach of the agreement, or upon liquidation of Vapen Mass, Vapen Mass is required to assign CPC's cannabis manufacturing license to CPC and cooperate to enforce this assignment. The joint operation members agreed to provide Vapen Mass with certain assets in order to enable Vapen Mass to operate a cannabis extraction and kitchen facility and other business (CPC will provide physical space and Vapen, LLC will provide equipment). Both members have agreed to contribute up to $250,000 as their respective initial capital contributions. Funding arrangements also include a pre-operations budget and an operating budget.

All advances to Vapen Mass must be repaid before there is any distribution to the joint venture members. Since Vapen Mass is a limited liability company, members will be personally responsible for their amount of ownership if Vapen Mass were to go bankrupt. Vapen Mass will continue until dissolved by agreement or death of its members. Upon dissolution, Vapen Mass will be dissolved in accordance with the relevant laws of the State of Massachusetts and the liquidation provisions in the agreement. After the agent pays all liabilities to creditors and provides reserves, the liquidating agent will cause the remaining net assets of Mass to be distributed to and among the members. Such distributions will occur on not less than a quarterly basis, in aggregate amounts determined by manager approval. Distributions will first go to the members to the extent and in proportion to their respective unreturned capital contributions (until they are reduced to zero), and second, the balance to the members in proportion to their respective percentage interests. The operating agreement was amended on March 2, 2020, to remove the compensation language and annual management fee, and extend the parties' financial contribution reconciliation time frame.

Pursuant to a 2019 services and branding agreement between Vapen, LLC and Vapen Mass, Vapen, LLC has agreed to license the Vapen brand to Vapen Mass for use during the term of the joint operation, with Vapen Mass paying servicing and packaging fees to Vapen, LLC. Pursuant to the agreement, Vapen, LLC has the right to have all amounts due and owing from Vapen Mass be immediately due and payable upon termination of the agreement. Vapen, LLC has the right to contract with other parties (no exclusivity) to perform or procure services similar to the services described in the agreement. Vapen, LLC is required to maintain sufficient facilities, employees, employee training, vendor relationships, computers, and other equipment and infrastructure necessary to provide the services on a basis that meets or exceeds prevailing industry standards. Each party is solely responsible for all financial obligations associated with its respective business. Either party may terminate the agreement upon written notice to the other party, in the event of a material default by the other party that is not cured within 15 days of such notice, or by mutual

consent. The agreement also provides for a right of termination upon a final, non-appealable decision by the local jurisdiction, if the parties' obligations and transactions under the agreement cease to be legal, or if a party or its affiliates are no longer a party to the operating agreement. The joint venture members are responsible for funding the losses of the joint venture, if any, prior to termination or dissolution of the joint venture.

Vapen Oklahoma, LLC

Vapen, LLC entered into an operating agreement dated effective March 5, 2020 with Texoma Processing and Extraction, LLC ("**TPE**") to form a joint venture, Vapen Oklahoma, LLC ("**Vapen OK**"). Vapen OK conducts business in Oklahoma. Operations commenced in the second quarter 2020. The Company is a minority member of Vapen OK, owning 25%, with TPE owning the remaining 75% interest. Both TPE and the Company have agreed to contribute equal amounts of capital to cover the initial expenses and assist in operations. Pursuant to the terms of the agreement, Vapen, LLC has agreed to provide equipment, training, SOPs, marketing and branding, and working capital loans as needed for startup. TPE has agreed provide the licensing, facilities, and working capital for startup as needed. Vapen OK has the right (but not the obligation) to purchase a member's membership interests upon the occurrence of certain triggering events. No action of Vapen OK requires member approval. Vapen OK is required to generate monthly sales reports, create an operating budget, provide its own accounting and full access to accounting records, and cooperate with major members to sell the company or enter a management services agreement in the event of a breach or a major member ceases to be one. Members have agreed to provide Vapen OK with certain assets in order to enable Vapen OK to operate a cannabis extraction and kitchen facility and other business (TPE will provide physical space and Vapen, LLC will provide equipment). Both members have agreed to contribute up to $250,000 as their respective initial capital contributions and, in addition, have each agreed to contribute $420,000 to be allocated and utilized exclusively towards cannabis cultivation expenses. Each of Vapen, LLC and TPE will enter into a loan agreement with Vapen OK with respect to such party's contribution to the joint venture. Vapen, LLC has agreed to license the Vapen brand to Vapen OK for Vapen OK to utilize during the term of the joint venture, and Vapen OK will be able to utilize the Vapen brand, without any licensing fees.

All advances to Vapen OK must be repaid before there is any distribution to the joint venture members. Since Vapen OK is a limited liability company, members would be personally responsible for their amount of ownership if Vapen OK were to go bankrupt. The joint venture members are responsible to fund the losses of the joint venture, if any, prior to termination or dissolution of the joint venture. Vapen OK will continue until dissolved by agreement or death of its members. Upon dissolution, Vapen OK will be liquidated in accordance with the relevant laws of the State of Oklahoma. Upon dissolution, the liquidating agent is expressly authorized to distribute Vapen OK assets to members, subject to liens, and may distribute in kind or sell securities and other non-cash assets. The agent may also sell any securities or other non-cash assets based on appropriate prices made in good faith judgment. After the agent pays all liabilities to creditors and provides reserves, the liquidating agent will cause the remaining net assets of Vapen OK to be distributed to and among the members by distribution. Such distributions will occur on not less than a quarterly basis, in aggregate amounts determined by manager approval. Such distributions will first go to the members to the extent and in proportion to their respective unreturned capital contributions (until they are reduced to zero), and second, the balance to the members in proportion to their respective percentage interests.

Vapen Kentucky, LLC

Vapen, LLC entered into an operating agreement dated effective February 1, 2020 with Emerald Pointe Hemp, Inc. ("**EPH**") and formed a joint venture, Vapen Kentucky, LLC ("**Vapen KY**"). Vapen KY conducts business in Kentucky. Operations commenced in the first quarter of 2020. Pursuant to the terms of the agreement, Vapen, LLC will supply equipment, training, SOPs, and working capital for startup as needed. EPH will supply building, licensing, access to biomass from its existing farming operations and working capital for startup as needed. Products will primarily be sold through wholesale distribution channels worldwide. Each party owns 50% of Vapen KY and shares in net profits on a 50/50 basis. Vapen KY has the right (but not the obligation) to purchase a member's membership interests upon the occurrence of certain triggering events. Vapen KY is obligated to generate a deliver a monthly sales report by the fifth business day after the end of each calendar month, generate and deliver an operating budget within 60 days after the end of each fiscal year, and to provide for its own accounting and full access to its accounting and bank records at all times. Both members have agreed to contribute up to $1,000 as their respective initial capital contributions. Funding arrangements also include a pre-operations budget and an annual operating budget. Each member can designate an individual to be on the board of managers (which exercises all powers of Vapen KY). No action of the managers or Vapen KY shall require member approval.

All advances to Vapen KY must be repaid before there is any distribution to the joint venture members. Since Vapen KY is a limited liability company, members will be personally responsible for their amount of ownership if Vapen KY were to go bankrupt. The joint venture members are responsible to fund the losses of the joint venture, if any, prior to termination or dissolution of the joint venture. Upon dissolution, Vapen KY will be liquidated in accordance with the relevant laws of the State of Kentucky. Upon dissolution, the liquidating agent is expressly authorized to distribute Vapen KY assets to members, subject to liens, and may distribute in kind or sell securities and other non-cash assets. The agent may also sell any securities or other non-cash assets based on appropriate prices made in good faith judgment.

Happy Travels, LLC

On June 10, 2020, Vapen, LLC entered into a joint operation agreement with GG to operate Happy Travels. Happy Travels conducts business in San Diego, California. Vapen and GG will utilize Happy Travels and its commercial manufacturing license to jointly operate a commercial cannabis manufacturing, extraction and kitchen facility in the state of California. Vapen is supplying equipment, training, SOPs and working capital as needed to Happy Travels. The title and rights to the equipment supplied by Vapen, LLC will remain with Vapen, LLC. GG has agreed to supply the building, licensing, and access to biomass to Happy Travels. The Company and GG have equal voting rights. Vapen, LLC is entitled to 50% of all profits received by the joint venture and has agreed to cover 50% of all losses. However, GG owns 100% of Happy Travels (Vapen, LLC owns 0%). In the event of a sale of Happy Travels or substantially all of the assets of Happy Travels, including a change in the membership of Happy Travels, Vapen, LLC will be compensated as if it has a 45% interest in Happy Travels.

Happy Travels will be managed by a four-member Board of Managers, which shall be responsible for the day-to-day management of Happy Travels. Vapen, LLC and GG may each designate two managers to the Board of Managers. Only Vapen, LLC may remove and/or designate any successor Vapen, LLC managers and only GG may remove and/or designate any successor GG managers. Vapen, LLC has agreed to commit up to $500,000 to Happy Travels as a working capital loan, and Happy Travels' repayment obligations will begin when Happy Travels attains $400,000 in working capital. All revenues and profits will be shared equally between Vapen, LLC and GG.

All advances to Happy Travels must be repaid before there is any distribution to the joint venture members. The term of the initial joint operation will be three years, with automatic successive renewal terms of additional two-year periods. Either party may terminate the agreement by providing written notice to the other party upon the occurrence of a) an uncured material default, b) grossly negligent, intentional or willful misconduct, c) any federal enforcement action, d) the revocation of or refusal to renew the license- by the California Department of Public Health Manufactured Cannabis Safety Branch, or e) any change in state or local law prohibiting legal operation of Happy Travels. In the event the joint operation agreement is terminated for any reason, the parties shall each be responsible for half of all debts, liabilities, and obligations incurred and accrued by Happy Travels in furtherance of the joint agreement. The joint venture members are responsible to fund the losses of the joint venture, if any, prior to termination or dissolution of the joint venture.

Vapen, LLC is responsible for its own tax obligations during the term of the agreement. As at September 30, 2020, the Company has invested $169,838 in the joint operation and advanced $178,013 in the joint operation.

Investments, Management Agreements, and Non-Binding Letters of Intent

Las Vegas Wellness and Compassion, LLC

Vapen, LLC entered into a management services agreement and intellectual property and commercialization agreement with Las Vegas Wellness and Compassion, LLC ("**LVWC**") effective as of September 6, 2019. Vapen, LLC earns a participation fee (the "**Participation Fee**") equal to 33% of the net income of LVWC as calculated in accordance with the management services agreement and GAAP, such Participation Fee to be paid on an annual basis. The management services agreement has a five-year term and is renewable for consecutive five-year terms. The intellectual property and commercialization agreement sets out the trademarks for all licensed products to LVWC and from which LVWC will derive revenue and from which Vapen, LLC will receive its Participation Fee.

Legacy Ventures Hawaii, LLC

On August 22, 2019, Vapen CBD, LLC, a subsidiary of Vapen, LLC, entered into a subscription agreement to purchase 350,000 Class B Units of Legacy Ventures Hawaii, LLC ("**Legacy**") for a total purchase price of $350,000, representing a 12.28% membership interest in Legacy. Legacy was formed to make an investment in Archipelago Ventures Hawaii, LLC. ("**Archipelago**"). Archipelago was formed as a partnership between Arcadia Bio Science Inc. and Legacy to engage in the cultivation and production of Hemp related products in Hawaii. Vapen CBD, LLC was issued 350,000 Class A Units of Legacy as consideration for providing services related to Archipelago's business.

Appalachian Pharms Processing, LLC

On March 30, 2020, Vapen, LLC a subsidiary of the Company, entered a non-binding letter of intent with Appalachian Pharms Processing, LLC ("**APP**") in Ohio in regard to forming a joint venture in Ohio. On September 23, 2020, October 16, 2020, October 23, 2020, and November 13, 2020, the Company advanced $390,000, $750,000, $250,000, and $610,000, respectively, to APP for the purposes of marketing and expanding the Company's brand presence in the Ohio market. The advances were made by the Company pursuant to the non-binding letter of intent between the parties. The Company previously advanced $500,000 to APP for the same purposes. Interest will accrue on the loan at a rate of 10% per annum. The loan matures on September 30, 2022. These advances to APP, which were funded from the Company's internal generated working capital, are secured against the license held by APP and are due on the date that such license is transferred by APP to the Company. In addition, the Company also advanced a further $153,147 in working capital to APP pursuant to the terms of the non-binding LOI between the parties. As of the date of this Prospectus, the Company has advanced a total of $1,793,147 to APP. Filings have been made with the State of Ohio to recognize the Company's interest in APP as applicable with Ohio statute.

Patent Assignment

On August 27, 2019, the Executive Chairman of the Company was granted patent #10,231,948 for his metered dose inhaler from the United States Patent and Trademark office. On December 15, 2020, the Executive Chairman, assigned ownership of the patent to the Company. This utility patent has one claim, "an inhaler system consisting essentially of an actuator, a user interchangeable canister assembly, purified cannabinoid from cannabis, isolated terpene, ethanol, and a hydrofluorocarbon propellant". The Company agreed to compensate the Executive Chairman US$225,000 for the patent rights. The patent assignment is expected to be completed prior to year-end.

Financings

On November 2, 2020, the Company closed the November 2020 Public Offering, pursuant to which the Company issued 17,777,165 units of the Company (the "**2020 Units**") at a price of $0.36 per 2020 Unit, for aggregate gross proceeds of approximately $6,400,000, including the partial exercise of the agents' over-allotment option. Each 2020 Unit consisted of one Subordinated Voting Share and one warrant (a "**2020 Warrant**"). Each 2020 Warrant entitled the holder thereof to purchase one Subordinated Voting Share at an exercise price of $0.45 per Subordinated Voting Share until November 2, 2023. On December 1, 2020, the agents further exercised their over-allotment option in full to purchase an additional 1,389,500 2020 Units for additional gross proceeds of approximately $500,000.

On November 2, 2020, the Company closed the November 2020 Concurrent Private Placement, with economic terms equivalent to the November 2020 Public Offering, pursuant to which the Company issued 4,064,500 2020 Units for aggregate gross proceeds of $1,463,220. In satisfaction of the subscription price for such 2020 Units, two holders of the 10% secured non-convertible debentures of the Company due December 31, 2021 redeemed 20% of the principal amount of their respective debentures (an aggregate amount of US$1,100,000) and used the proceeds to participate in the November 2020 Concurrent Private Placement.

Recent Developments

Other than the advances to APP described above and the closing of the November 2020 Public Offering and the November 2020 Concurrent Private Placement, there have been no material developments since the date of the AIF. See "Description of the Business – Business of the Company – Investments, Management Agreements and Non-Binding Letters of Intent – Appalachian Pharms Processing, LLC" for a description of the advances to APP.

DIVIDENDS

The Company has not paid dividends or made distributions on its Subordinated Voting Shares during the past three financial years and through the date of this Prospectus. The Company has no present intention of paying dividends in the near future. It will pay dividends when, as and if declared by the Company's board of directors (the "**Board of Directors**"). The Company expects to pay dividends only out of retained earnings in the event that it does not require its retained earnings for operations and reserves. There are no restrictions in the Company's articles or notice of articles that prevent it from declaring dividends. The Company has no shares with preferential dividend and distribution rights authorized or outstanding.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at the dates indicated, adjusted to give effect to the November 2020 Public Offering, the November 2020 Concurrent Private Placement, the Offering and the 2021 Concurrent Private Placement, on the share and loan capital of the Company since September 30, 2020, the date of the Interim Financial Statements. This table should be read in conjunction with the Interim Financial Statements and the related management's discussion and analysis of financial condition and results of operations in respect of those statements that are incorporated by reference in this Prospectus. As of January 18, 2021, the Company has 46,883,291 Subordinated Voting Shares and 684,471 Super Voting Shares (as defined herein) issued and outstanding.

	As at September 30, 2020 (unaudited)	**As adjusted as at September 30, 2020 after giving effect to the November 2020 Public Offering and the November 2020 Concurrent Private Placement**	**As at September 30, 2020 after giving effect to the November 2020 Public Offering, the November 2020 Concurrent Private Placement, the Offering and the 2021 Concurrent Private Placement[(1)]**
Share Capital			
Subordinated Voting Shares[(2)(3)(5)]	22,616,226	45,847,391	66,148,106
Super Voting Shares[(4)]	684,471	684,471	684,471
Special Advisory Warrants	1,000,000	1,000,000	1,000,000
Stock Options to purchase Subordinated Voting Shares	2,066,334	2,066,334	2,066,334
Warrants[(3)(5)]	980,210	24,211,375	34,361,732
Compensation Options[(6)]	Nil	1,315,416	2,736,466
Work Fee Options	Nil	Nil	90,000
Fully diluted issued and outstanding	**95,109,870**	**142,887,616**	**174,849,738**
Loan Capital			
Secured debentures[(5)]	$5,500,000	$4,400,000	$4,400,000
Loan from Magnifique Holdings[(7)]	$10,447	$10,447	$10,447
Mortgage Loan[(8)]	$182,250	$182,250	$182,250
Mortgage Loan[(9)]	$280,000	$280,000	$280,000
Mortgage Loan[(10)]	$272,000	$272,000	$272,000
Mortgage Loan[(11)]	$175,000	$175,000	$175,000
Brilon Note[(12)]	$250,000	$250,000	$250,000

	As at September 30, 2020 (unaudited)	As adjusted as at September 30, 2020 after giving effect to the November 2020 Public Offering and the November 2020 Concurrent Private Placement	As at September 30, 2020 after giving effect to the November 2020 Public Offering, the November 2020 Concurrent Private Placement, the Offering and the 2021 Concurrent Private Placement[(1)]
Automobile Loan[(13)]	$17,211	$17,211	$17,211
Loan from Julius Ortenzo[(14)]	$85,000	$85,000	$85,000
Loan from Hilary Nguyen[(15)]	$64,763	$64,763	$64,763
HSD Note[(16)]	$4,359,622	$4,359,622	$4,359,622
HSD Settlement Fund[(17)]	$2,415,545	$2,415,545	$2,415,545
Loan from Lora Noviello[(18)]	$100,000	$100,000	$100,000
Total:	**$13,711,838**	**$12,611,838**	**$12,611,838**

Notes

(1) Assuming the Over-Allotment Option is exercised in full to purchase Additional Units, no Units are purchased by President's List purchasers and the 2021 Concurrent Private Placement is fully subscribed.

(2) 827,491 Subordinated Voting Shares are held in escrow pursuant to the escrow agreement dated April 30, 2019 among the Company, Odyssey Trust Company and certain securityholders of the Company. See "Escrowed Securities" in the AIF.

(3) On November 2, 2020, the Company completed the November 2020 Public Offering and issued 17,777,165 2020 Units of the Company, consisting of 17,777,165 Subordinated Voting Shares and 17,777,165 2020 Warrants. On December 1, 2020, the agents further exercised their over-allotment option in full to purchase an additional 1,389,500 2020 Units, consisting of 1,389,500 Subordinated Voting Shares and 1,389,500 2020 Warrants.

(4) Each Super Voting Share is convertible into 100 Subordinated Voting Shares under certain conditions. For a full description of the rights associated with the Super Voting Shares, see "Description of Share Capital". 281,379 Super Voting Shares are held in escrow pursuant to the escrow agreement dated April 30, 2019 among the Company, Odyssey Trust Company and certain securityholders of the Company.

(5) On December 31, 2019, the Company completed a private placement financing comprising of 10% secured non-convertible debentures (the "**Loan**") of US$5,500,000. The Loan is secured by a security interest in all of the Company's assets. The Loan accrues interest at an annual rate of 10%, payable quarterly beginning July 1, 2020 and matures on December 31, 2021. The lenders also received warrants to purchase 980,210 Subordinated Voting Shares at an exercise price of $1.00 (the "**Loan Warrants**") as an incentive. The Loan Warrants are exercisable until December 31, 2021, subject to the Company's right to accelerate the expiry of the Loan Warrants if the daily volume weighted average trading price of the Subordinated Voting Shares on the CSE is greater than $3.35 for the any five consecutive trading days. On November 2, 2020, the Company closed the November 2020 Concurrent Private Placement, pursuant to which an aggregate of US$1,100,000 of the Loan was converted into 2020 Units, consisting of an aggregate of 4,064,500 Subordinated Voting Shares and 4,064,500 2020 Warrants.

(6) As partial compensation for services of the agents under the November 2020 Public Offering, on November 2, 2020, the Company issued an aggregate of 1,218,151 compensation options (the "**2020 Compensation Options**") to such agents. On December 1, 2020, in connection with the agent's further exercise of their over-allotment option, the Company issued an additional 97,265 2020 Compensation Options to the agents. Each 2020 Compensation Option entitles the holder thereof to purchase one Subordinated Voting Share and an exercise price of $0.36 per Subordinated Voting Share until November 2, 2023.

(7) Loan from Magnifique Holdings, LLC, a related party of the Company. The amount owed represents a long-term liability of the Company.

(8) First mortgage with Phoenix Funding and Real Estate LLC for 4126 W Indian School Rd., Phoenix, Arizona. The amount owed represents a short-term liability of the Company. The term of this mortgage has been extended to October 2021.

(9) First mortgage with Phoenix Funding and Real Estate LLC for 4223 N 40th Ave., Phoenix, Arizona. The amount owed represents a short-term liability of the Company.

(10) First mortgage with Roy Ng and Thomas Ng for 4140 W Indian School Rd., Phoenix, Arizona. The amount owed represents a short-term liability of the Company.

(11) Second mortgages with Phoenix Funding and Real Estate LLC for 4126 W Indian School Rd., Phoenix, Arizona and 4223 N 40th Ave., Phoenix, Arizona. The amount owed represents a short-term liability of the Company.

(12) On February 7, 2020, Robert J. Brilon resigned as President, CFO, Corporate Secretary and a Director of the Company. Mr. Brilon received $125,000 upon his departure and will receive a total of $125,000, comprised of monthly installment payments of $10,417 per month commencing March 2020 through February 2021. Mr. Brilon is also entitled to receive a final lump sum

amount of $250,000 upon the earlier of (i) any change of control of the Company, (ii) a debt or equity financing greater than $10 million of the Company on or after February 7, 2020, or (iii) February 27, 2022. The amount owed represents a long-term liability of the Company.

(13) Automobile loan with Toyota Motor Credit. Of the amount owed, $11,335 represents a short-term liability of the Company and $5,876 represents a long-term liability of the Company.

(14) Loan from Julius Ortenzo, which was acquired in connection with the purchase of RDF. The amount owed represents a long-term liability of the Company.

(15) Loan from Hilary Nguyen, a related party of the Company. The amounts owed represent a long-term liability of the Company.

(16) Note payable to HSD Holdings, LLC, a New Mexico limited liability company, issued pursuant to the Organica Transaction. Of the amount owed, $341,235 represents a short-term liability of the Company and $4,018,387 represents a long-term liability of the Company.

(17) Fund established to settle the liabilities of RDF and Firebrand, which were acquired by the Company pursuant to the Organica transaction. Of the amount owed, $1,215,000 represents a short-term liability of the Company and $1,200,545 represents a long-term liability of the Company.

(18) Loan from Lora Noviello, which was acquired in connection with the purchase of RDF. The amount owed represents a long-term liability of the Company.

Other than disclosed above, there have been no material changes to the Company's share and loan capitalization on a consolidated basis since September 30, 2020, the date of the Interim Financial Statements.

USE OF PROCEEDS

Available Funds

Assuming no exercise of the Over-Allotment Option (in whole or in any part), the net proceeds of the Offering after deducting the Underwriters' Fee (assuming that no Units are purchased by President's List purchasers), the Work Fee and the estimated expenses of the Offering of $300,000, are estimated to be $16,369,760. If the Over-Allotment Option is exercised in full, the net proceeds of the Offering, after deducting the Underwriters' Fee (assuming that no Units are purchased by President's List purchasers), the Work Fee and the estimated expenses of the Offering of $300,000, are estimated to be $18,885,224. Assuming the 2021 Concurrent Private Placement is fully subscribed, the net proceeds of the 2021 Concurrent Private Placement are estimated to be approximately $2,000,000.

Use of Available Funds & Business Objectives and Milestones

The net proceeds of the Offering and the 2021 Concurrent Private Placement are currently intended to be used for corporate expansion projects and general corporate purposes. Specifically, the Company expects to use the net proceeds of the Offering and the 2021 Concurrent Private Placement for the following purposes:

Project	Timeline	Milestone	Allocation of Net Proceeds
Potential Merger and Acquisition Opportunities	Next 12 months	Not applicable.	$15,000,000
Unallocated General Working Capital	Next 12 months	Not applicable.	$1,369,760
		Total	**$**16,369,760

If the Over-Allotment is exercised, the Company will use the additional proceeds for working capital.

The Company expects that the use of proceeds from the Offering and the 2021 Concurrent Private Placement will advance its overall business and growth plans, which may include merger and acquisition opportunities, which remain subject to the normal risks and uncertainties that prevail in the businesses in which the Company is engaged. See "Caution Regarding Forward - Looking Statements" and "Risk Factors" in this Prospectus and the AIF.

Management of the Company will evaluate merger and acquisition opportunities as they arise from time to time and will, subject to the approval of the Company's board of directors, pursue those which they determine are strategic for, and in the best interests of, the Company and accretive to securityholders of Company. The growth strategy of the Company is an ongoing process and there is no one particular significant event or milestone that must occur for the

Company's growth strategy to be executed other than the identification, negotiation and implementation of one or more accretive acquisitions as indicated above.

The Company is analyzing a number of potential acquisitions, but until the Company is able to determine which acquisition(s) to undertake, it cannot precisely estimate how much of the proceeds of the Offering and 2021 Concurrent Private Placement will be used towards such acquisitions, if any. Although the Company is currently considering a number of potential acquisition candidates and strategic investment opportunities, it is not possible to predict with certainty which of the acquisitions, if any, will close on agreeable terms, and the timing of those agreements. See "Risk Factors".

In the event that operating cash flows are not sufficient to cover the Company's expenses, or in the event that the Company requires additional funds to meet its objectives and capitalize on new business opportunities, the Company will be required to either issue additional Subordinated Voting Shares or incur indebtedness. There is no assurance that additional funding required by the Company would be available if required, and if available, such financing may be highly dilutive to shareholders of the Company. See "Risk Factors".

While the Company currently anticipates that it will use the net proceeds of the Offering as set forth above, the Company may re-allocate the net proceeds of the Offering and the 2021 Concurrent Private Placement from time to time, giving consideration to its strategy relative to the market, development and changes in the industry and regulatory landscape, as well as other conditions relevant at the applicable time. Until utilized, the net proceeds of the Offering will be held in cash balances in the Company's bank account or invested at the discretion of the Board of Directors. Management will have discretion concerning the use of the net proceeds of the Offering and the 2021 Concurrent Private Placement as well as the timing of their expenditure. See "Risk Factors".

Certain COVID-19 related risks could result in delays or additional costs for the Company to achieve its business objectives. The extent to which COVID-19 may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada, the United States and other countries to contain and treat the disease. The outbreak has resulted in governments implementing numerous measures to contain COVID-19, such as travel bans and restrictions, particularly quarantines, shelter-in-place or total lock-down orders and business limitations and shutdowns. These containment measures are subject to change and the respective government authorities may tighten the restrictions at any time. While it is difficult to predict the impact of the coronavirus outbreak on the Company's business, measures taken by the Canadian and United States governments and voluntary measures undertaken by the Company with a view to the safety of the Company's employees, may adversely impact the Company's business, for instance by impeding the labour required to produce, market and distribute the Company's products and disrupting the Company's critical supply chains. In addition, while cannabis retail has been declared an essential service in many provinces, sales volumes of cannabis may be adversely impacted by consumer "social distancing" behaviours. See "Risk Factors".

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Company has agreed to sell and the Underwriters have agreed to purchase on the Closing Date, 16,100,000 Initial Units at the Offering Price, for aggregate gross proceeds of approximately $18,032,000 payable in cash to the Company against delivery of the Initial Units. The obligations of the Underwriters under the Underwriting Agreement will be several (and not joint or joint and several), will be subject to certain closing conditions and may be terminated at their discretion on the basis of "material change out", "disaster out", "regulatory out", "market out" and "breach out" provisions in the Underwriting Agreement and may also be terminated upon the occurrence of certain other stated events. The Underwriters are, however, obligated to take up and pay for all of the Initial Units if any Initial Units are purchased under the Underwriting Agreement. The Offering Price for the Initial Units was determined based upon arm's length negotiations between the Company and the Lead Underwriter, on its own behalf and on behalf of the Underwriters.

Each Offered Unit will consist of one Unit Share and one-half of one Warrant. Each whole Warrant will entitle the holder to purchase, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of $1.40 until 4:00 p.m. (Toronto time) on the date that is 36 months from the Closing Date, subject to the Accelerated Exercise Period, after which time the Warrants will be void and of no value. If, at any time prior to the expiry date of the Warrants, the volume weighted average trading price of the Subordinated Voting Shares on the CSE (or such other

stock exchange where the Subordinated Voting Shares are then listed) is greater than or equal to $2.50 for a period of 20 consecutive trading days, the Company may provide written notice to the holders of the Warrants by way of a news release advising that the Warrants will expire at 4:00 p.m. (Toronto time) on the 30th day following the date of such notice unless exercised by the holders prior to such date. This Prospectus qualifies the distribution of the Unit Shares and the Warrants included in the Initial Units. The Warrants will be created and issued pursuant to the terms of the Warrant Indenture. The Warrant Indenture will contain provisions designed to protect holders of the Warrants against dilution upon the happening of certain events. See "Description of Share Capital".

The Company has also granted the Underwriters the Over-Allotment Option, exercisable, in whole or in part, by the Lead Underwriter on behalf of the Underwriters, at any time and from time to time, until the date that is 30 days following the Closing Date, to purchase up to 2,415,000 Additional Units and/or up to 2,415,000 Additional Unit Shares and/or up to 1,207,500 Additional Warrants to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters to offer either: (i) Additional Units at the Offering Price; (ii) Additional Unit Shares at a price of $1.05 per Additional Unit Share; (iii) Additional Warrants at a price of $0.14 per Additional Warrant; or (iv) any combination of Additional Units, Additional Unit Shares and Additional Warrants. This Prospectus also qualifies the grant of the Over-Allotment Option and the distribution of the Additional Units, Additional Unit Shares and/or Additional Warrants issuable upon exercise of the Over-Allotment Option. A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires those 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 Underwriters in connection with the Offering, pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters the Underwriters' Fee which is equal to 7.0% of the gross proceeds from the issue and sale of the Offered Units under the Offering (including in respect of any exercise of the Over-Allotment Option), subject to a reduced fee of 3.5% for up to $2,000,000 of the Offered Units sold by the Underwriters to President's List purchasers. As additional consideration for the services rendered by the Underwriters in connection with the Offering, the Underwriters will receive a number of Compensation Options equal to 7.0% of the number of Offered Units issued under the Offering (including in respect of any exercise of the Over-Allotment Option), subject to a reduced number of Compensation Options equal to 3.5% for up to $2,000,000 of the Offered Units sold by the Underwriters to President's List purchasers. Each Compensation Option entitles the holder thereof to purchase, subject to adjustment in certain circumstances, one Compensation Option Share at an exercise price of $1.12 per Compensation Option Share for a period of 36 months following the Closing Date. This Prospectus also qualifies the issuance of the Compensation Options. The Company has also agreed to reimburse the Underwriters for their reasonable out-of-pocket fees and expenses, including the fees and expenses of their legal counsel whether or not the Offering is completed.

As additional consideration for the services provided by the Underwriters in connection with the Offering, pursuant to the Underwriting Agreement, the Company has agreed to pay to the Underwriters the Work Fee and to issue the Underwriters Work Fee Options. Each Work Fee Option entitles the holder thereof to purchase, subject to adjustment in certain circumstances, one Work Fee Share at an exercise price of $1.12 per Work Fee Share for a period of 36 months following the Closing Date. This Prospectus also qualifies the issuance of the Work Fee Options.

The Company has also agreed, pursuant to the Underwriting Agreement, to indemnify the Underwriters and their respective affiliates and their respective directors, officers, employees, shareholders, partners, advisors and agents and each other person, if any, controlling the respective Underwriters or their respective affiliates and against certain liabilities, including liabilities under Canadian securities legislation in certain circumstances or to contribute to payments the Underwriters may have to make because of such liabilities.

The Underwriters reserve the right to offer selling group participation, in the normal course of the brokerage business, to selling groups of other licensed broker-dealers, brokers or investment dealers, who may or may not be offered part of the Underwriters' Fee.

The Offered Units will be offered in each of the provinces of Canada (except Québec) through the Underwriters or their 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 Underwriters. Subscriptions for the Offered Units will be received subject to rejection or allotment in whole or in part and the Underwriters reserve the right to close the subscription books at any time without notice. Closing of the Offering is expected to take place on or about February 3, 2021, or such other date as may be

agreed upon by the Company and the Underwriters, but in any event no later than the date that is 42 days from the date of the receipt for the final short form prospectus. Subject to certain exceptions, it is expected that the Offered Units will be delivered under the book-based system through CDS or its nominee and deposited in electronic form with CDS on the Closing Date. Subject to certain exceptions, 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 Units Shares and Warrants comprising the Offered Units on behalf of owners who have purchased them in accordance with the book-based system. No definitive certificates will be issued unless specifically requested or required.

Pursuant to rules and policy statements of certain Canadian securities regulatory authorities, the Underwriters may not, throughout the period of distribution under this Prospectus, bid for or purchase Subordinated Voting Shares for its own accounts or for accounts over which it exercises control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Subordinated Voting Shares. These exceptions include a bid or purchase permitted under 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, and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to applicable laws and in connection with the Offering, the Underwriters may effect transactions which stabilize or maintain the market price of the Subordinated Voting Shares at levels other than those which otherwise might prevail on the open market. These stabilizing transactions and syndicate covering transactions may have the effect of preventing or mitigating a decline in the market price of the Subordinated Voting Shares, and may cause the price of the Offered Units to be higher than would otherwise exist in the open market absent such stabilizing activities. As a result, the price of the Offered Units may be higher than the price that might otherwise exist in the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriters propose to offer the Offered Units initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Offered Units at such price, the Offering Price may be decreased and may be further changed from time to time to an amount not greater than the Offering Price, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Offered Units is less than the proceeds paid by the Underwriters to the Company. Any reduction to the Offering Price will not affect the net proceeds received by the Company.

The Subordinated Voting Shares are traded on the CSE under the symbol "VEXT" and are quoted on the OTCQX under the symbol "VEXTF". On January 18, 2021, the last trading day prior to the filing of this Prospectus, the closing price of the Subordinated Voting Shares on the CSE was $1.35 and on the OTCQX was US$1.07. The Company will apply to list the Unit Shares, Warrants, Warrant Shares, Compensation Option Shares and Work Fee Shares to be distributed under this Prospectus on the CSE. Listing will be subject to the Company fulfilling all of the applicable requirements of the CSE.

The Company has agreed, subject to certain limited exceptions, not to directly or indirectly, offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Subordinated Voting Shares or any securities convertible into or exchangeable for, or otherwise exercisable to acquire Subordinated Voting Shares or other equity securities of the Company for a period of 90 days after the Closing Date, without the prior written consent of the Lead Underwriter, on behalf of the Underwriters, such consent not to be unreasonably withheld, except in conjunction with: (i) pursuant to the exercise of the Over-Allotment Option; (ii) pursuant to the 2021 Concurrent Private Placement; (iii) pursuant to existing director or employee stock options, bonus or purchase plans or similar share or equity-linked compensation arrangements as detailed in the Company's most recently-filed management discussion and analysis; (iv) under director or employee stock options or bonuses granted subsequently in accordance with regulatory approval and in a manner consistent with the Company's past practice; (v) upon the exercise of outstanding convertible securities, warrants or options; or (v) pursuant to one or more corporate acquisitions and/or previously announced payments.

The Company has also agreed to cause each director and executive officer of the Company to enter into lock up agreements in favour of the Underwriters evidencing their agreement not to, for a period of 90 days following the Closing Date, sell or agree to sell, any Subordinated Voting Shares or securities exchangeable or convertible into Subordinated Voting Shares, or

announce its intention to do any of the foregoing, other than with the prior written consent of the Lead Underwriter, such consent not be unreasonably withheld, or as otherwise permitted pursuant to the terms of the lock up agreements.

United States

The Unit Shares and the Warrants comprising the Offered Units offered hereby and the Warrant Shares issuable upon exercise of the Warrants 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 pursuant to available exemptions under the U.S. securities and applicable state securities laws.

The Underwriters have agreed that, except as permitted by the Underwriting Agreement and as expressly permitted by applicable United States federal and state securities laws, they will not offer or sell the Offered Units at any time to, or for the account or benefit of, any person in the United States or any U.S. Person as part of its distribution. The Underwriting Agreement permits the Underwriters to offer and sell the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) ("**Qualified Institutional Buyers**") pursuant to Rule 144A under the U.S. Securities Act and similar exemptions under applicable state securities laws. Moreover, the Underwriting Agreement provides that the Underwriters 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, and the Unit Shares and the Warrants comprising the Offered Units, that are offered or sold to, or for the account or benefit of, a person in the United States or a U.S. Person, and any Warrant Shares issued upon the exercise of such Warrants, have not been registered under the U.S. Securities Act or any applicable state securities laws and will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act., will bear (or will be deemed to bear) a restrictive legend to such effect, and will be subject to restrictions to the effect that such securities may only be offered, sold, pledged or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act and applicable 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 certificates representing the Warrant Shares, if any, be registered or delivered to an address in the United States, unless an exemption from registration under the U.S. Securities Act and any applicable state securities laws is available and the Company has received an opinion of counsel of recognized standing or other evidence to such effect in form and substance reasonably satisfactory to the Company; provided, however, that a holder who is a Qualified Institutional Buyer at the time of exercise of the Warrants who purchased Offered Units in the Offering to, or for the account or benefit of, persons in the United States or U.S. Persons will not be required to deliver an opinion of counsel or such other evidence in connection with the exercise of Warrants that are a part of those Offered Units.

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

Terms used and not otherwise defined in the three preceding paragraphs shall have the meanings ascribed to them by Regulation S under the U.S. Securities Act.

Pricing of the Offering

The Offering Price was determined based upon arm's length negotiations between the Company and the Lead Underwriter on its own behalf and on behalf of the Underwriters. Among the factors considered in determining the Offering Price were the following:

- the market price of the Subordinated Voting Shares;
- prevailing market conditions;

- historical performance and capital structure of the Company;
- estimates of the business potential and earnings prospects of the Company;
- availability of comparable investments;
- an overall assessment of management of the Company; and
- the consideration of these factors in relation to market valuation of companies in related businesses.

2021 CONCURRENT PRIVATE PLACEMENT

On or prior to the Closing Date, the Company will enter into subscription agreements (the "**Subscription Agreements**") in connection with the 2021 Concurrent Private Placement, pursuant to which certain subscribers will agree to subscribe for and purchase an aggregate of up to 1,785,715 Units at the Offering Price for aggregate gross proceeds of up to $2,000,000. The 2021 Concurrent Private Placement is expected to close simultaneously with the Offering; however, the Offering is not conditional on the closing of the 2021 Concurrent Private Placement.

Subscriptions for the Units to be sold under the 2021 Concurrent Private Placement will be received subject to rejection or allotment in whole or in part. It is anticipated that definitive certificates will be issued for the Unit Shares and Warrants comprising the Units to be issued and sold by the Company pursuant to the 2021 Concurrent Private Placement at the closing of the 2021 Concurrent Private Placement on the Closing Date. Closing of the 2021 Concurrent Private Placement is subject to a number of conditions, including the approval of the CSE. The terms and conditions of the 2021 Concurrent Private Placement will be set out in the Subscription Agreements.

This Prospectus does not qualify any securities issued under the 2021 Concurrent Private Placement. The Units to be issued under the 2021 Concurrent Private Placement will be subject to a statutory hold period lasting four months and one day following the closing of the 2021 Concurrent Private Placement. The Underwriters are not acting in connection with, and no fee or commission will be paid to the Underwriters in respect of, the Units issued under the 2021 Concurrent Private Placement. The Company does not expect to pay any finder's fees or commissions in connection with the 2021 Concurrent Private Placement. See "Use of Proceeds" for the principal purposes for which the net proceeds of the 2021 Concurrent Private Placement will be used by the Company.

ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS OR COMPANIES

Certain directors and officers of the Company, along with a named expert, reside outside of Canada. Such directors, officers, and expert named below have appointed the following agents for service of process:

Name of Director/Foreign Entity	Name and Address of Agent
Eric Offenberger	McMillan LLP, Suite 1500 – 1055 West Georgia St., Vancouver, British Columbia, V6E 4N7, Canada
Brian Cameron	McMillan LLP, Suite 1500 – 1055 West Georgia St., Vancouver, British Columbia, V6E 4N7, Canada
Jason T. Nguyen	McMillan LLP, Suite 1500 – 1055 West Georgia St., Vancouver, British Columbia, V6E 4N7, Canada
Dr. Jonathan Shelton	McMillan LLP, Suite 1500 – 1055 West Georgia St., Vancouver, British Columbia, V6E 4N7, Canada
Bianchi & Brandt	McMillan LLP, Suite 1500 – 1055 West Georgia St., Vancouver, British Columbia, V6E 4N7, Canada

Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

DESCRIPTION OF SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of Subordinated Voting Shares and an unlimited number of super voting shares with multiple voting rights, each convertible into 100 Subordinated Voting Shares (the "**Super Voting Shares**").

Subordinated Voting Shares

The holders of Subordinated Voting Shares are entitled to receive notice of and to attend and vote at all meetings of the Company's shareholders and each Subordinated Voting Share confers the right to one vote in person or by proxy at all meetings of the Company's shareholders. The holders of the Subordinated Voting Shares are entitled to receive such dividends in any financial year as the Board of Directors may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, holders of Subordinated Voting Shares are entitled to share rateably, together with holders of Super Voting Shares, in such assets of the Company as are available for distribution.

Super Voting Shares

The Super Voting Shares rank *pari passu* with the Subordinated Voting Shares as to dividends and upon liquidation. The holders of Super Voting Shares (the "**Super Voting Shareholders**") are entitled to receive dividends and distributions payable in respect of Subordinated Voting Shares, out of any cash or other assets legally available therefor, received by shareholders, distributed among the Super Voting Shareholders and the holders of Subordinated Voting Shares based on (i) the number of Subordinated Voting Shares and (ii) the number of Super Voting Shares (on an as converted basis, assuming conversion of all Super Voting Shares into Subordinated Voting Shares at the applicable Conversion Ratio and disregarding the Conversion Limitation (as defined herein)) issued and outstanding on the record date. Each Super Voting Share is convertible into 100 Subordinated Voting Shares (the "**Conversion Ratio**").

In the event of any Liquidation Event (as defined below), the Super Voting Shareholders shall be entitled to receive the assets of the Company, or other consideration payable or distributable as a result of the Liquidation Event, available for distribution to shareholders, distributed among the Super Voting Shareholders and the holders of Subordinated Voting Shares based on (i) the number of Subordinated Voting Shares and (ii) the number of Super Voting Shares (on an as converted basis, assuming conversion of all Super Voting Shares into Subordinated Voting Shares at the applicable Conversion Ratio and disregarding the Conversion Limitation) issued and outstanding on the record date.

"**Liquidation Event**" means (i) any voluntary or involuntary liquidation, dissolution or winding up of the Company; (ii) the acquisition of the Company by or the combination, merger or consolidation of the Company with another entity by means of any transaction or series of related transactions (including, without limitation, any sale, acquisition, reorganization, merger or consolidation but excluding any transaction effected exclusively for the purpose of changing the domicile of the Company; (iii) a sale of all or substantially all of the assets of the Company; unless, in the case of (ii) or (iii), the Company's shareholders of record as constituted immediately prior to such acquisition or sale will, immediately after such acquisition or sale (by virtue of securities issued as consideration for the Company's acquisition or sale or otherwise) hold at least 50% of the voting power of the surviving or acquiring entity.

The Super Voting Shareholders have the right to one vote for each Subordinated Voting Share into which such Super Voting Shares are convertible (disregarding the Conversion Limitation), and with respect to such vote, such holder shall have voting rights and powers equal and identical to the voting rights and powers of the holders of Subordinated Voting Shares, and shall been entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting and shall be entitled to vote, together with holders of Subordinated Voting Shares, with respect to any matter upon which holders of Subordinated Voting Shares have the right to vote. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as converted basis (after aggregating all Subordinated Voting Shares into which Super Voting Shares are convertible and disregarding the Conversion Limitation) shall be rounded up or down to the nearest whole number (with one-half being rounded upward). Except as provided by law, Super Voting Shareholders shall vote the Super Voting Shares together with the holders of Subordinated Voting Shares as a single class.

Conversion Limitation

Super Voting Shareholders have the following conversion rights (the "**Conversion Rights**"):

(a) **Right to Convert**. Subject to the Conversion Limitation, each Super Voting Share shall be convertible, at the option of the Super Voting Shareholder thereof, at any time after the date of issuance of such share at the office of the Company or any transfer agent for such shares, into such number of fully paid and non-assessable Subordinated Voting Shares as is determined by multiplying the number of Super Voting Shares by the Conversion Ratio applicable to each such share, determined as hereafter provided, in effect on the applicable date the Super Voting Shares are surrendered for conversion.

(b) **Automatic Conversion**. Each Super Voting Share shall automatically be converted without further action by the Super Voting Shareholder or any other person into Subordinated Voting Shares at the applicable Conversion Ratio immediately upon the earliest of:

(i) the Subordinated Voting Shares issuable upon conversion of all the Super Voting Shares are registered for resale and may be sold by the Super Voting Shareholder pursuant to an effective registration statement and/or prospectus covering the Subordinated Voting Shares under the U.S. Securities Act;

(ii) the Company files a Securities Exchange Commission Form 20-F to register its Subordinated Voting Shares with the United States Securities and Exchange Commission;

(iii) the Company is subject to the reporting requirements of Section 13 or 15(d) of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**");

(iv) the Subordinated Voting Shares are listed or quoted (and are not suspended from trading) on a national securities exchange in the United States registered under Section 6 of the U.S. Exchange Act, as amended, or quoted in a "U.S. automated inter-dealer quotation system", as such term is used for purposes of Rule 144A(d)(3)(i); or

(v) if the Company determines that it has ceased to be a Foreign Private Issuer, as such term is defined in Rule 902(e) of the U.S. Securities Act, and has notified the holders of the Super Voting Shares of such determination.

Before any Super Voting Shareholder can be entitled to convert Super Voting Shares into Subordinated Voting Shares, the Board of Directors (or a committee thereof) shall designate an officer of the Company to determine if any Conversion Limitation set forth shall apply to the conversion of Super Voting Shares. A "Conversion Limitation" means the following:

(a) **Foreign Private Issuer Protection Limitation**. The Company will use commercially reasonable efforts to maintain its status as a "foreign private issuer", as determined in accordance with Rule 3b-4 under the Securities Exchange Act of 1934, as amended), and to avoid being categorized as a "Domestic Issuer" under applicable United States securities laws (being a U.S. issuer or a non-U.S. issuer that has a majority (50.1% or more) of its outstanding voting securities held by U.S. residents and either the majority of the executive officers or directors are U.S. citizens or residents, a majority of the assets of the issuer are located in the U.S., or the business of the issuer is administered principally in the U.S.) or would become a Domestic Issuer as a result of the issuance of Subordinated Voting Shares upon the conversion of a Super Voting Share.

Takeover Bid Protection

The following is a summary of certain material provisions of the Coattail Agreement (as defined herein). This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Coattail Agreement, which has been filed with the applicable Canadian securities regulatory authorities and available under the Company's profile on SEDAR at www.sedar.com.

Under applicable Canadian law, an offer to purchase Super Voting Shares would not necessarily require that an offer be made to purchase Subordinated Voting Shares. In accordance with the rules applicable to most senior issuers in

Canada, in the event of a take-over bid, the holders of Subordinated Voting Shares will be entitled to participate on an equal footing with holders of Super Voting Shares. Messrs. Jason T. Nguyen and Robert J. Brilon, as the owners of all the outstanding Super Voting Shares, entered into a customary coattail agreement, made effective as of April 8, 2019, with the Company and Odyssey Trust Company as trustee (the "**Coattail Agreement**"). The Coattail Agreement contains provisions customary for dual class, listed corporations designed to prevent transactions that otherwise would deprive the holders of Subordinated Voting Shares of rights under applicable provincial take-over bid legislation to which they would have been entitled if the Super Voting Shares had been Subordinated Voting Shares.

The undertakings in the Coattail Agreement will not apply to prevent a sale by Messrs. Jason T. Nguyen and Robert J. Brilon of Super Voting Shares if concurrently an offer is made to purchase Subordinated Voting Shares that:

(a) offers a price per Subordinated Voting Share at least as high as the highest price per share paid pursuant to the take-over bid for the Super Voting Shares (on an as converted to Subordinated Voting Share basis);

(b) provides that the percentage of outstanding Subordinated Voting Shares to be taken up (exclusive of shares owned immediately prior to the offer by the offeror or persons acting jointly or in concert with the offeror) is at least as high as the percentage of Super Voting Shares to be sold (exclusive of Super Voting Shares owned immediately prior to the offer by the offeror and persons acting jointly or in concert with the offeror);

(c) has no condition attached other than the right not to take up and pay for Subordinated Voting Shares tendered if no shares are purchased pursuant to the offer for Super Voting Shares; and

(d) is in all other material respects identical to the offer for Super Voting Shares.

In addition, the restrictions contained in the Coattail Agreement will not prevent the transfer or sale of Super Voting Shares by a Super Voting Shareholder to a Permitted Holder (as defined in the Coattail Agreement), provided such transfer or sale is not or would not have been subject to the requirements to make a take-over bid or constitute or would constitute an exempt take-over bid (as defined under applicable securities laws). The conversion of Super Voting Shares into Subordinated Voting Shares, whether or not such Subordinated Voting Shares are subsequently sold, would not constitute a disposition of Super Voting Shares for the purposes of the Coattail Agreement.

Under the Coattail Agreement, any disposition of Super Voting Shares (including a transfer to a pledgee as security) by a holder of Super Voting Shares party to the agreement will be conditional upon the transferee or pledgee becoming a party to the Coattail Agreement, to the extent such transferred Super Voting Shares are not automatically converted into Subordinated Voting Shares in accordance with the Articles.

The Coattail Agreement contains provisions for authorizing action by the trustee to enforce the rights under the Coattail Agreement on behalf of the holders of the Subordinated Voting Shares. The obligation of the trustee to take such action will be conditional on the Company or holders of the Subordinated Voting Shares providing such funds and indemnity as the trustee may require.

The Coattail Agreement provides that it may not be amended, and no provision thereof may be waived, unless, prior to giving effect to such amendment or waiver, the following have been obtained: (a) the consent of any applicable securities regulatory authority in Canada and (b) the approval of at least 66 2⁄3% of the votes cast by holders of Subordinated Voting Shares excluding votes attached to Subordinated Voting Shares held by Messrs. Jason T. Nguyen and Robert J. Brilon and their Permitted Holders on terms which would constitute a sale or disposition for purposes of the Coattail Agreement other than as permitted thereby.

No provision of the Coattail Agreement will limit the rights of any holders of Subordinated Voting Shares under applicable law.

Warrants

The following is a summary of certain anticipated material attributes and characteristics of the Warrants and the provisions of the Warrant Indenture. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Warrant Indenture, which will be filed with the applicable Canadian

securities regulatory authorities and available under the Company's profile on SEDAR at www.sedar.com following the Closing Date.

Except for the Warrants issued in connection with the 2021 Concurrent Private Placement, which will be evidenced and governed by definitive warrant certificates, the Warrants will be issued under and governed by the terms of the Warrant Indenture. A register of holders will be maintained at the principal offices of the Warrant Agent in Vancouver, British Columbia, and is the location at which Warrants may be surrendered for exercise or transfer.

Each Warrant will entitle the holder to purchase, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of $1.40 until 4:00 p.m. (Toronto time) on the date that is 36 months from the Closing Date, subject to the Accelerated Exercise Period, after which time the Warrants will be void and of no value. If, at any time prior to the expiry date of the Warrants, the volume weighted average trading price of the Subordinated Voting shares on the CSE (or such other stock exchange where the Subordinated Voting Shares are then listed) is greater than or equal to $2.50 for a period of 20 consecutive trading days, the Company may provide written notice to the holders of the Warrants by way of a news release advising that the Warrants will expire at 4:00 p.m. (Toronto time) on the 30th day following the date of such notice unless exercised by the holders prior to such date.

The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain events, including:

1. the issuance of Subordinated Voting Shares or securities exchangeable for or convertible into Subordinated Voting Shares to all or substantially all of the holders of the Subordinated Voting Shares as a stock dividend or other distribution (other than a dividend in the ordinary course or a distribution of Subordinated Voting Shares upon the exercise of Warrants or options outstanding as of the date of the Warrant Indenture);

2. the subdivision, redivision or change of the Subordinated Voting Shares into a greater number of Subordinated Voting Shares;

3. the reduction, combination or consolidation of the Subordinated Voting Shares into a lesser number of Subordinated Voting Shares;

4. the issuance to all or substantially all of the holders of the Subordinated Voting 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 Subordinated Voting Shares, or securities exchangeable for or convertible into Subordinated Voting Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the Current Market Price ("**Current Market Price**" will be defined in the Warrant Indenture as the volume weighted average price per Subordinated Voting Share on the CSE for the 20 consecutive trading days ending immediately prior to such record date); and

5. the issuance or distribution to all or substantially all of the holders of the Subordinated Voting Shares of shares of any class other than the Subordinated Voting Shares, rights, options or warrants to acquire Subordinated Voting Shares or securities exchangeable or convertible into Subordinated Voting Shares, of evidences of indebtedness, or any property or other assets.

The Warrant Indenture also provides for adjustments in the class and/or number of securities issuable upon exercise of the Warrants and/or exercise price per security in the event of the following additional events: (a) reclassifications of the Subordinated Voting Shares or a capital reorganization of the Company (other than as described above), (b) consolidations, amalgamations, arrangements, mergers or other business combination of the Company with or into another entity (other than consolidations, amalgamations, arrangements, mergers or other business combinations which do not result in any reclassification of the outstanding Subordinated Voting Shares or a change of the Subordinated Voting Shares into other shares), or (c) any sale, lease, exchange or transfer of the undertaking or assets of the Company as an entirety or substantially as an entirety to another entity, in which case each holder of a Warrant which is thereafter exercised will receive, in lieu of Subordinated Voting 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 holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least 14 days prior to the record date or effective date, as the case may be, of such events.

No fractional Warrant 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 shares. The holding of Warrants will not make the holder thereof a shareholder of the Company or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Indenture. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Subordinated Voting Shares.

The Warrant Indenture will provide that, from time to time, the Warrant Agent and the Company, without the consent of the holders of Warrants, may be able to amend or supplement the Warrant Indenture for certain purposes, including rectifying any ambiguities, defective provisions, clerical omissions or mistakes, or other errors contained in the Warrant Indenture or in any deed or indenture supplemental or ancillary to the Warrant Indenture, provided that, in the opinion of the Warrant Agent, relying on counsel, the rights of the holders of Warrants are not prejudiced. Any amendment or supplement to the Warrant Indenture that is prejudicial to the interests of the holders of Warrants will be subject to approval by an "Extraordinary Resolution", which will be defined in the Warrant Indenture as a resolution either: (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66⅔% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution; or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 75% of the number of all of the then outstanding Warrants.

Compensation Options

The Company has agreed to issue Compensation Options, the distribution of which are qualified by this Prospectus. The Underwriters will receive a number of Compensation Options equal to 7.0% of the number of Offered Units issued under the Offering (including in respect of any exercise of the Over-Allotment Option), subject to a reduced number of Compensation Options equal to 3.5% for up to $2,000,000 of the Offered Units sold by the Underwriters to President's List purchasers. Each Compensation Option entitles the holder thereof to purchase, subject to adjustment in certain circumstances, one Compensation Option Share at an exercise price of $1.12 per Compensation Option Share for a period of 36 months following the Closing Date. This Prospectus also qualifies the issuance of the Compensation Options. The Company has also agreed to reimburse the Underwriters for their reasonable out-of-pocket fees and expenses, including the fees and expenses of their legal counsel whether or not the Offering is completed.

The Compensation Options may be exercised by the holder to purchase Compensation Option Shares on or before the expiration date by delivering (i) notice of exercise, appropriately completed and duly signed, and (ii) payment of the exercise price for the number of Compensation Option Shares with respect to which the Compensation Option is being exercised. No fractional Compensation Option Shares will be issuable to any holder of Compensation Options upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares.

The Compensation Option Shares will be, when issued and paid for in accordance with the terms of the certificates representing the Compensation Options, duly authorized, validly issued and fully paid and non-assessable. The Company will authorize and reserve such number of Compensation Option Shares issuable upon exercise of all outstanding Compensation Options.

The exercise price and the number of Compensation Option Shares issuable upon the exercise of each Compensation Option are subject to adjustment upon the happening of certain events, such as a distribution on the Subordinated Voting Shares, or a subdivision, consolidation or reclassification of the Subordinated Voting Shares. In addition, upon any fundamental transaction, such as a merger, arrangement, consolidation, sale of all or substantially all of the Company's assets, share exchange or business combination, the Compensation Options will thereafter evidence the right of the holder to receive the securities, property or cash deliverable in exchange for or on the conversion of or in respect of the Subordinated Voting Shares to which the holder of a Subordinated Voting Share would have been entitled immediately on such event.

The Compensation Options are transferable and will not be listed or quoted on any securities exchange. The holders of the Compensation Options do not have the rights or privileges of holders of Subordinated Voting Shares and any voting rights until they exercise their Compensation Options and receive Compensation Option Shares.

PRINCIPAL SECURITY HOLDERS

To the knowledge of the directors and senior officers of the Company as of the date hereof, the following are the only persons that beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company:

Name	Number of Securities Owned, Controlled or Directed	% of Class
EFG Consultants, LLC[1]	605,747 Super Voting Shares	88.50%[2]

Notes:

(1) EFG Consultants, LLC is a company wholly owned and controlled by Jason T. Nguyen, the Chairman and a Director of the Company.

(2) Percentage is based on 684,471 Super Voting Shares issued and outstanding as of the date hereof.

PRIOR SALES

During the 12-month period before the date of this Prospectus, the Company issued the following Subordinated Voting Shares and securities convertible into or exercisable for Subordinated Voting Shares:

Date of Issuance	Number of Securities Issued	Type of Security	Issue/Exercise Price
March 18, 2020	488,500[1]	Subordinated Voting Shares	N/A
April 17, 2020	67,000[2]	Super Voting Shares	N/A
May 12, 2020	1,083,334	Options	$0.75
May 26, 2020	293,100[3]	Subordinated Voting Shares	N/A
November 2, 2020	17,777,165[4]	Subordinated Voting Shares	$0.36
November 2, 2020	17,777,165[4]	2020 Warrants	$0.45
November 2, 2020	1,218,152[4]	2020 Compensation Options	$0.36
November 2, 2020	4,064,500[5]	Subordinated Voting Shares	$0.36
November 2, 2020	4,064,500[5]	2020 Warrants	$0.45
November 12, 2020	1,000[6]	Subordinated Voting Shares	$0.45
November 26, 2020	375,000	Options	$0.75
December 1, 2020	1,389,500[7]	Subordinated Voting Shares	$0.36
December 1, 2020	1,389,500[7]	2020 Warrants	$0.45
December 1, 2020	97,265[7]	2020 Compensation Options	$0.36
December 10, 2020	825,000[6]	Subordinated Voting Shares	$0.45
December 18, 2020	33,000[8]	Subordinated Voting Shares	$0.36
January 6, 2021	285,000	Options	$1.22
January 6, 2021	140,000	Restricted Stock Units	N/A
January 8, 2021	47,000[6]	Subordinated Voting Shares	$0.45
January 11, 2021	75,300[6]	Subordinated Voting Shares	$0.45
January 12, 2021	30,100[6]	Subordinated Voting Shares	$0.45
January 13, 2021	24,500[6]	Subordinated Voting Shares	$0.45

Notes:

(1) Super Voting Shares were converted into Subordinated Voting Shares.

(2) Issued to HSD Holdings, LLC, a New Mexico limited liability company, in connection with the acquisition of RDF and Firebrand.

(3) Super Voting Shares were converted into Subordinated Voting Shares.

(4) Issued in connection with the November 2020 Public Offering.

(5) Issued in connection with the conversion of an aggregate of $1,100,000 of the Loan into 2020 Units, consisting of an aggregate of 4,064,500 Subordinated Voting Shares and 4,064,500 2020 Warrants.

(6) Issued upon exercise of the 2020 Warrants.

(7) Issued in connection with the exercise and closing of the agents' over-allotment option in relation to the November 2020 Public Offering.

(8) Issued upon exercise of the 2020 Compensation Options.

TRADING PRICE AND VOLUME

The Subordinated Voting Shares are listed and posted for trading on the CSE under the trading symbol "VEXT". The following tables set forth information relating to the trading of the Subordinated Voting Shares on the CSE for the months indicated.

	CSE Price Range [1]		CSE
Month	**High**	**Low**	**Total Volume**
January 2020	0.85	0.70	519,302
February 2020	0.78	0.65	938,886
March 2020	0.71	0.40	467,599
April 2020	0.58	0.40	123,368
May 2020	0.57	0.40	324,425
June 2020	0.52	0.40	203,450
July 2020	0.53	0.43	227,822
August 2020	0.51	0.46	106,538
September 2020	0.54	0.39	368,039
October 2020	0.52	0.38	631,776
November 2020	0.68	0.36	7,948,425
December 2020	1.10	0.60	5,126,267
January 1 - 18, 2021	1.65	0.91	6,671,535

Note:

(1) The source of all trading data is as disclosed at www.stockwatch.com.

On January 18, 2021, the last trading day prior to the filing of this Prospectus, the closing price of the Subordinated Voting Shares on the CSE was $1.35.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date of this Prospectus, a general summary of the material U.S. federal income tax consequences of the purchase, ownership, and disposition of the Offered Units, Subordinated Voting Shares and Warrants, but does not purport to be a complete analysis of all the potential tax consequences relating thereto. This summary is based on the Internal Revenue Code of 1986, as amended (the "**U.S. Tax Code**"), the U.S. Treasury Regulations promulgated thereunder, the United States-Canada tax treaty as in effect on the date of the Offering, and

administrative rulings and judicial decisions, all as in effect on the date hereof, and all of which are subject to change or differing interpretations, possibly on a retroactive basis. The Company has not sought and will not seek a ruling from the U.S. Internal Revenue Service (the "**IRS**") regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership or disposition of Subordinated Voting Shares and Warrants. This summary is limited to holders that hold the Subordinated Voting Shares and Warrants that comprise the Offered Units as capital assets within the meaning of Section 1221 of the U.S. Tax Code (i.e., generally, as property held for investment purposes). This summary does not apply to holders that have special tax situations, including:

- Dealers in securities or currencies;
- Traders in securities;
- U.S. Holders (as defined below) whose functional currency is not the U.S. dollar;
- Persons holding Subordinated Voting Shares or Warrants as part of a conversion, constructive sale, wash sale or other integrated transaction or a hedge, straddle or synthetic security;
- Persons subject to the alternative minimum tax;
- Certain former citizens or long-term residents of the United States;
- Foreign governments or international organizations;
- Financial institutions;
- Controlled foreign corporations and passive foreign investment companies and shareholders of such corporations;
- Real estate investment trusts;
- Insurance companies;
- Regulated investment companies and shareholders of such companies;
- Partnerships and other pass-through entities and owners of such entities;
- Entities that are tax-exempt for U.S. federal income tax purposes and retirement plans, individual retirement accounts and tax-deferred accounts; and
- Persons subject to special tax accounting rules.

The U.S. federal income tax treatment of a partner in a partnership (including an entity treated as a partnership for U.S. federal tax purposes) that holds the Subordinated Voting Shares or Warrants generally will depend on the status of the partner and the activities of the partnership, and such partnerships and partners should consult their own tax advisors regarding the U.S. federal income tax consequences of the purchase, ownership, and disposition of the Offered Units, Subordinated Voting Shares and Warrants.

This summary does not discuss all the aspects of U.S. federal income taxation that may be relevant to a holder considering the holder's particular investment or other circumstances. In addition, this summary does not discuss any U.S. state or local income, foreign income, estate, gift, generation-skipping, U.S. federal alternative minimum, Medicare tax on net investment income, or other non-income tax consequences or (except as specifically addressed herein) the effect of any tax treaty. Except as discussed herein, this summary does not discuss tax reporting matters.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. EACH SHAREHOLDER SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS

WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF SUBORDINATED VOTING SHARES AND WARRANTS ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

General

Each Unit should be treated for U.S. federal income tax purposes as an investment unit consisting of one Subordinated Voting Share and one-half of one Warrant, with each whole Warrant to acquire one Subordinated Voting Share. The purchase price paid for each Unit must be allocated between the Subordinated Voting Shares and the Warrant based on their relative fair market values. We will determine this allocation based upon our determination, which we will complete following the closing of the Offering, of the relative values of the Warrants and the Subordinated Voting Shares. This allocation will be reported to any person to which we transfer investment Offered Units that acts as a custodian of securities in the ordinary course of its trade or business, or that effects sales of securities by others in the ordinary course of its trade or business, and may be reported to the IRS by such persons. This allocation is not binding on you, the IRS or the courts. Prospective investors are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of an investment in a Unit and the allocation between the Subordinated Voting Share and the Warrant of the purchase price paid for a Unit.

Taxation of U.S. Holders

The following is a summary of the material U.S. federal income tax consequences to U.S. Holders (as defined below) of the ownership and disposition of the Subordinated Voting Shares and Warrants purchased in the Offering.

Definition of a U.S. Holder

For purposes of this discussion, a "U.S. Holder" is any beneficial owner of Subordinated Voting Shares and Warrants that is, for U.S. federal income tax purposes:

- an individual who is a U.S. resident (discussed below) or U.S. citizen;
- a corporation, including any entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the U.S., any state within the U.S. or the District of Columbia;
- an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that either (1) is subject to the primary supervision of a U.S. court and the control of one or more ''United States persons'' (within the meaning of Section 7701(a)(30) of the U.S. Tax Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

With respect to the first bullet point above, an individual is generally treated as a resident of the U.S. in any calendar year for U.S. federal income tax purposes if the individual either (i) is the holder of a green card, generally during any point of such year, or (ii) is present in the U.S. for at least 31 days in that calendar year and for an aggregate of at least 183 days during the three-year period ending on the last day of the current calendar year. For purposes of the 183-day calculation (often referred to as the Substantial Presence Test), all of the days present in the U.S. during the current year, one-third of the days present in the U.S. during the immediately preceding year, and one-sixth of the days present in the second preceding year are counted. Residents are generally treated for U.S. federal income tax purposes as if they were U.S. citizens.

Tax Classification of the Company as a U.S. Domestic Corporation

Although the Company is a Canadian corporation, the Company is classified as a U.S. domestic corporation for United States federal income tax purposes under Section 7874(b) of the U.S. Tax Code and will be subject to United States federal income tax on its worldwide income. The Company anticipates that it will experience a number of significant and complicated United States federal income tax consequences as a result of being treated as a U.S. domestic corporation for United States federal income tax purposes. It is anticipated that such U.S. tax treatment will continue

indefinitely and that Subordinated Voting Shares will be treated indefinitely as shares in a U.S. domestic corporation for United States federal income tax purposes.

This summary does not attempt to describe all such U.S. federal income tax consequences. Section 7874 of the U.S. Tax Code and the Treasury Regulations promulgated thereunder do not address all the possible tax consequences that arise from the Company being treated as a U.S. domestic corporation for U.S. federal income tax purposes. Accordingly, there may be additional or unforeseen U.S. federal income tax consequences to the Company that are not discussed in this summary.

Generally, the Company will be subject to U.S. federal income tax on its worldwide taxable income (regardless of whether such income is "U.S. source" or "foreign source") and will be required to file a U.S. federal income tax return annually with the IRS. The Company anticipates that it will also be subject to tax in Canada. It is unclear how the foreign tax credit rules under the U.S. Tax Code will operate in certain circumstances, given the treatment of the Company as a U.S. domestic corporation for U.S. federal income tax purposes and the taxation of the Company in Canada. Accordingly, it is possible that the Company will be subject to double taxation with respect to all or part of its taxable income. The remainder of this summary assumes that the Company will be treated as a U.S. domestic corporation for U.S. federal income tax purposes.

Tax Considerations for U.S. Holders

Distributions

Distributions of cash or property on Subordinated Voting Shares (including any constructive distributions on Subordinated Voting Shares with respect to a Warrant) will constitute dividends for U.S. federal income tax purposes to the extent paid from the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Dividends will generally be taxable to a non-corporate U.S. Holder at the rates applicable to long-term capital gains, provided that such holder meets certain holding period and other requirements. Distributions in excess thereof will first constitute a return of capital and be applied against and reduce a U.S. Holder's adjusted tax basis in its Subordinated Voting Shares, but not below zero, and thereafter be treated as capital gain and will be treated as described below under "Sale or Other Taxable Disposition."

Dividends received by corporate U.S. Holders may be eligible for a dividends received deduction, subject to certain restrictions relating to, among others, the corporate U.S. Holder's taxable income, holding period and debt financing.

Sale or Other Taxable Disposition

Upon the sale or other taxable disposition of Subordinated Voting Shares or Warrants, a U.S. Holder will generally recognize capital gain or loss equal to the difference between (i) the amount realized by such U.S. Holder in connection with such sale or other taxable disposition, and (ii) such U.S. Holder's adjusted tax basis in such Subordinated Voting Shares or Warrants. Generally, such gain or loss will be capital gain or loss. Such capital gain or loss will generally be long-term capital gain or loss if the U.S. Holder's holding period respecting such stock is more than twelve months. U.S. Holders who are individuals are currently eligible for preferential rates of taxation respecting their long-term capital gains. Deductions for capital losses are subject to limitations.

Tax Rates Applicable to Ordinary Income and Capital Gains

Ordinary income and short-term capital gains of non-corporate U.S. Holders are currently taxable at rates of up to 37%. Long-term capital gains of non-corporate U.S. Holders are currently subject to rates up to 20%.

Exercise or Lapse of Warrants

Upon the exercise of a Warrant, a U.S. Holder will not recognize gain or loss and will have a tax basis in the Subordinated Voting Shares received equal to the U.S. Holder's tax basis in the Warrant plus the exercise price of the Warrant. The holding period for the Subordinated Voting Shares received pursuant to the exercise of a Warrant will begin on the date following the date of exercise (or possibly the date of exercise) and will not include the period during which the U.S. Holder held the Warrant. If a Warrant is allowed to lapse unexercised, a U.S. Holder will recognize a capital loss in an amount equal to its tax basis in the Warrant. Such loss will be long-term capital loss if the Warrant

has been held for more than one year as of the date the Warrant lapsed. The deductibility of capital losses is subject to certain limitations.

Adjustment to Exercise Price

Under Section 305 of the Code, an adjustment to the number of Subordinated Voting Shares that will be issued on the exercise of the Warrants, or an adjustment to the exercise price of the Warrants, may be treated as a constructive distribution to a U.S. Holder of the Warrants if, and to the extent that, such adjustment has the effect of increasing such U.S. Holder's proportionate interest in the "earnings and profits" or the Company's assets, depending on the circumstances of such adjustment (for example, if such adjustment is to compensate for a distribution of cash or other property to the shareholders). Adjustments to the exercise price of Warrants made pursuant to a bona fide reasonable adjustment formula that has the effect of preventing dilution of the interest of the holders of the Warrants should generally not be considered to result in a constructive distribution. Any such constructive distribution would be taxable whether there is an actual distribution of cash or other property.

Foreign Tax Credit Limitations

The Company is subject to tax both as a U.S. domestic corporation and as a Canadian corporation; accordingly, a U.S. Holder may pay, through withholding, Canadian tax, as well as U.S. federal income tax, with respect to dividends paid on its Subordinated Voting Shares. For U.S. federal income tax purposes, a U.S. Holder may elect for any taxable year to receive either a credit or a deduction for all foreign income taxes paid by the holder during the year. Complex limitations apply to the foreign tax credit, including a general limitation that the credit cannot exceed the proportionate share of a taxpayer's U.S. federal income tax that the taxpayer's foreign source taxable income bears to the taxpayer's worldwide taxable income. In applying this limitation, items of income and deduction must be classified, under complex rules, as either foreign source or U.S. source. The status of the Company as a U.S. domestic corporation for U.S. federal income tax purposes will cause dividends paid by the Company to be treated as U.S. source rather than foreign source for this purpose. As a result, a foreign tax credit may be unavailable for any Canadian tax paid on dividends received from the Company. Similarly, to the extent a sale or disposition of the Subordinated Voting Shares by a U.S. Holder results in Canadian tax payable by the U.S. Holder (for example, because the Subordinated Voting Shares constitute taxable Canadian property within the meaning of the Tax Act), a U.S. foreign tax credit may be unavailable to the U.S. Holder for such Canadian tax. In each case, however, the U.S. Holder should be able to take a deduction for the U.S. Holder's Canadian tax paid, provided that the U.S. Holder has not elected to credit other foreign taxes during the same taxable year.

The foreign tax credit rules are complex, and each U.S. Holder should consult its own tax advisor regarding these rules.

Foreign Currency

The amount of any distribution paid to a U.S. Holder in foreign currency, or the amount of proceeds paid in foreign currency on the sale, exchange or other taxable disposition of Subordinated Voting Shares and Warrants, generally will be equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt (regardless of whether such foreign currency is converted into U.S. dollars at that time). A U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who converts or otherwise disposes of the foreign currency after the date of receipt may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Holders who use the accrual method of tax accounting. Each U.S. Holder should consult its own U.S. tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of foreign currency.

Information Reporting and Backup Withholding

U.S. backup withholding (currently at a rate of 24%) is imposed upon certain payments to persons that fail (or are unable) to furnish the information required pursuant to U.S. information reporting requirements. Distributions to U.S. Holders will generally be exempt from backup withholding, provided the U.S. Holder meets applicable certification requirements, including providing a U.S. taxpayer identification number on a properly filled out IRS Form W-9, or otherwise establishing an exemption. The Company must report annually to the IRS and to each U.S. Holder the

amount of distributions and dividends paid to that U.S. Holder and the proceeds from the sale or other disposition of Subordinated Voting Shares, unless such U.S. Holder is an exempt recipient.

Backup withholding does not represent an additional tax. Any amounts withheld from a payment to a U.S. Holder under the backup withholding rules will generally be allowed as a credit against such U.S. Holder's U.S. federal income tax liability, and may entitle such U.S. Holder to a refund, provided the required information and returns are timely furnished by such U.S. Holder to the IRS.

Tax Considerations for Non-U.S. Holders

Definition of a Non-U.S. Holder

For purposes of this discussion, a "Non-U.S. Holder" is any beneficial owner of Subordinated Voting Shares and Warrants that is neither a "U.S. Holder" nor an entity treated as a partnership for U.S. federal income tax purposes.

Distributions

Distributions of cash or property on Subordinated Voting Shares (including any constructive distributions on Subordinated Voting Shares with respect to a Warrant) will constitute dividends for U.S. federal income tax purposes to the extent paid from the Company's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess thereof will first constitute a return of capital and be applied against and reduce a Non-U.S. Holder's adjusted tax basis in its Subordinated Voting Shares, but not below zero, and thereafter be treated as capital gain and will be treated as described below under "Sale or Other Taxable Disposition".

Subject to the discussions below under "Backup Withholding" and under FATCA (defined herein), any dividend paid to a Non-U.S. Holder of Subordinated Voting Shares that is not effectively connected with the Non-U.S. Holder's conduct of a trade or business within the U.S. will be subject to U.S. federal withholding tax at a rate of 30% or such lower rate as may be specified under an applicable income tax treaty. To receive a reduced treaty rate, a Non-U.S. Holder must provide its financial intermediary with an IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable (or an appropriate successor form), properly certifying such holder's eligibility for the reduced rate. If a Non-U.S. Holder holds Subordinated Voting Shares through a financial institution or other agent acting on the Non-U.S. Holder's behalf, the Non-U.S. Holder will be required to provide appropriate documentation to such agent, and the Non-U.S. Holder's agent will then be required to provide such (or a similar) certification to us, either directly or through other intermediaries. A Non-U.S. Holder that does not timely furnish the required certification, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their own tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Dividends paid to a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a trade or business in the U.S. (or, if required by an applicable income tax treaty, are attributable to a U.S. permanent establishment, or fixed base, of the Non-U.S. Holder) generally will be exempt from the withholding tax described above and instead will be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates in the same manner as if the Non-U.S. Holder were a U.S. person. In such case, the Company will not have to withhold U.S. federal tax so long as the Non-U.S. Holder timely complies with the applicable certification and disclosure requirements. To obtain this exemption from withholding tax, a Non-U.S. Holder must provide its financial intermediary with an IRS Form W-8ECI properly certifying its eligibility for such exemption. Any such effectively connected dividends received by a corporate Non-U.S. Holder may be subject to an additional ''branch profits tax'' at a rate of 30% (or such lower rate as may be specified by an applicable income tax treaty), as adjusted for certain items. Non-U.S. Holders should consult their own tax advisors regarding any applicable tax treaties that may provide for different rules.

Sale or Other Taxable Disposition

Subject to the discussions below under "Information Reporting and Backup Withholding" and under FATCA (defined herein), any gain realized on the sale or other disposition of Subordinated Voting Shares or Warrants by a Non-U.S. Holder generally will not be subject to U.S. federal income tax unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the U.S. (or, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment, or fixed base, of the Non-U.S. Holder);

- the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or

- the rules of the Foreign Investment in Real Property Tax Act of 1980 ("**FIRPTA**") apply to treat the gain as effectively connected with a U.S. trade or business.

A Non-U.S. Holder who has gain that is described in the first bullet point immediately above will be subject to U.S. federal income tax on the gain derived from the sale or other disposition pursuant to regular graduated U.S. federal income tax rates in the same manner as if it were a U.S. person. In addition, a corporate Non-U.S. Holder described in the first bullet point immediately above may be subject to the branch profits tax equal to 30% of its effectively connected earnings and profits (or at such lower rate as may be specified by an applicable income tax treaty), as adjusted for certain items.

A Non-U.S. Holder who meets the requirements described in the second bullet point immediately above will be subject to a flat 30% tax (or a lower tax rate specified by an applicable tax treaty) on the gain derived from the sale or other disposition, which gain may be offset by certain U.S. source capital losses (even though the individual is not considered a resident of the U.S.), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, pursuant to FIRPTA, in general, a Non-U.S. Holder is subject to U.S. federal income tax in the same manner as a U.S. Holder on any gain realized on the sale or other disposition of a "U.S. real property interest" ("**USRPI**"). For purposes of these rules, a USRPI generally includes stock in a U.S. corporation (like Subordinated Voting Shares) assuming the U.S. corporation's interests in U.S. real property constitute 50% or more, by value, of the sum of the U.S. corporation's (i) assets used in a trade or business, (ii) U.S. real property interests, and (iii) interests in real property outside of the U.S. A U.S. corporation whose interests in U.S. real property constitute 50% or more, by value, of the sum of such assets is commonly referred to as a U.S. real property holding corporation ("**USRPHC**"). The Company is not, and does not anticipate becoming, a USRPHC.

Exercise of a Warrant

The U.S. federal income tax treatment of a Non-U.S. Holder's exercise or lapse of a Warrant generally will correspond to the U.S. federal income tax treatment of the exercise or lapse of a warrant by a U.S. Holder, as described above under the section entitled "Taxation of U.S. Holders — Exercise or Lapse of a Warrant."

Information Reporting and Backup Withholding

With respect to distributions and dividends on Subordinated Voting Shares, the Company must report annually to the IRS and to each Non-U.S. Holder the amount of distributions and dividends paid to such Non-U.S. Holder and any tax withheld with respect to such distributions and dividends, regardless of whether withholding was required with respect thereto. Copies of the information returns reporting such dividends and distributions and withholding also may be made available to the tax authorities in the country in which the Non-U.S. Holder resides or is established under the provisions of an applicable income tax treaty, tax information exchange agreement or other arrangement. A Non-U.S. Holder will be subject to backup withholding for dividends and distributions paid to such Non-U.S. Holder unless either (i) such Non-U.S. Holder certifies under penalty of perjury that it is not a U.S. person (as defined in the U.S. Tax Code), which certification is generally satisfied by providing a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E, or IRS Form W-8ECI (or appropriate successor form), and the payor does not have actual knowledge or reason to know that such holder is a U.S. person, or (ii) such Non-U.S. Holder otherwise establishes an exemption.

With respect to sales or other dispositions of Subordinated Voting Shares or Warrants, information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale or other disposition of Subordinated Voting Shares or Warrants within the U.S. or conducted through certain U.S.-related financial intermediaries, unless either (i) such Non-U.S. Holder certifies under penalty of perjury that it is not a U.S. person (as defined in the U.S. Tax Code), which certification is generally satisfied by providing a properly executed IRS Form

W-8BEN, IRS Form W-8BEN-E, or IRS Form W-8ECI (or appropriate successor form), and the payor does not have actual knowledge or reason to know that such holder is a U.S. person, or (ii) such Non-U.S. Holder otherwise establishes an exemption.

Whether with respect to distributions and dividends, or the sale or other disposition of Subordinated Voting Shares or Warrants, backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, if any, provided the required information is timely furnished to the IRS.

FATCA

Sections 1471 through 1474 of the Code (commonly referred to as "FATCA") impose a separate reporting regime and a potential 30% withholding tax on certain payments, including payments of dividends on Subordinated Voting Shares. Withholding under FATCA generally applies to payments made to or through a foreign entity if such entity fails to satisfy certain disclosure and reporting rules. These rules generally require (i) in the case of a foreign financial institution, that the financial institution agree to identify and provide information in respect of financial accounts held (directly or indirectly) by U.S. persons and U.S.-owned entities, and, in certain instances, to withhold on payments to account holders that fail to provide the required information, and (ii) in the case of a non-financial foreign entity, that the entity either identify and provide information in respect of its substantial U.S. owners or certify that it has no such U.S. owners.

FATCA withholding also potentially applies to payments of gross proceeds from the sale or other disposition of Subordinated Voting Shares or Warrants. Proposed regulations, however, would eliminate FATCA withholding on such payments, and the U.S. Treasury Department has indicated that taxpayers may rely on this aspect of the proposed regulations until final regulations are issued.

Non-U.S. Holders typically will be required to furnish certifications (generally on the applicable IRS Form W-8) or other documentation to provide the information required by FATCA or to establish compliance with or an exemption from withholding under FATCA. FATCA withholding may apply where payments are made through a non-U.S. intermediary that is not FATCA compliant, even where the Non-U.S. Holder satisfies the holder's own FATCA obligations.

The United States and a number of other jurisdictions have entered into intergovernmental agreements to facilitate the implementation of FATCA. Any applicable intergovernmental agreement may alter one or more of the FATCA information reporting and withholding requirements. Non-U.S. Holders should consult their own tax advisor regarding the possible implications of FATCA on investments in Subordinated Voting Shares or Warrants, including the applicability of any intergovernmental agreements.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary, as of the date hereof, of certain material Canadian federal income tax considerations under the Tax Act generally applicable to a purchaser who acquires Offered Units pursuant to the Offering and who, for purposes of the Tax Act and at all relevant times, (i) holds the Unit Shares, Warrants, and any Warrant Shares received on the exercise of Warrants, as capital property, (ii) deals at arm's length with the Company and the Underwriters and (iii) is not affiliated with either the Company or the Underwriters. A purchaser who meets all of the foregoing requirements is referred to in this summary as a "**Holder**", and this summary only addresses such Holders. For purposes of this summary, references to Subordinated Voting Shares include Unit Shares and Warrant Shares unless otherwise indicated. Generally, the Subordinated Voting Shares and the Warrants will be considered to be capital property to a Holder unless they are held or acquired in the course of carrying on a business of trading in or dealing in securities or as part of an adventure or concern in the nature of trade.

This summary is based on the facts set out in this short form prospectus, the assumptions set out herein, the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) ("**Tax Proposals**") before the date of this short form prospectus, our understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof, and the current provisions of the *Canada – United States Tax Convention* (1980), as amended (the "**U.S. Treaty**"). No assurance can be made that the Tax Proposals will be enacted in the form proposed

or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law or administrative policy or assessing practice, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account other federal, provincial, state, local or foreign tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

The Company is a Canadian corporation for purposes of the Tax Act. As referenced under "*Certain United States Federal Income Tax Considerations*" and under "*Risk Factors – United States Tax Classification of the Company*", the Company is also classified as a U.S. domestic corporation for United States federal income tax purposes, with related consequences and potential consequences to the Company and its shareholders. Accordingly, all prospective purchasers, including Holders as defined above, should review the discussion under "*Certain United States Federal Income Tax Considerations*" and under "*Risk Factors – United States Tax Classification of the Company*", and consult with their own tax advisors in this regard before purchasing Offered Units. For purposes of the discussion of Canadian federal income tax considerations below, it has been assumed that the Company is and will be classified as a U.S. domestic corporation for United States federal income tax purposes at all relevant times. No legal opinion or tax ruling has been sought or obtained in this regard or with respect to any other assumptions made for purposes of this summary.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations concerning the tax or other consequences to any particular Holder or prospective Holder are made. The income and other tax consequences of acquiring, holding or disposing of Unit Shares, Warrants, or Warrant Shares will depend on the Holder's particular status and circumstances, including the country, province or territory in which the Holder resides or carries on business. This summary does not address the deductibility of interest on any funds borrowed by a Holder to purchase Offered Units. Prospective purchasers of Offered Units (including Holders as defined above) should consult their own tax advisors with respect to an investment in the Offered Units having regard to their particular circumstances.

Allocation of Cost

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 to determine the cost of each to the Holder for purposes of the Tax Act.

For its purposes, the Company intends to allocate $1.119 of the Offering Price of an Offered Unit as consideration for the issue of each Unit Share and $0.001 of the Offering Price of an Offered Unit for the issue of each one-half of one Warrant. Although the Company believes that its allocation is reasonable, it is not binding on the Canada Revenue Agency or the Holder, and no legal opinion or tax ruling has been sought or obtained with respect to the Company's allocation. The Holder's adjusted cost base of the Unit Share comprising a part of each Offered Unit will be determined by averaging the cost of the Unit Share with the adjusted cost base to the Holder of all other Subordinated Voting Shares (if any) 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 by the Holder 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 other Subordinated Voting Shares (if any) owned by the Holder as capital property immediately prior to such acquisition.

Holders Resident in Canada

This portion of the summary applies to a Holder (as defined above) who, for purposes of the Tax Act and at all relevant times, is or is deemed to be a resident of Canada (herein, a "**Resident Holder**"). Resident Holders whose Subordinated Voting Shares do not otherwise qualify as capital property may in certain circumstances make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Subordinated Voting Shares and every other "Canadian security" (as defined in 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 the Warrants.

Resident Holders should consult their own tax advisors with respect to whether the election is available and advisable in their particular circumstances.

This summary is not applicable to: (a) a Resident Holder that is a "financial institution", as defined in the Tax Act for purposes of the mark-to-market rules, (b) a Resident Holder an interest in which would be a "tax shelter investment" as defined in the Tax Act, (c) a Resident Holder that is a "specified financial institution" as defined in the Tax Act, (d) a Resident Holder that has made an election under section 261 of the Tax Act to report its Canadian tax results in a currency other than Canadian currency, (e) a Resident Holder that is a partnership, (f) a Resident Holder that is exempt from tax under Part I of the Tax Act, (g) a Resident Holder that has entered or will enter into a "derivative forward agreement" or "synthetic disposition arrangement" under the Tax Act with respect to the Subordinated Voting Shares or Warrants, or (h) a Resident Holder that is otherwise of special status or in special circumstances. This summary does not address the possible application of the "foreign affiliate dumping" rules that may be applicable to a Resident Holder that is a corporation resident in Canada (for the purposes of the Tax Act) and is, or becomes, or does not deal at arm's length with a corporation resident in Canada that is, or that 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 corporation, individual, trust or a group of any combination of non-resident individuals, trusts, and/or corporations who do not deal with each other at arm's length for purposes of the rules in section 212.3 of the Tax Act. All such Resident Holders should consult their own tax advisors with respect to the tax consequences of the Offering.

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 also discussed below under "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Dividends on Subordinated Voting Shares

In the case of a Resident Holder who is an individual, dividends received or deemed to be received on the Subordinated Voting Shares will be included in computing the Resident Holder's income and, except in the case of certain trusts, will be subject to the gross-up and dividend tax credit rules that apply to taxable dividends received from taxable Canadian corporations. Provided that appropriate designations are made by the Company, any such dividend may be treated as an "eligible dividend" for the purposes of the Tax Act and a Resident Holder who is an individual (other than certain trusts) will be entitled to an enhanced dividend tax credit in respect of such dividend. There may be limitations on the Company's ability to designate dividends and deemed dividends as eligible dividends, and the Company has made no commitments in this regard.

Dividends received or deemed to be received on the Subordinated Voting Shares by a Resident Holder that is a corporation will be required to be included in computing the corporation's income for the taxation year in which such dividends are received, but such dividends will generally be deductible in computing the corporation's taxable income, subject to all restrictions under the Tax Act. 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 a "subject corporation" (each as defined in the Tax Act) may be liable under Part IV of the Tax Act to pay a tax (refundable in certain circumstances) on dividends received or deemed to be received on the Subordinated Voting Shares to the extent that such dividends are deductible in computing the Resident Holder's taxable income for the taxation year.

Dividends received by a Resident Holder who is an individual (including certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the Tax Act. Resident Holders who are individuals should consult their own tax advisors in this regard.

As described under "*Certain United States Federal Income Tax Considerations*", a Resident Holder may be subject to United States withholding tax on dividends received on the Subordinated Voting Shares. A foreign tax credit under the Tax Act in respect of tax (including withholding tax) paid to a foreign country is, in general terms, limited to the Canadian tax otherwise payable in respect of income from sources in that foreign country, and is subject to the other requirements of the Tax Act. Dividends received on the Subordinated Voting Shares by a Resident Holder may not be

treated as income from a source in the United States for these purposes, such that a foreign tax credit under the Tax Act may not be available. Resident Holders should consult their own tax advisors regarding the availability of a foreign tax credit, or deduction, under the Tax Act in respect of any United States withholding tax applicable to dividends on the Subordinated Voting Shares in their particular circumstances. See also "*Certain United States Federal Income Tax Considerations*" and "*Risk Factors – United States Tax Classification of the Company*".

Dispositions of Subordinated Voting Shares and Warrants

Upon a disposition or deemed disposition of a Subordinated Voting Share (other than to the Company that is not a sale in the open market in the manner in which shares would normally be purchased by any member of the public in an open market) or Warrant (other than on an exercise of the Warrants), a capital gain (or loss) will generally be realized by a Resident Holder to the extent that the proceeds of disposition are greater (or less) than the aggregate of the adjusted cost base of such security to the Resident Holder immediately before the disposition and any reasonable costs of disposition. The adjusted cost base of a Subordinated Voting Share or Warrant to a Resident Holder will be determined in accordance with the Tax Act by averaging the cost to the Resident Holder of a Subordinated Voting Share or Warrant, as applicable, with the adjusted cost base of all other Subordinated Voting Shares or Warrants, as applicable, held by the Resident Holder as capital property. Such capital gain (or capital loss) will be subject to the treatment described below under "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

One-half of a capital gain (a "**taxable capital gain**") must be included in a Resident Holder's income. One-half of a capital loss (an "**allowable capital loss**") will generally be deductible by a Resident Holder against taxable capital gains realized in that year, and allowable capital losses in excess of taxable capital gains for the year may in general terms be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent year (against taxable capital gains realized in such years), to the extent and under the circumstances described in the Tax Act.

If the Resident Holder is a corporation, any such capital loss realized on the sale of a Subordinated Voting Share may in certain circumstances be reduced by the amount of any dividends, including deemed dividends, which have been received or deemed to have been received on such share. Analogous rules may apply to a partnership or certain trusts of which a corporation is a member, or where a partnership or trust, of which a corporation is a member or a beneficiary, is a member of a partnership or a beneficiary of a trust that owns Subordinated Voting Shares. Resident Holders to whom these rules apply should consult their own tax advisors.

Taxable capital gains realized by a Resident Holder who is an individual (including certain trusts) may give rise to alternative minimum tax depending on the Resident Holder's circumstances. Resident Holders should consult with their own tax advisors with respect to the minimum tax provisions. A "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a tax (refundable in certain circumstances) on certain investment income, including an amount in respect of a taxable capital gain arising from the disposition of Subordinated Voting Shares or Warrants.

As described under "*Certain United States Federal Income Tax Considerations*", the Subordinated Voting Shares will be treated as shares of a U.S. domestic corporation for relevant U.S. Tax Code purposes. If a Resident Holder is subject to United States tax on a gain realized in respect of a disposition of Subordinated Voting Shares or Warrants, such gain may not be treated as income from a source in the United States for purposes of the foreign tax credit under the Tax Act, and such foreign tax credit under the Tax Act may not be available. Generally, a foreign tax credit in respect of a tax paid to a particular foreign country is limited to the Canadian tax otherwise payable in respect of income sourced in that country. Gains realized on the disposition of a Subordinated Voting Share or Warrant by a Resident Holder may not be treated as income sourced in the United States for these purposes. Resident Holders should consult their own tax advisors with respect to the availability of a foreign tax credit, having regard to their own particular circumstances. See also "*Certain United States Federal Income Tax Considerations*" and "*Risk Factors – United States Tax Classification of the Company*".

Non-Resident Holders

This section of the summary applies to a Holder (as defined above) who, for the purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, is not, and is not deemed to be, resident in Canada, and does not use or hold, and is not deemed to use or hold, the Subordinated Voting Shares or Warrants in the course of carrying on a business in Canada (herein, a "**Non-Resident Holder**"). This section does not apply to a Non-Resident Holder that is (i) an insurer that carries on an insurance business in Canada and elsewhere, an (ii) an "authorized foreign bank" (as defined in the Tax Act) or (iii) a Non-Resident Holder that is otherwise of special status or in special circumstances. All Non-Resident Holders should consult their own tax advisors.

Dividends on Subordinated Voting Shares

Dividends paid or credited or deemed to be paid or credited to a Non-Resident Holder on the Subordinated Voting Shares, if any, will be subject to Canadian withholding tax. The Tax Act imposes withholding tax at a rate of 25% on the gross amount of the dividend, although such rate may be reduced by virtue of an applicable tax treaty. For example, under the U.S. Treaty, where dividends on the Subordinated Voting Shares are paid to a Non-Resident Holder that is the beneficial owner of the dividends and is a U.S. resident for the purposes of, and is entitled to all of the benefits of, the U.S. Treaty, the applicable rate of Canadian withholding tax is generally reduced to 15%. The Company will be required to withhold the applicable withholding tax from any dividend and remit it to the Canadian government for the Non-Resident Holder's account. Non-Resident Holders who may be eligible for a reduced rate of withholding tax on dividends pursuant to any applicable income tax convention should consult with their own tax advisors with respect to taking all appropriate steps in this regard. Non-Resident Holders should also review "*Certain United States Federal Income Tax Considerations*" and "*Risk Factors – United States Tax Classification of the Company*".

Dispositions of Subordinated Voting Shares and Warrants

A Non-Resident Holder who disposes of or is deemed to have disposed of a Subordinated Voting Share or Warrant will not be subject to income tax under the Tax Act unless the Subordinated Voting Share or Warrant is, or is deemed to be, "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country of residence of the Non-Resident Holder.

Generally, provided that the Subordinated Voting Shares are, at the time of disposition, listed on a "designated stock exchange" (which currently includes the CSE), the Subordinated Voting 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: (a) 25% or more of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to one or any combination of (i) the Non-Resident Holder, (ii) persons with whom the Non-Resident Holder did not deal at arm's length (for the purposes of the Tax Act), and (iii) partnerships in which the Non-Resident Holder or a person described in (ii) holds a membership interest directly or indirectly through one or more partnerships; and (b) more than 50% of the fair market value of such shares was derived, directly or indirectly, from one or any combination of: (i) real or immovable property situated in Canada, (ii) "Canadian resource property" (as defined in the Tax Act), (iii) "timber resource property" (as defined in the Tax Act) or (iv) options in respect of, or interests in any of, the foregoing property, whether or not such property exists. Notwithstanding the foregoing, the Subordinated Voting Shares or Warrants may also be deemed to be taxable Canadian property to a Non-Resident Holder under other provisions of the Tax Act. Non-Resident Holders for whom the Subordinated Voting Shares or Warrants are, or may be, taxable Canadian property should consult their own tax advisors.

In the event that a Subordinated Voting Share or Warrant constitutes taxable Canadian property of a Non-Resident Holder and any capital gain that would be realized on the disposition thereof is not exempt from tax under the Tax Act pursuant to an applicable income tax treaty or convention, the income tax consequences discussed above for Resident Holders under "*Dispositions of Subordinated Voting Shares and Warrants*" will generally apply to the Non-Resident Holder. In such circumstances, Non-Resident Holders may also be subject to Canadian tax compliance obligations. Non-Resident Holders should consult their own tax advisor in this regard.

RISK FACTORS

An investment in the securities of the Company is speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business operations.

Prospective purchasers should carefully consider all information contained in this Prospectus, including all documents incorporated by reference, and in particular should give special consideration to the risk factors under the section titled "Risk Factors" in the AIF, which may be accessed on the Company's SEDAR profile at www.sedar.com, and the information contained in the section entitled "Caution Regarding Forward-Looking Statements", before deciding to purchase Subordinated Voting Shares.

The risks and uncertainties described in this Prospectus or the documents incorporated by reference herein are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company's business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Subordinated Voting Shares could decline and purchasers could lose all or part of their investment. Additionally, purchasers should consider the following risk factors:

Ongoing Impact of COVID-19

The development and operation of the Company's business is dependent on labour inputs which could be adversely disrupted by the ongoing impact of COVID-19. The outbreak has resulted in governments implementing numerous measures to contain COVID-19, such as travel bans and restrictions, particularly quarantines, shelter-in-place or total lock-down orders and business limitations and shutdowns. These containment measures are subject to change and the respective government authorities may tighten the restrictions at any time. While it is difficult to predict the impact of the coronavirus outbreak on the Company's business, measures taken by the Canadian and United States governments and voluntary measures undertaken by the Company with a view to the safety of the Company's employees, may adversely impact the Company's business, for instance by impeding the labour required to produce, market and distribute the Company's products and disrupting the Company's critical supply chains. In addition, while cannabis retail has been declared an essential service in many provinces, sales volumes of cannabis may be adversely impacted by consumer "social distancing" behaviours. Shelter-in-place orders and social distancing practices designed to limit the spread of COVID-19 may affect the Company's business. The Company continues to dynamically monitor developments in order to adapt and respond in order to protect the health and safety of the Company's employees and the best interests of the Company.

Litigation

The Company may become subject to litigation from time to time in the ordinary course of business, some of which may adversely affect its business. Should any claims be determined against the Company, such a decision could adversely affect the Company's ability to continue operating, the value or market price for the Subordinated Voting Shares and could require the use of significant resources. Even if the Company is involved in litigation and is ultimately successful, litigation can require the redirection of significant resources. Litigation may also create a negative perception of the Company's brand.

Dilution

The number of Subordinated Voting Shares that the Company is authorized to issue is unlimited. The Company may, in its sole discretion, issue additional Subordinated Voting Shares and/or securities convertible into Subordinated Voting Shares from time to time subject to the rules of any applicable stock exchange on which the Subordinated Voting Shares are then listed and applicable securities law. The issuance of any additional Subordinated Voting Shares and/or securities convertible into Subordinated Voting Shares may have a dilutive effect on the interests of holders of the Subordinated Voting Shares or share purchase warrants. To the extent that any of the net proceeds of the Offering remain un-invested pending their use, or are used to pay down existing indebtedness, the Offering may result in

substantial dilution on a per Subordinated Voting Share basis to the Company's net income and certain other financial measures used by the Company.

Limited Number of Customers

The Company derives a significant portion of its revenue from one primary customer, HWC. HWC represented approximately 77% of the Company's revenues, and 87% of the Company's accounts receivable as at September 30, 2020. As such, the Company is dependent on such contracts with HWC for a significant portion of its revenue base. The loss of this primary customer and failure by the Company to diversify its customer base could have a significant adverse effect on the Company's future earnings. If HWC ceases doing business with the Company or for other reasons significantly reduce the scope of its contracts with the Company, the Company's business, financial condition and performance could suffer.

Electronic copies of the management services agreement dated July 1, 2018 between New Gen Agricultural and HWC, and the management services agreement dated July 1, 2018 between Step 1 and HWC, are available on the Company's SEDAR profile at www.sedar.com. The material terms of the management services agreements are summarized herein under "Description of the Business – Arizona Operations – Herbal Wellness Center".

The Company intends to diversify and increase sales. However, there can be no assurance that the Company's efforts to do so will be successful or that it will be able to satisfy such sales on a timely and cost-effective basis.

Return on Investment is Not Guaranteed

There can be no assurance regarding the amount of income to be generated by the Company. Subordinated Voting Shares (including those partly comprising the Offered Units and those issuable pursuant to the Warrants) are equity securities of the Company and are not fixed income securities. Unlike fixed income securities, there is no obligation of the Company to distribute to shareholders a fixed amount or any amount at all, or to return the initial purchase price of the Offered Units on any date in the future. The market value of the Subordinated Voting Shares may deteriorate if the Company is unable to generate sufficient positive returns, and that deterioration may be significant.

Volatility of Share Price

The market price for Subordinated Voting Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following: (i) actual or anticipated fluctuations in the Company's quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Company's executive officers and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on outstanding Subordinated Voting Shares; (vi) sales or perceived sales of additional Subordinated Voting Shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public issuers in the cannabis sector and that have, in some cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of Subordinated Voting 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. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to satisfy such criteria may result in limited or no investment in the Offered Units by those institutions, which could materially adversely affect the trading price of the Subordinated Voting Shares. 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 for a protracted period of time, the Company's operations and the trading price of the Subordinated Voting Shares may be materially adversely affected.

Market Discount

The price of the Subordinated Voting Shares, and accordingly the price and value of the Warrants, will fluctuate with market conditions and other factors. If a holder of Offered Units sells its Subordinated Voting Shares or Warrants, the price received may be more or less than the original investment. The Subordinated Voting Shares may trade at a discount from their book value, and the Warrants may trade at a discount from their intrinsic value. The Subordinated Voting Shares and Warrants may trade at a price that is less than the price paid in the Offering.

Discretion in the Use of Net Proceeds

The Company intends to use the net proceeds from this Offering and the 2021 Concurrent Private Placement as set forth under "Use of Proceeds"; however, the Company maintains broad discretion to use the net proceeds from this Offering and the 2021 Concurrent Private Placement in ways that it deems most efficient. The failure to apply the net proceeds as set forth under "Use of Proceeds" and other financings could adversely affect the Company's business and, consequently, could adversely affect the price of the underlying Subordinated Voting Shares on the open market.

Listing of the Warrants for trading

The Company will apply to list the Warrants on the CSE. However, there is currently no public market for the Warrants. There can be no assurance that a secondary market for the Warrants will develop or be sustained after the closing of the Offering. Even if a market develops for the Warrants, there can be no assurance that it will be liquid and that the price of the Warrants will be the same as the price allocated for the Warrants partially comprising the Units. If an active market for the Warrants does not develop, the liquidity of an investor's investment in the Warrants may be limited and the price may decline below the portion of the Offering Price allocated to the Warrants.

Warrants are speculative in nature and may not have any value

The Warrants do not confer any rights of Subordinated Voting Share ownership on their holders, such as voting rights or the right to receive dividends, but rather merely represent the right to acquire Subordinated Voting Shares at a fixed price for a limited period of time. Specifically, commencing on the date of issuance, holders of the Warrants may exercise their right to acquire Subordinated Voting Shares and pay an exercise price of $1.40 per Subordinated Voting Share, subject to certain adjustments, prior to the date that is 36 months following the Closing Date, subject to the Accelerated Exercise Period, after which date any unexercised Warrants will expire and have no further value. Moreover, following completion of the Offering, the market value of the Warrants, if any, is uncertain and there can be no assurance that the market value of the Warrants will equal or exceed their imputed offering price. There can be no assurance that the market price of the Subordinated Voting Shares will ever equal or exceed the exercise price of the Warrants, and consequently, whether it will ever be profitable for holders of the Warrants to exercise the Warrants.

Forward-Looking Information May Prove to be Inaccurate

Investors should not place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties can be found in this Prospectus under the heading "Caution Regarding Forward-Looking Statements".

There is uncertainty of existing protection from U.S. federal prosecution

Congress adopted a so-called "rider" provision to the fiscal years 2015, 2016, 2017, and 2018, 2019 and 2020 Consolidated Appropriations Acts (currently referred to as the "**Rohrabacher/Blumenauer Amendment**") to prevent the federal government from using congressionally appropriated funds to enforce federal cannabis laws against regulated medical cannabis actors operating in compliance with state and local law. The Rohrabacher/Blumenauer Amendment was included in the consolidated appropriations bill signed into legislation by President Trump in December 2019 and remained in effect until September 30, 2020. Prior to the expiration of the Rohrabacher/Blumenauer Amendment, the U.S. House of Representatives passed the Blumenauer-McClintock-Norton-Lee Amendment on July 30, 2020 ("**BMNL Amendment**"), which restricts the United States Department of

Justice from investigating or prosecuting conduct and commerce related to both state medical marijuana and adult-use marijuana programs. In late-2020, the BMNL Amendment was renewed through a series of stopgap spending bills on October, 1, December 11, December 18, December 20 and December 22, 2020. On December 27, 2020, the BMNL Amendment was renewed through the signing of the FY 2021 omnibus spending bill, effective through September 30, 2021. While the U.S. House of Representatives passed the BMNL Amendment, there can be no certainty that Congressional support for the BMNL Amendment will continue after the September 30, 2021 expiration. If the BMNL Amendment or an equivalent thereof is not successfully amended to the next or any subsequent federal omnibus spending bill, the protection afforded thereby to U.S. legal cannabis businesses under state-authorized programs will lapse, and such businesses would be more at risk to prosecution under federal law. There is a possibility that all amendments may be banned from federal omnibus spending bills, and if this occurs and the substantive provisions of the BMNL Amendment are not included in the base federal omnibus spending bill or other law, these protections would lapse. The Company regularly monitors the regulatory activities of Congress.

United States Tax Classification of the Company

Although the Company is a Canadian corporation, the Company is classified as a U.S. domestic corporation for United States federal income tax purposes under Section 7874(b) of the U.S. Tax Code and will be subject to United States federal income tax on its worldwide income. However, for Canadian tax purposes, regardless of any application of Section 7874 of the U.S. Tax Code, the Company is treated as a Canadian resident corporation. As a result, the Company is subject to taxation both in Canada and the United States which could have a material adverse effect on its financial condition and results of operations.

It is unlikely that the Company will pay any dividends on the Subordinated Voting Shares in the foreseeable future. However, dividends received by shareholders who are residents of Canada for purposes of the Tax Act will generally be subject to U.S. withholding tax at a 30% rate or such lower rate as provided in an applicable treaty. In addition, a Canadian foreign tax credit or deduction may not be available under the Tax Act in respect of such taxes.

Dividends received by U.S. resident shareholders will not be subject to U.S. withholding tax but will be subject to Canadian withholding tax under the Tax Act. Dividends paid by the Company will be characterized as U.S. source income for purposes of the foreign tax credit rules under the U.S. Tax Code. Accordingly, U.S. shareholders generally will not be able to claim a credit for any Canadian tax withheld unless, depending on the circumstances, they have an excess foreign tax credit limitation due to other foreign source income that is subject to a low or zero rate of foreign tax.

Dividends received by shareholders that are neither Canadian nor U.S. residents will generally be subject to U.S. withholding tax and will also be subject to Canadian withholding tax. These dividends may not qualify for a reduced rate of U.S. withholding tax under any income tax treaty otherwise applicable to a shareholder of the Company, subject to examination of the relevant treaty.

Since the Company is classified as a U.S. domestic corporation for United States federal income tax purposes under Section 7874(b) of the U.S. Tax Code, the Subordinated Voting Shares will be treated as shares of a U.S. domestic corporation and shareholders will be subject to the relevant provisions of the U.S. Tax Code and/or the U.S. Treaty.

EACH SHAREHOLDER SHOULD SEEK TAX ADVICE, BASED ON SUCH SHAREHOLDER'S PARTICULAR FACTS AND CIRCUMSTANCES, FROM AN INDEPENDENT TAX ADVISOR, INCLUDING, WITHOUT LIMITATION, IN CONNECTION WITH THE COMPANY'S CLASSIFICATION AS A U.S. DOMESTIC CORPORATION FOR UNITED STATES FEDERAL INCOME TAX PURPOSES UNDER SECTION 7874(b) OF THE U.S. TAX CODE, THE APPLICATION OF THE U.S. TAX CODE, THE APPLICATION OF THE U.S. TREATY, THE APPLICATION OF U.S. FEDERAL ESTATE AND GIFT TAXES, THE APPLICATION OF U.S. FEDERAL TAX WITHHOLDING REQUIREMENTS, THE APPLICATION OF U.S. ESTIMATED TAX PAYMENT REQUIREMENTS AND THE APPLICATION OF U.S. TAX RETURN FILING REQUIREMENTS.

The Company may incur significant tax liabilities under Section 280E of the U.S. Tax Code

Section 280E of the U.S. Tax Code prohibits businesses from deducting otherwise ordinary business expenses from gross income if such income is associated with the trafficking of a Schedule I or II substance. The IRS applied Section 280E to state legal cannabis businesses. In addition, in a July 2015 opinion, the U.S. Court of Appeals for the Ninth

Circuit ruled that a marijuana dispensary was precluded from taking business expenses deductions under the U.S. Tax Code because its activities constitute a "trade or business … consist[ing] of trafficking in controlled substances … prohibited by Federal law." In light of Section 280E and this federal court opinion, even though certain marijuana-related activities may be legal under state law, individuals or businesses that engage in such activities may encounter limitations under the U.S. Tax Code. The Company may likely be required to pay far higher effective federal tax rates than similar companies in non-cannabis industries. Although the IRS issued a clarification allowing the deduction of certain expenses, the scope of such items is interpreted very narrowly, and the bulk of operating costs and general administrative costs are not permissible deductions. While there are currently several pending cases before various administrative and federal courts challenging these restrictions, there is no guarantee that these courts will issue an interpretation of Section 280E favorable to cannabis businesses.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is Harbourside CPA, LLP (formerly, Buckley Dodds LLP Chartered Professional Accountants) ("**Harbourside**"), located at Suite 1140 – 1185 West Georgia Street, Vancouver, BC V6E 4E6. Harbourside has advised that they are independent in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The transfer agent and registrar for the Company's Subordinated Voting Shares is Odyssey Trust Company, located at 409 Granville Street, Vancouver, BC V6C 1T2.

LEGAL MATTERS

Certain Canadian legal matters in connection with this Offering will be passed upon by McMillan LLP, on behalf of the Company and by Cassels Brock & Blackwell LLP, on behalf of the Underwriters. Certain U.S. matters in connection with this Offering will be passed upon by McMillan LLP, with respect to certain U.S. securities matters, and by Bianchi & Brandt, with respect to certain U.S. federal income tax matters, on behalf of the Company. As at the date hereof, the partners and associates of McMillan LLP, as a group, the partners and associates of Cassels Brock & Blackwell LLP, as a group, and the partners and associates of Bianchi & Brandt, as a group, each beneficially own, directly or indirectly, less than one percent of the outstanding Subordinated Voting Shares of the Company.

PROMOTER

Other than disclosed below, no person or company has been, within the two most recently completed financial years or during the current financial year, a promoter of the Company or of a subsidiary of the Company.

Jason T. Nguyen may be considered a promoter of the Company within the meaning of applicable securities laws. Mr. Nguyen indirectly owns 1,425,300 Subordinated Voting Shares and 100,000 Options to purchaser 100,000 Subordinated Voting Shares. In addition, Mr. Nguyen indirectly owns 605,747 Super Voting Shares which are convertible into 60,574,700 Subordinated Voting Shares of the Company. These securities are held by EFG Consultants, LLC, a company wholly owned and controlled by Mr. Nguyen. Mr. Nguyen receives compensation from the Company for his services as the Executive Chairman and Director of the Company pursuant to the terms of an employment agreement with the Company dated as of July 1, 2018.

INTERESTS OF EXPERTS

The following are persons or companies whose profession or business gives authority to a statement made in this Prospectus as having prepared or certified a part of that document or report described in the Prospectus:

- McMillan LLP is the Company's counsel with respect to Canadian legal matters and U.S. securities legal matters herein;
- Bianchi & Brandt is the Company's counsel with respect to U.S. federal income tax matters herein;
- Cassels Brock & Blackwell LLP is the Underwriters' counsel with respect to Canadian legal matters herein; and

- Harbourside CPA, LLP is the external auditor of the Company and reported on the Company's audited financial statements for the years ended December 31, 2019 and 2018 and filed on SEDAR.

To the knowledge of management, as of the date hereof, no expert, nor any associate or affiliate of such person has any beneficial interest, direct or indirect, in the securities or property of the Company or of an associate or affiliate of any of them, and no such person is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of an associate or affiliate thereof.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment thereto. In several of the provinces, 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 Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, under the securities legislation of certain provinces, to the price at which the Warrants are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon exercise of the Warrants, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor.

CERTIFICATE OF VEXT SCIENCE, INC.

Dated: January 19, 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 of all the provinces of Canada, except Québec.

(signed) *"Eric Offenberger"*
Chief Executive Officer

(signed) *"Denise Lok"*
Chief Financial Officer

On Behalf of the Board of Directors

(signed) *"Jason T. Nguyen"*
Director

(signed) *"David Eaton"*
Director

CERTIFICATE OF PROMOTER

Dated: January 19, 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 of all the provinces of Canada, except Québec.

(signed) *"Jason T. Nguyen"*
Promoter

CERTIFICATE OF THE UNDERWRITERS

Dated: January 19, 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 all the provinces of Canada, except Québec.

BEACON SECURITIES LIMITED

By: (signed) *"Mario Maruzzo"*
Managing Director, Investment Banking

CANACCORD GENUITY CORP.

By: (signed) *"Steve Winokur"*
Managing Director, Investment Banking

EIGHT CAPITAL

By: (signed) *"Elizabeth Staltari"*
Managing Director, Investment Banking