

VEXT Science, Inc.

Bought Deal Public Offering of Units

Upsized Term Sheet

January 13, 2021

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in the Provinces of Canada (other than Quebec). A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

- Issuer:** VEXT Science, Inc. (the “**Company**”).
- Offering:** 16,100,000 units (the “**Units**”) of the Company (the “**Offering**”).
- Offering Price:** \$1.12 per Unit (the “**Issue Price**”).
- Units:** Each Unit will consist of one common share of the Company (a “**Unit Share**”) and one-half (0.5) of one common share purchase warrant (each whole warrant, a “**Warrant**”) of the Company. Each Warrant will entitle the holder thereof to acquire one common share (a “**Warrant Share**”) of the Company at a price of \$1.40 for a period of 36 months from the Closing Date (as defined below). The Warrants may be accelerated by the Company, at its sole option, at any time in the event that the volume-weighted average trading price of the Common Shares on the Canadian Securities Exchange is greater than or equal to \$2.50 for a period of 20 consecutive trading days, by giving notice to the holders thereof and, in such case, the Warrants will expire at 4:00 pm (Toronto time) on the earlier of: (i) the 30th day after the date on which such notice is given by the Company in accordance with the terms of the Warrants, and (ii) the actual expiry date of the Warrants.
- Gross Proceeds:** \$18,032,000.
- Over-Allotment Option:** The Company has granted the Underwriters (as defined below) an option, exercisable, in whole or in part, by Beacon (as defined below), on behalf of the Underwriters, at any time and from time to time up to 30 days following the Closing Date, to purchase up to an additional number of Units equal to 15% of the Units sold pursuant to the Offering at the Issue Price to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option shall be exercisable to acquire Units, Unit Shares and/or Warrants at the discretion of the Underwriters.
- Form of Offering:** Bought deal short form prospectus offering in the Provinces of Canada (other than Quebec) and by private placement to eligible purchasers resident in jurisdictions other than Canada that are mutually agreed to by the Company and Beacon, each acting reasonably, provided that no prospectus filing or comparable obligation arises and the Company does not thereafter become subject to continuous disclosure obligations in such jurisdictions.
- The Units may also be offered and sold in the United States only to a limited number of Qualified Institutional Buyers (as defined in Rule 144A under the United States Securities Act of 1933, as amended (the “**1933 Act**”) and to a limited number of “accredited investors” (as defined in Rule 501(a) of Regulation D under the 1933 Act, in each case by way of private placement pursuant to an exemption from the registration requirements of the 1933 Act and pursuant to any applicable securities laws of any state of the United States. Any Units offered and sold in the United States shall be issued as “restricted securities” (as defined in Rule 144(a)(3) under the 1933 Act).

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- Use of Proceeds:** The net proceeds from the Offering will be used for working capital and general corporate purposes.
- Eligibility:** The Units will be eligible for investment under certain statutes as well as for RRSPs, RRIFs, RESPs, DPSPs and TFSAs.
- Listing:** The Company shall obtain the necessary approvals to list the Unit Shares, Warrants, Warrant Shares and common shares underlying the Compensation Options (as defined below) under the Company's trading symbol "VEXT" on the Canadian Securities Exchange, which listing shall be conditionally approved prior to the Closing Date.
- Underwriters' Compensation:** 7% cash fee (reduced to 3.5% on up to \$2,000,000 in president's list orders); and 7% compensation options (reduced to 3.5% on up to \$2,000,000 in president's list orders) exercisable into common shares at the Issue Price for 36 months following the Closing Date (the "**Compensation Options**").
- Lead Underwriter:** Beacon Securities Limited ("**Beacon**"), on its own behalf and on behalf of a syndicate of underwriters (collectively, the "**Underwriters**").
- Closing Date:** On or about February 3, 2021 or such other date as mutually agreed to between Beacon and the Company, each acting reasonably.