

OFFERING MEMORANDUM

Form 45-106F2 – Offering Memorandum for Non-Qualifying Issuers

MEDXtractor

May 31, 2019

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See Item 15.

OFFERING MEMORANDUM

MEDTRACTOR CORP.

Date: May 31, 2019

The Issuer: Medtractor Corp. (the "**Corporation**")

Head Office Address: 3632 – 13 Street SW
Calgary, Alberta T2T 3R1
Attention: Mr. James M. Durward,
President, Chief Executive Officer, Corporate Secretary and Director
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Currently Listed or Quoted: No. **These securities do not trade on any exchange or market.**

Reporting Issuer: No.

SEDAR Filer: No, except to the extent such filings are required by private entities.

THE OFFERING

Securities Offered:	The Securities offered under this Offering Memorandum are special warrants (the " Special Warrants "). The Corporation is offering for sale to the public, up to 9,375,000 Special Warrants. Each Special Warrant shall automatically convert into units of the Corporation (" Units ") and will be deemed to have been exercised without any further action on the part of the investor on the earliest of: (i) the first business day following the date on which a receipt for a final prospectus has been issued to the Corporation by the securities regulatory authorities in a Province of Canada; or (ii) the 12 th month following the date of issuance of the Special Warrants. On conversion, each Unit shall consist of one common share of the Corporation (" Common Share ") and one common share purchase warrant. Each whole purchase warrant (" Warrant ") is exercisable into one Common Share upon payment to the Corporation of \$0.20 on or before the date that is 12 months from the conversion date of the Special Warrants. See item 5.
Price per Security:	\$0.08 per Special Warrant
Currency:	All references to dollar amounts in this Offering Memorandum shall be references to Canadian dollars unless stated otherwise.
Minimum Offering:	This Offering is not subject to any minimum offering amount. You may be the only purchaser.
Maximum Offering:	\$750,000 (Cdn.)
Minimum Subscription Amount:	No minimum subscription amount.
Payment Terms:	By certified cheque, money order or bank draft payable to " Medtractor Corp. " at 3632 – 13 Street SW, Calgary, Alberta T2T 3R1, with a Subscription Agreement, Risk Acknowledgement Form(s) and, if applicable, delivered at Closing.

Proposed Closing Date:	One or more dates prior to June 30, 2019, or such earlier or later date as may be approved by the Corporation in its sole discretion.
Income Tax Consequences:	There are important tax consequences to these securities. See item 6. These securities are RRSP Eligible, subject to certain qualification criteria. See item 6.
Selling Agent and Commission:	Yes. The Corporation reserves the right to pay commission of up to 10% to those eligible parties who assist with the Offering. See Item 7.
Resale Restrictions:	You will be restricted from selling your securities for an indefinite period. See Item 17.
Purchaser's Rights:	You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel this agreement. See Item 11.

The information contained in this Offering Memorandum is intended only for the persons to whom it is transmitted for the purposes of evaluating the securities offered hereby. Prospective Subscribers should only rely on the information in this Offering Memorandum. No persons are authorized to give any information or make any representation in respect of the Corporation or the securities offered herein and any such information or representation must not be relied upon.

This Offering is a private placement and is not, and under no circumstances is to be construed as, a public offering of the securities described herein. The securities are being offered in reliance upon exemptions from the registration and prospectus requirements set forth in applicable securities legislation. See "Exemptions From Prospectus Requirements".

The securities offered hereby have not been and will not be registered under the U.S. *Securities Act* of 1933, as amended (the "U.S. Securities Act") or any state securities laws. Accordingly, except as set forth in this Offering Memorandum, the securities may not be offered or sold in the United States or to U.S. persons, as defined in Regulation S under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This Offering Memorandum 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. See "Plan of Distribution".

THIS IS A SPECULATIVE OFFERING. An investment in the securities must be regarded as highly speculative due to the nature of the Corporation's business and its relatively early stage of development. Subscribers must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Corporation. The securities are suitable only for Subscribers who are able to accept the risk inherent in the Corporation's business. In addition, there are a number of other risk factors that should be considered by persons proposing to make an investment in the securities. **Subscribers should consult their own professional advisors to assess the income tax, legal and other aspects of the investment.** See "Risk Factors".

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FORWARD LOOKING STATEMENTS

Certain information contained in this Offering Memorandum may be forward-looking statements or forward-looking information (referred to as “forward-looking statements”). Forward-looking statements are often, but not always, identified by the use of words such as “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. Examples of such forward-looking statements in this Offering Memorandum include, but are not limited to, financial and business prospects and financial outlooks. The forward-looking statements are based on certain assumptions, which include, amongst other things, whether the Corporation has sufficient capital to effect its objectives, whether the objectives will produce the results intended by the Corporation, and whether the markets will react and perform in a manner consistent with the business objectives. Although the Corporation believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and that information received from third parties is reliable, it can give no assurance that those expectations will prove to have been correct.

Forward-looking statements are subject to certain risks and uncertainties that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. These factors include, but are not limited to, changes in general economic and market conditions and other risk factors. Accordingly, readers should not place undue reliance upon the forward-looking statements contained in this Offering Memorandum and such forward-looking statements should not be interpreted or regarded as guarantees of future outcomes. Any forward-looking statements contained in this Offering Memorandum are expressly qualified, in their entirety, by this cautionary statement.

Any forward-looking statements contained in this Offering Memorandum are made as of the date hereof and the Corporation does not undertake to update or revise them, except as may be required by applicable securities law.

INCORPORATION BY REFERENCE OF CERTAIN MARKETING MATERIALS

Certain written marketing materials delivered or made available to prospective purchasers in relation to the distribution of Shares under this Offering Memorandum are incorporated by reference into this Offering Memorandum and are considered to form part of this Offering Memorandum just as if they were printed as part of it. In particular, in Alberta, Saskatchewan, Ontario, Quebec, New Brunswick and Nova Scotia all OM marketing materials (as defined below) related to a distribution under this Offering Memorandum that are delivered or made reasonably available to prospective purchaser before the termination of the distribution are hereby incorporated by reference into this Offering Memorandum. For these purposes, “**OM marketing materials**” means a written communication, other than an OM standard term sheet (as defined below), intended for prospective purchasers regarding a distribution of securities under an Offering Memorandum delivered under section 2.9 of National Instrument 45-106 *Prospectus Exemptions* (“**NI 45-106**”) that contains material facts relating to the Shares. An “**OM standard term sheet**” means a written communication intended for prospective purchasers regarding a distribution of Shares under this Offering Memorandum delivered under section 2.9 of NI 45-106 that contains only certain prescribed information set out in NI 45-106.

ITEM 1 - USE OF AVAILABLE FUNDS

1.1 *Net Proceeds and Available Funds*

The following table discloses the net the funds that will be available as a result of the Offering:

		Assuming Maximum Offering
A	Amount to be raised by this Offering	\$750,000
B	Selling commissions and fees	\$75,000
C	Estimated Offering costs (e.g. legal, accounting, audit)	\$30,000
D	Net proceeds: $D = A - (B+C)$	\$645,000
E	Current working capital of the Corporation as at May 31, 2019	\$200,000
F	Available funds: $F = D + E$	\$845,000

1.2 *Use of Available Funds*

The following table provides a detailed breakdown of how the Corporation will use the funds available as a result of the Offering:

Description of intended use of available funds listed in order of priority	Assuming Maximum Offering
Marketing and Advertising	\$230,000
Anticipated Prospectus Related Expenses	\$60,000
Inventory	\$70,000
Unallocated working capital	\$455,000
Expenses of the offering	\$30,000
TOTAL:	\$845,000

1.3 *Reallocation*

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons. Due to the nature of the new cannabis industry, budgets are regularly reviewed and modified as a result of the success of expenditures incurred and other opportunities that may become available to the Corporation. Accordingly, while the Corporation currently intends to spend the funds available to it as stated in this Offering Memorandum, there may be circumstances where, for sound business reasons, reallocation of funds may be necessary.

ITEM 2 – BUSINESS OF MEDTRACTOR CORP.

2.1 *The Structure*

Medtractor Corp. was incorporated under the laws of the *Business Corporations Act* (Alberta) on January 24, 2018 under the name "Medtractor Corp.". The head and records office of the Corporation is located at 3632 – 13 Street SW, Calgary, Alberta T2T 3R1. The Corporation's Articles of Incorporation were amended on March 15, 2018 to remove certain private issuer restrictions in order to allow the Corporation to invite the public to purchase Common Shares of the Corporation. The Corporation has no subsidiaries.

2.2 *Our Business*

The Corporation is a Calgary-based company that manufactures patented, proprietary small-scale carbon dioxide-based extractors ("**CO2 Extractors**") that are used to extract essential oils and compounds from a variously of botanical materials and that specifically target the "craft" cannabis grower. Craft growers are those whose crop is up to 800 indoor-sized plants per crop cycle. In management's opinion, CO2 Extractors represent the state-of-the-art for high-potency, high-purity oils, one of the fastest growing segments of the overall cannabis market. Cannabis oils can be extracted from flowers (bud), trim (leaves) and/or post-pressed rosin "chips" (leftovers from hydraulic press extraction). The ongoing worldwide legalization of cannabis is underpinning the rapidly growing demand for cannabis products with major growth seen in oils due to their utility as feedstock for various ingestion methods.

2.3 Development of the Business

Pursuant to the terms of the Asset Purchase Agreement dated February 22, 2018, the Corporation acquired certain technology and know-how for the CO2 Extractors, including U.S. and Canadian patent applications. The U.S. patent has been granted and the Canadian application is pending. The Corporation issued 5,000,000 Common Shares to a related party in connection with the acquisition. The Corporation currently manufactures CO2 Extractors of 2oz, 5oz and 16oz capacities.

Management of the Corporation believes that demand for its Extractors will initially be from individual authorized growers of cannabis for medical purposes under the current ACMPR.

Why is the cannabis oil market growing so fast?

- Purity Oils contain far less non-cannabinoid material;
- Potency Oils present far higher ratios of the active cannabinoids which allows for significant dilution that results in a higher return than for non-extracted products;
- Value-add High-quality oil can be made from low-value feedstock; and
- Flexibility Oils can be easily used as feedstock for fast-growing types of ingestion methods, including vape cartridges, transdermal patches, nasal sprays, tinctures and edibles.

Why target the craft grower?

- a) based on Internet research, management believes there are far more craft growers than there are large commercial growers;
- b) to our knowledge, we offer the only CO2 Extractors economically affordable to craft growers. We use patented pumpless technology that allows us to keep prices far below what the pump-based extractors sell for;
- c) in response to the threat of large corporate cannabis growers and consumer demand for small-batch quality, craft growers are now seeking to create and brand very-high-quality "appellations", both flower (bud) and oils (think small vineyards/craft beer); and
- d) until the introduction of our small-scale CO2 Extractors, craft growers generally could not afford CO2 Extractors. This has resulted in craft growers selling highly-discounted excess cannabis to extraction companies who turned around and converted it into oils, making significant profits in the process; a situation that does not sit well with the craft grower.

The Corporation will focus on providing craft-sized CO2 Extractors to craft growers worldwide.

Where we are now:

- 1) The Corporation has raised approximately \$366,000 of seed capital.
- 2) Marketing/Sales Plan created and tested.
- 3) Website and e-commerce platform built and tested.
- 4) Supply chain logistics organized and substantial inventory built.
- 5) Obtained certification for our Disruptor 16 (our largest extractor) in certain US "cannabis legal" States.
- 6) More than three dozen extractors sold since July 2018, with limited marketing and advertising. Despite a 21-day "no questions asked" return policy, there have been no returns.

Competition

Why are there so few competitors in the craft grower market?

There are many competitors, just not carbon dioxide-based. Until now, CO2 Extractors were simply too expensive. Small growers are producing oils, but they are mainly using hydrocarbon-based solvents to do it and therein, we believe, lays the opportunity.

Extraction Solvent Analysis

Background

CO2 extraction has been around for decades and is used extensively in a variety of industries (coffee decaffeination being one). There are a number of large CO2 Extractor manufacturers, many of them being Chinese, and more recently American and Canadian. The mechanical-pump-based process used today is essentially the same as the process of 40 years ago and this is why the existing "crop" of pump-based CO2-based extractors all function in essentially the same way. The original systems were developed to be able to cause pressurized CO2 (often in supercritical phase) to infiltrate cellular structures, dissolve certain compounds and to then carry those compounds to a decompression chamber where the CO2 undergoes a loss of density causing precipitation of the compounds from solution. The compound-free low-density gaseous CO2 is then cooled to liquid phase and repeatedly mechanically-pumped through the raw material, in what is referred to as "closed-loop" operation. This continues until the raw material is deemed depleted, by the operator, of the target compounds.

The issue is that desirable cannabinoids reside on the surface of the plant.

Cannabinoids are not found deep inside cellular structures; rather they reside on the surface of the cannabis plant - mostly in stalk-like structures called trichomes as seen in the following picture:



Trichomes are delicate and relatively easy to disrupt, allowing the resident cannabinoids to be moved without the high pressures and temperatures required to extract other types of cell-bound compounds. This means that mechanical-pump-based CO2 systems may not be technically required for CO2-based cannabinoid extraction.

So why not just use water to flush the trichomes/cannabinoids?

Actually, you can, but the resulting extract will contain many undesirable non-cannabinoid compounds and, depending on the application, may require a lot of post-extraction processing. The reason for this is that water is a "polar" solvent (other examples of polar solvents are ethanol and isopropyl alcohol) and will dissolve many undesirable non-cannabinoid polar compounds. On the other hand, CO2 is a "non-polar" solvent meaning it is biased toward dissolving "non-polar" compounds - think of trying to mix oil and water - they won't mix because water is polar and oil is non-polar. Cannabinoids are non-polar compounds meaning the CO2 will dissolve them while not dissolving the undesirable "polar" compounds such as green chlorophyll. This allows CO2-extracted cannabinoids to retain the original smell and the sought-after amber colour as opposed to polar-compound-extracted extracts that will exhibit a dark green black colour along with poor smell/taste. Furthermore, when the extracted compound(s) separate from the CO2, the CO2 leaves no residual solvent in the compounds - a valuable property that cannot be claimed by other solvent types and a property that is in high demand in today's health-conscious world.

Who are our competitors?

Due to capacity and price differentials, we believe we do not compete directly with the large CO2 Extractor manufacturers. They target larger commercial growers and we target small craft growers. In our opinion, these are totally different markets. Our extractors max out at 1lb capacity and our highest price is ~US\$7,995, while the larger extractors generally begin at ~5lb capacity and >US\$50,000 (and go up to >100lbs and over \$1mm). The vast price differential is largely due to the equipment and infrastructure required to manage heat related to CO2 flow volume.

We believe that our sole direct CO2-based competitor is OCOLABS, a US-based company that builds and sells the "Super C", a 1oz (yes, only 1 ounce) capacity extractor that starts at US\$4,000. Their extractor does not recapture/recycle CO2 (in our opinion a fundamentally important feature) and they claim worldwide sales. They are private so no financial details are known. Aside from this, we know of no other small-scale CO2 extractors that directly compete with our value proposition and who we would consider a true competitor. Hydrocarbon-based extractors (acetone, butane, propane, etc.) are commonly used by small growers to extract cannabinoids and we consider these types of extractors as our true competitors. There are countless manufacturers of hydrocarbon-based extractors with capacity-based pricing ranging from hundreds of dollars to tens-of-thousands of dollars.

While CO2 extracts are widely recognized as the purest form, CO2 Extractors are relatively expensive "per capacity unit" when compared to other types of extractors such as butane or alcohol and until now this has kept CO2 Extractors beyond the reach of the individual grower. As previously stated, our direct competitor offers a 1oz extractor at US\$4,000, and our cheapest extractor, at 2oz capacity, is US\$2,995. A similar capacity rudimentary butane extractor can cost less than \$300 and an alcohol extractor could be around \$20.

So why would anybody buy a small-scale CO2 Extractor over a butane or alcohol extractor?

Here are some considerations:

- 1) Hydrocarbon solvents are extremely volatile, especially butane/propane. There are numerous documented cases of explosions causing extreme property damage and, in some cases, death. It is also widely held that butane/propane extracts retain a hydrocarbon residue, not a sought-after medicinal quality;
- 2) Alcohol extracts are generally poor-smelling, poor tasting, and "off" coloured and require extensive post-extraction processing;
- 3) CO2 extraction does not introduce new CO2 to the atmosphere, rather it uses existing CO2 rendering CO2 extraction environmentally benign. CO2 is also virtually inert and non-flammable (it is used in fire extinguishers) and it leaves zero residue in the extract. CO2-based extraction is the "state-of-the-art" and provides the purest raw oils available; and
- 4) Our relatively-low pricing removes the primary cost barrier to CO2 Extractor purchase and presents a strong economic case for the craft grower.

Barrier to Entry

While basic CO2 extraction technology is well understood and can be built by anyone with aptitude and money, lowering the cost to access the individual grower market requires significant innovation to maximize thermodynamic efficiency. We have achieved that by development of a patented process that uses heat differentials to effectively replace mechanical pumps. This keeps our costs significantly lower than those who rely on the mechanical method and allows us access to the craft grower market.

Staying in touch with the Market

We regularly conduct research to keep abreast of the market with respect to current demand, trends, new technology, competition/pricing, distribution opportunities and regulation. We will also attend trade shows to see what the competition is offering and/or exhibit to gather purchasing interest and sales of our extractors. Based on our research to date, the regulatory environment is supporting rapid growth of the cannabis market generally and this is translating into high demand for oils that, in turn, is driving demand for extractors generally. At the same time, many jurisdictions are restricting hydrocarbon-based extractors due to their explosion potential and this, in combination with demand for high-purity extracts, is driving demand for carbon dioxide extractors.

We believe that individual growers want an extractor that:

- a) extracts high-potency, high-purity, no-residual oil;
- b) has a capacity that matches their raw material availability;
- c) is easy to operate and low maintenance; and
- d) has an economically-supported purchase price.

The Game Changer

Vape Pens

Vaping involves using a small (commonly the size of a ball-point pen) battery-powered heater to vaporize cannabis oil thereafter inhaling the vapour. Only oil within a certain viscosity range is suitable for vaping as improperly-prepared oil can clog the vaping device. Vape oil can be made essentially odorless and can be flavoured. Vaping has almost immediate effect, is very easy to dose, does not require any rolling papers, pipes, rigs, etc. and minimizes the ingestion of harmful non-cannabinoid compounds. Because of these benefits, vaping is a very fast growing market segment and is expected to continue so. Vape oil can use flower and/or trim as feedstock. We believe that vaping will be the fastest growing market segment over the next five years and that because CO₂-extracted oil can possibly be directly used in a vape pen/vaporizer, CO₂ extraction will remain the extraction method of choice for vape oil.

Market Penetration

Generally speaking, craft growers are aware of the benefits of extraction. Visibility, pricing, delivery time and sale terms are key. Our visibility plan is a combination of Google ADWORD campaigns, Facebook groups, grower groups, channel resellers, trade shows, opt-in email lists and advertising in relevant trade publications. Our value proposition features affordability potency, purity and flexibility. Our pricing is believed low enough that the larger CO₂ Extractor manufacturers will hesitate to compete in our segment. Customers want expedited delivery times and our simple design allows for fast production ramp-up when needed. We also offer a "no questions-asked" return policy (subject to re-stocking charges) to provide additional purchasing comfort. Any returned product can be easily, quickly and inexpensively reconditioned. To date we have never had a return.

Manufacturing and Customer Service

Increasing sales brings crowded production schedules and increased customer service requirements. Simple design is paramount and our design is as simple as it gets. Production consists of four divisions:

- 1) **Custom machined parts.** We have custom-programmed, third-party CNC machines and lathes available along with alternatives as volume dictates;
- 2) **Parts and raw material inventory (metal).** We have all necessary sources with alternatives - we carry a significant inventory of parts and can assemble extractors within hours;
- 3) **Assembly/Quality Control.** Once all the parts are in one place, assembly is done on a contract/piecework basis in space provided by the contractor;
- 4) **Production Management.** Co-ordination of items 1 through 3 will be done by management until sales volumes and/or financing can support additional personnel.

Technical Support

For the first 90 days support is free, thereafter the operator must subscribe to a \$250/year service plan for continuing telephone/e-mail support. This fee is largely to discourage trivial calls about issues that are already explained in the operating manual. Customer service can be provided remotely and does not require physical space. Customer Service is currently provided by management.

Our Execution Focus

- a) **Production efficiency.** The products are designed to be easily built with semi-skilled, piece-work labour. We know the parts and assembly cost.
- b) **Advertising our existence and cost/benefits.** We will establish and maintain "visibility" programs to promote CO2 extraction and ensure we are easily found. The program includes various digital advertising campaigns, forum participation, and may include a reseller network.
- c) **Inventory.** When buyers want to buy we need to be able to very quickly fill the demand. We currently have a rotating inventory of approximately 20 extractors (various sizes) so we can usually ship with one week of paid order.
- d) **Fostering customer loyalty and references.** In today's Internet age word-of-mouth travels very fast and customer input carries a lot of weight. Our goal is to proactively engage our customers to ensure they are 100% satisfied.
- e) **Minimizing fixed costs.** Contract assembly and online marketing/support all reduce the monthly fixed costs.

Build Costs

Overall average costs are generally known and may be reduced if larger volumes are ordered. Inventory is expected to be approximately \$100,000 - \$200,000 at any given time. We expect several inventory turns per year and expect some seasonal fluctuations in demand due to outdoor growers. Indoor grower demand is expected to be year-round. We are not privy to inventory turnover of our competitors.

Parts Suppliers

Our local area is rich with relevant parts sellers and manufacturing services and we have many options. The competition keeps prices reasonable and we are always on the lookout for better quality at lesser prices. Some parts are long-lead-time and we stock significant numbers of these items.

Shipping and Handling

Extractors must be packaged for shipping and this is provided by an experienced third-party crating company on a "per-unit" contract basis. There are numerous packaging options available at competitive prices.

International Shipping and Customs Brokerage is handled by a reputable third-party who has shipped extractors to Canada, England, Australia, the US and South America. Domestic shipping is handled internally. There are numerous options available at competitive prices. All costs associated with shipping, handling, fees, taxes and any local regulatory compliance are paid for by the buyer. All sales are F.O.B. Calgary, Alberta.

"Left Field" surprises

Major unexpected challenges could come primarily from:

- 1) **New Technology.** If a new process was developed that significantly cut the extraction cost while providing the same, or better, "yield", the Corporation may not be able to compete. We are constantly monitoring related science for such developments.
- 2) **Extract end-user Regulations.** A change in regulation could slow or stop the demand for CO2 extraction. Based on what we see unfolding in Canada and the US, we doubt there will be any material reversal in the cannabis legalization push and the resultant demand for CO2-based oil extractors;
- 3) **Mechanical Regulations.** Extractors are sold to numerous jurisdictions and each jurisdiction has its own rules, regulations and exemptions. It is possible that a jurisdiction, or multiple jurisdictions, could change regulations and/or enforcement and that such a change(s) could force the price point to be pushed beyond an acceptable level for our target market. At this time we see no reason to believe this will occur.

Regulatory Compliance

Pressure products may be subject to a variety of rules and regulations that differ by jurisdiction. Our extractors are manufactured in Alberta pursuant to Alberta pressure regulation. Sales are F.O.B. Alberta. Most Canadian Provinces have registration exemptions for small-volume pressure vessels. In the US, State-level Peer-Review could be required for extractors being shipped to the US and the US Peer-Review has been completed for our largest model.

2.4 Long Term Objective

Where we are going

We plan to leverage our patented, proprietary technology to exploit certain high-value segments of the cannabis market, primarily in the US, but not limited to the US, and specifically the believed-to-be tens-of-thousands of small growers of high-quality, small-batch feedstock wanting to enter the fast-growing extracts market.

Our long term objective is to be a leading US and global supplier of Co2 Extractors in the next three to five years. We also intend to pursue acquisitions that management feels may be beneficial to the Company and its shareholders.

2.5 Short Term Objectives and How We Intend to Achieve Them

To accomplish our short term goals, we need to:

- 1) Connect with craft-scale growers. We have developed and tested a marketing/advertising program. We believe we know what to do and how much it will cost to do it. The marketing program is expected to cost approximately \$100,000 over the next 6-12 months.
- 2) Provide and manufacture small-scale extractors. We believe we own the only patented small-scale CO₂-based (“CO₂”) extraction technology suitable for craft-sized growers. We have significant inventory and sales began in the latter half of 2018. Management expects this will cost approximately \$70,000 over the next 6 -12 months.
- 3) To become to become a reporting issuer in Canada to enable the Corporation develop an additional organized market for its Common Shares and apply for a listing on the Canadian Securities Exchange. The cost to become a reporting issuer is expected to cost approximately \$60,000.
- 4) Qualify the distribution of up to 9,375,000 Units of the Corporation (including the Common Shares and Warrants thereunder) issuable for no additional consideration upon the exercise or deemed exercise of up to 9,375,000 Warrants issued under this Offering Memorandum. This cost is included in the \$60,000 cost to become a reporting issuer.

There is no guarantee that any of the above objectives will be accomplished. The Corporation expects to achieve the above objectives within 6 -12 months following completion of the Offering.

2.6 Insufficient Funds

Other than described in Section 1.1, there is no guarantee that the funds available as a result of the offering will be sufficient to accomplish all of the Corporation’s proposed objectives. There is no assurance that alternative financing will be available.

2.7 Material Agreements

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation which are currently in effect and considered to be material:

1. Asset Purchase Agreement made between the Corporation and James M. Durward, a director and officer of the Corporation dated February 22, 2018, regarding the purchase by the Corporation of certain intellectual property from Mr. Durward relating to cannabis oil extraction technology in consideration for the issuance of 5,000,000 Common Shares of the Corporation, an issue price of \$0.02 per Common Share for an aggregate deemed purchase price of \$100,000 (Cdn). With respect to the valuation of the assets acquired, the Corporation verified that Mr. Durward developed the technology over a period of three years starting in early 2015 at a cost of approximately \$50,000 and 2.5 years of labor related to research and development of the CO₂ Extractors.
2. Stock Option Agreements dated for reference between March 21, 2019 and April 1, 2019 between the Corporation and certain directors and officers of the Corporation, 2,100,000 stock options exercisable at \$0.08 per share for a five-year term. See “*Capital Structure*”.

ITEM 3 - INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation Securities Held

The table below outlines certain information regarding each director and officer of the Corporation and any person who as of May 31, 2019 directly or indirectly beneficially owns or controls 10% or more of the outstanding Shares of a particular series.

Name and Municipality of Principle Residence	Position held	Compensation paid by Company or related party since inception and the compensation anticipated to be paid in the current financial year	Number, Type, and Percentage of Securities held after completion of Maximum Offering
James M. Durward ⁽¹⁾ Calgary, Alberta	President, CEO, Corporate Secretary and Director (Jan 24, 2018)	\$25,000 \$60,000	10,167,600 (33.47%)
David D. Heighington ⁽¹⁾ Calgary, Alberta	Director (Feb 21, 2018)	Nil	1,000,000 (3.29%)
G. Steven Price Calgary, Alberta	Director (Feb 21, 2018)	Nil	1,000,000 (3.29%)
Dusan Kuzma Calgary, Alberta	Director (Mar 19, 2018)	Nil	Nil
Dwayne Vinck ⁽¹⁾ Calgary, Alberta	Chief Financial Officer (April 1, 2019)	Nil \$20,000	62,500

Note:

(1) The Corporation will not pay a salary to these individuals but will pay them on an hourly basis on such amounts as required in their respective roles, which is estimated to be approximately \$80,000 over the next 12 months.

3.2 Management Experience

James Durward, President, Chief Executive Officer, Corporate Secretary, Founder, Director. Provides more than 30 years of experience over multiple startups, public companies, technical design, financing (both public and private) and M&A. He is a patented inventor and responsible for the Corporation's startup, general research, product design and build, and operational planning.

Steve Price P. Eng, Director. A professional engineer and President of Price Engineering, a consulting company providing technical and managerial expertise to the energy sector since 1995. He has over 35 years experience in engineering and management including corporate operations, evaluations, facilities design and operation. Mr. Price received his Bachelor of Science degree in Electrical Engineering from the University of Manitoba. He is past President of Unitech Energy Resources Ltd., Vice President of HCO Energy Ltd., Bralorne Resources Inc., and Manager of Ranchmen's Resources Ltd. (all oil & gas issuers that are or were listed on the TSX).

Dušan Kuzma MBA, MSc., Director. Holds a graduate degree in organic chemistry with >10 years of experience in R&D, product development, and product commercialization. He has several peer-reviewed publications in leading scientific journals, a patent issued, and an innovation achievement award received for his contribution to growth of science and technology. Dušan also has experience in marketing, sales/distribution channel development and international business development. Dušan held various positions both in small and large private and public companies as well as served on the Information and Communications Technology Council advisory board for advanced manufacturing technologies in Canada.

David Heighington, Lawyer, Director. Principal of Heighington Law, a securities and corporate law boutique which represents a diverse group of publicly traded companies throughout the country. Mr. Heighington acts for numerous public companies primarily listed on the Canadian Securities Exchange and TSX Venture Exchange and is extensively involved in the areas of corporate and securities law.

Dwayne Vinck, CPA, CA, Chief Financial Officer. Chairman of Sulfur Recovery Engineering, Owner of Chartered Accountant Practice providing financial statement audits, reviews, consulting, and financial controls evaluations with twenty four years various business experience including financial reporting and directorships, executive leadership, change management, project leadership, mergers and acquisitions. Chief Financial Officer West High Yield (W.H.Y.) Resources Ltd., past CFO of Unitech Energy Resources Ltd, past President of Hunting Oilfield Services Canada.

3.2 Penalties, Sanctions and Bankruptcy

There are no penalties or sanctions that have been in effect during the last 10 years, or any cease trade orders that have been in effect for a period of more than 30 consecutive days during the past 10 years against: (i) a director, executive officer or control person of the Company; or (ii) an issuer of which any of the foregoing persons was a director, executive officer or control person at the relevant time.

There are no declarations of bankruptcy, voluntary assignments in bankruptcy, proposals under any bankruptcy or insolvency legislation, proceedings, arrangements or compromises with creditors or appointments of a receiver, receiver manager or trustee to hold assets, that have been in effect during the last 10 years with regard to any: (i) director, executive officer or control person of the Company; or (ii) issuer of which any of the foregoing persons was a director, executive officer or control person at the relevant time other than as disclosed below.

Mr. Heighington was a co-founder and director of Planet Organic Health Corp. ("**Planet**"). Subsequent to Mr. Heighington's resignation as a director in 2010, Planet filed for and was granted an order pursuant to the *Companies' Creditors Arrangement Act* (Canada) on April 30, 2010.

Mr. Vinck is the Chief Financial Officer of West High Yield (W.H.Y.) Resources Ltd. ("**West High**"). On December 20, 2018, West High announced that it had concluded a settlement agreement with the Alberta Securities Commission ("**ASC**") with respect to the resolution of certain issues arising from a news release issued by West High on October 5, 2017.

3.3 Indebtedness to the Corporation

As at the date of this Offering Memorandum, the Corporation has no shareholder loans outstanding.

ITEM 4 - CAPITAL STRUCTURE

4.1 Share Capital

The following table provides information about outstanding securities of the Corporation (including options, warrants and other securities convertible into Common Shares):

Description of Security	Number Authorized to be issued	Number Outstanding as of February 29, 2019 (audited)	Number Outstanding as of the date of this Offering Memorandum ⁽¹⁾⁽²⁾	Number Outstanding Assuming Completion of Maximum Offering ⁽²⁾
Common Shares	Unlimited	20,700,100 (\$366,001)	21,000,100 (\$378,001)	30,375,100 (\$1,128,001)
Preferred Shares	Unlimited	N/A	N/A	N/A
Options	Unlimited	1,500,000 ⁽¹⁾	2,100,000 ⁽²⁾	2,100,000

Notes:

- (1) Options cancelled on March 21, 2019.
- (2) Each Stock Option is exercisable into one Common Share of the Corporation at an exercise price of \$0.08 and expiring five years from the date of grant being on March 21, 2019 and April 1, 2019.
- (3) As of February 28, 2019, being the date of the most recent audited financial statements, the Corporation had a deficit of \$256,963.

4.2 Liabilities

As of February 28, 2019, the Corporation had current account liabilities and accruals of \$28,133.

4.3 Prior Sales and Redemptions

The Corporation has no Long Term Debt outstanding.

The following table provides the details of the Corporation's prior sales of securities within the past 12 months:

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Funds Received
January 24, 2018	Common Shares	100	\$0.01	\$1.00 ⁽¹⁾
February 22, 2018	Common Shares	5,000,000	\$0.02	\$100,000 (deemed) ⁽²⁾
February 27, 2018	Common Shares	7,500,000	\$0.02	Private Placement for \$150,000 ⁽³⁾
February 28, 2018	Common Shares	2,500,000	\$0.04	Private Placement for \$100,000 ⁽⁴⁾
October 12, 2018	Common Shares	5,600,000	\$0.02	Private Placement for \$112,000 ⁽⁵⁾
October 12, 2018	Common Shares	100,000	\$0.04	Private Placement for \$4,000 ⁽⁶⁾
April 2, 2019	Common Shares	300,000	\$0.02, \$0.04 and \$0.06	Shares for Debt (\$12,000 deemed) ⁽⁷⁾
TOTAL:		21,000,100		\$478,001 <i>(of which \$12,000 deemed)</i>

Notes:

- (1) Issued at a nominal price on incorporation.
- (2) Issued as consideration for purchase of certain intellectual property and patent applications pursuant to the terms of the Asset Purchase Agreement.
- (3) Issued in connection with a private placement of 7,500,000 Common Shares at \$0.02 for aggregate proceeds of \$150,000.
- (4) Issued in connection with a private placement of 2,500,000 Common Shares at \$0.04 for aggregate proceeds of \$100,000.
- (5) Issued in connection with a private placement of 5,600,000 Common Shares at \$0.02 for aggregate proceeds of \$112,000.
- (6) Issued in connection with a private placement of 100,000 Common Shares at \$0.04 for aggregate proceeds of \$4,000.
- (7) Issued in connection with a shares for debt transaction of 300,000 Common Shares consisting of 100,000 Common Shares at \$0.02, 100,000 Common Shares at \$0.04 and 100,000 Common Shares at \$0.06, for aggregate deemed proceeds of \$12,000.

ITEM 5 – SECURITIES OFFERED

5.1 Terms of Securities

The Corporation is offering a maximum of 9,375,000 Special Warrants at \$0.08 per Special Warrant for total gross proceeds of \$750,000 if the maximum Offering is achieved.

Each Special Warrant shall automatically convert into Units of the Corporation and will be deemed to have been exercised without any further action on the part of the investor on the earliest of: (i) the first business day following the date on which a receipt for a final prospectus has been issued to the Corporation by the securities regulatory authorities in a Province of Canada; or (ii) the 12th month following the date of issuance of the Special Warrants. On conversion, each Unit shall consist of one Common Share of the Corporation and one Warrant. Each Warrant is exercisable into one Common Share upon payment to the Corporation of \$0.20 on or before the date that is 12 months from the conversion date of the Special Warrants.

The purchase price of \$0.08 per Special Warrant was determined by the Corporation's board of directors and based on the current market price of the Common Shares. Holders of the Special Warrants are not entitled to vote at meetings of shareholders of the Corporation or to receive dividends. Prior to this Offering, 21,000,100 Common Shares were outstanding, and after giving effect to the automatic conversion of the Special Warrants being offered under this Offering Memorandum, 30,375,100 Common Shares will be issued and outstanding if the maximum offering is achieved and 9,375,000 Warrants will be outstanding.

Once the Special Warrants automatically convert, the investor will hold the same number of Common Shares and Warrants of the Corporation that it held in Special Warrants and the Special Warrants will cease to exist.

The subscription agreement attached hereto as Schedule "C" (the "**Subscription Agreement**") contains representations and warranties of the subscriber that the Corporation and its legal counsel will be relying upon in order to determine the eligibility of the subscriber. The subscriber must read the subscription agreement in full prior to execution and is hereby advised to obtain independent legal advice.

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares. The holders of the Corporation's Common Shares issued upon the automatic conversion of the Special Warrants are, subject to the rights, privileges, restrictions and conditions attaching to the shares of any other class, entitled to dividends as and when declared by the Board of Directors of the Corporation, to one vote per share at meetings of shareholders of the Corporation except meetings at which only holders of a specified class of shares are entitled to vote and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the Common Shares. All Common Shares to be outstanding after the automatic conversion of the Special Warrants will be issued as fully paid and non-assessable.

Preferred Shares

The Corporation is authorized to issue an unlimited number of preferred shares (the "**Preferred Shares**"), of which at the date hereof none are issued or outstanding. The Preferred Shares may be issued from time to time in one or more series, each consisting of a number of Preferred Shares as determined by the board of directors of the Corporation who also may fix the designations, rights, privileges, restrictions and conditions attaching to the shares of each series of Preferred Shares. There are no Preferred Shares issued and outstanding. The Preferred Shares of each series shall, with respect to payment of dividends and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, rank on a parity with the Preferred Shares of every other series and shall be entitled to preference over the Common Shares and the shares of any other class ranking junior to the Preferred Shares.

5.2 *Subscription Procedure*

For purchasers resident in a Canadian province your purchase will be made in reliance on the "Offering Memorandum" exemption in Section 2.9 (2.1) of National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**"), the "Accredited Investor" exemption in Section 2.3 of NI 45-106, the "Friends, Family & Business Associate" exemption in Section 2.5 of NI 45-106, or the "Minimum Amount Investment" exemption in Section 2.10 of NI 45-106.

The required form of risk acknowledgment under Section 2.9(2.1) of NI 45-106 is Form 45-106F4.

In Alberta, New Brunswick, Nova Scotia, Ontario, and Saskatchewan, Form 45-106F4, required under Section 2.9(2.1), includes Schedule 1 Classification of Investors Under the Offering Memorandum Exemption, with respect to eligibility of individual investors, and Schedule 2 Investment Limits for Investors Under the Offering Memorandum Exemption, with respect to investment limits of individual investors.

If you purchase the Special Warrants you will have certain rights, some of which are described below. Different rights apply depending on which exemption is relied upon. However, the Subscription Agreement supplements those rights on a contractual basis such that all Subscribers, wherever resident and regardless of the exemption relied upon, will be given substantially the same rights. Such rights are summarized below. For further information about your rights, you should consult a lawyer.

You may subscribe for the Special Warrants by delivering the following to the Corporation's head office address located at 3632 – 13 Street SW, Calgary, Alberta T2T 3R1, Attention: Mr. James M. Durward.

1. A completed Subscription Agreement in the form set out in Schedule "C" to this Offering Memorandum, as well as any documentation required by the applicable securities regulatory authorities of the jurisdiction in which they are resident (copies of which are attached to the Subscription Agreement);
2. a certified cheque or bank draft in the amount of your investment payable to "Medextractor Corp."; and
3. duly execute and complete two copies of Form 45-103F4 – Risk Acknowledgement in the form attached as Schedule "B" to the Offering Memorandum, if applicable.

Subject to applicable securities laws, a subscription for Special Warrants evidenced by a duly completed Subscription Agreement delivered to the Corporation shall be irrevocable. Subscriptions for Special Warrants will be received, subject to rejection or allotment, in whole or in part, and subject to the right of the Corporation to close the subscription books at any time without notice, in its sole and unfettered discretion. The Corporation has the unconditional right to accept or reject any Subscription Agreement submitted.

The first Closing of this Offering is expected to occur on or about June 15, 2019, or such other date as may be determined by the Corporation. If necessary, subsequent Closings may occur until management closes the Offering, but in no case later than October 31, 2019. It is expected that definitive certificates representing the Special Warrants will be available for delivery on the Initial Closing Date or the Subsequent Closing Date, as the case may be. **This Offering is not subject to a minimum subscription level and any funds invested under the Offering are available to the Corporation immediately. All subscription proceeds will be held in trust until midnight on the second Business Day after the day the Subscriber signs the applicable Subscription Agreement. In the event that Subscribers provide the Corporation with a cancellation notice prior to midnight of the second Business Day after the signing date, or the Corporation does not accept a Subscriber's subscription, all subscription proceeds will be promptly returned to the Subscriber without interest or deduction.**

You should carefully review the terms of the Subscription Agreement attached hereto for more detailed information concerning the rights and obligations applicable to you and the Corporation. Execution and delivery of the Subscription Agreement will bind you to the terms thereof, whether executed by you or by an agent on your behalf. **You should consult with your own professional advisors.**

ITEM 6 - INCOME TAX CONSEQUENCES AND ELIGIBILITY FOR REGISTERED PLANS

6.1 *Professional Advice*

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

6.2 *Eligibility for Registered Plans*

Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

ITEM 7 - COMPENSATION PAID TO SELLERS AND FINDERS

The Special Warrants will be offered for sale by the officers and directors of the Corporation and any other arm's length party that the Corporation may approve (the "**Agents**"). The officers and directors of the Corporation will not be compensated for the sale of any of the Special Warrants. The Agents, if necessary, will receive a fee in connection with the sale of any Special Warrants equal to a maximum of 10% of the price of the Special Warrants and 10% of the Special Warrants sold by the Agents (convertible into Units on the same terms), such commission being determined by agreement between the Corporation and the Agents.

ITEM 8 - RISK FACTORS

The securities offered hereunder must be considered highly speculative due to the nature of the Corporation's business. Prospective investors should carefully consider the information presented in this Offering Memorandum before purchasing the Common Shares offered under this Prospectus, which include the following:

8.1 *Industry Risks*

We face competition in the market from larger more established companies in the cannabis technology industry that offer a wider array of products. These competitors will make it difficult for us to offer competing products and grow our business.

We will be competing with the producers of other products and competition in the cannabis technology industry will limit the availability of channels required for the successful distribution of our products. Our products may be competing directly with other products and indirectly with other forms of CO2 extractors and other types of extractors. We may not be able to compete successfully against our future competitors and competition could have a material adverse effect on our business, results of operations and financial condition. Our potential competitors may develop superior products and services that achieve greater market acceptance than ours. Accordingly, failure of our marketing campaign will result in the failure of the business.

Industry changes may have a negative impact on our operations

The extraction business, in general, is undergoing significant changes, primarily due to technological developments. These developments have resulted in the availability of alternative forms of extractors. It is impossible to accurately predict the effect that these and other new technological developments may have on the extraction industry. These uncertainties as well as others outlined herein may have a negative impact on our operations and could result in the complete failure of our business.

Our success depends on our ability to develop products and sell them directly through our website and indirectly through distribution channels. The inability to establish an effective website and distribution channels, may severely limit our growth prospects.

Our business success is completely dependent on our ability to develop products and secure direct and indirect distribution channels. Revenues derived therefrom represent vital funds for our continued operations. The loss or damage of any of our business relationships and or revenues derived therefore will result in the inability to market and produce our products.

Our success may be dependent on foreign markets.

Foreign and ancillary markets are expected to generate the majority of our revenues from the medical and recreational cannabis industries. Neither foreign nor ancillary markets provide a guarantee of revenue. Many markets may never legalize the consumption of recreational cannabis, which limited the demand for our CO2 Extractors. Also, licensing in a foreign markets may be dependent upon performance in home markets and if one of our CO2 Extractor is not a success or if, for any reason, it is not well-received by the public, it may be a financial failure.

Foreign rules and regulations may have an adverse impact on our operations.

Some foreign countries may impose government regulations on the distribution of our products. Also revenues derived from the distribution of our products in foreign countries, if any, may be subject to currency controls and other restrictions that may temporarily or permanently prevent our ability to receive or account for such revenue. To the extent that we have made the economic decision to pursue a particular project based upon foreign distribution, our operations may suffer.

US Related Risk Factors.

Marijuana remains illegal under U.S. federal law and the approach to enforcement of U.S. federal laws against marijuana is subject to change. Management is not aware of any State or Federal laws or regulation specifically related to the use of the Corporation's CO2 extractors for the extraction of cannabinoids from marijuana. Furthermore, purchasers of the Corporation's extractors are required to confirm they are of legal age in their jurisdiction, will not use the purchased product(s) for illegal activities, and will comply with local laws and regulations. However, notwithstanding such approach, it could be that federal and/or State laws could be interpreted in a way that results in adverse enforcement action resulting in a direct negative effect on the Corporation's sales in the U.S. and such negative effect could cause the Corporation to fail and investors could lose all of their investment. The Corporation's marijuana-related activities (i.e., selling extractors that could be used to extract cannabinoids from marijuana) target the medical segment of the overall marijuana market. Unlike in Canada which has federal legislation uniformly governing the cultivation, distribution, sale, and possession of medical cannabis under the ACMPR, investors are cautioned that in the United States, cannabis is largely regulated at the state level. But it should be noted that in spite of the permissive regulatory environment of medical cannabis in many states within the United States, cannabis continues to be categorized as a controlled substance under the US federal Controlled Substances Act and as such, violates federal law in the United States. The United States Congress has passed appropriation bills each of the last three years that have not appropriated funds for prosecution of cannabis offenses of individuals who are in compliance with state medical cannabis laws. American courts have construed these appropriations bills to prevent the federal government from prosecuting individuals when those parties comply with state law. However, because this conduct continues to violate federal law, American courts have observed that should Congress, at any time, choose to appropriate funds to fully prosecute the Controlled Substances Act, any individual or business, even those who have fully complied with state law, could be prosecuted for violations of federal law. Violations of federal laws and regulations could result in significant fines, penalties, administrative sanctions, convictions or settlements arising from civil proceedings conducted by either the federal government or private citizens, or criminal charges, including, but not limited to, disgorgement of profits, cessation of business activities, or divestiture. The Corporation is not aware of any non-compliance with U.S. federal law; however, if the Corporation was found to be non-compliant, this could have a material adverse effect on the Corporation, including its reputation and ability to conduct business, its financial position, operating results, profitability or liquidity or the market price of its publicly traded shares. In addition, it is difficult for the Corporation to estimate the time or resources that would be needed for the investigation of such matters or its final resolution. The Corporation plans to sell extractors into the US and these sales will be subject to US federal and state laws. Given the illegality of marijuana under U.S. federal law the issuer's access to capital could be negatively affected by public and/or private capital not being available to support continuing operations. At present, management believes that both private and public capital is available to the Corporation on terms acceptable to the Corporation but management also believes that this capital availability could change without notice, requiring the Corporation to operate solely on internally-generated funds.

In the event that the Corporation has insufficient internally-generated funds the Corporation could fail and you could lose all of your investment. Management is not currently aware of any specific US federal or state initiatives that would lessen the Corporation's capital access. Management has reviewed US federal and state requirements related to sale of its extractors and believes that there are no federal laws pertaining the use of its extractors for extracting marijuana. States typically have regulation related to mechanical aspects of equipment such as the Corporation's extractors with compliance required by the operator of the subject equipment in that operator's jurisdiction. The Corporation sells its extractors F.O.B Alberta and management believes that because of this, the compliance requirement transfers, to the buyer, in Alberta. Management believes it is in compliance with Alberta regulation and is not aware of non-compliance with any US federal or state law or regulation.

8.2 *The Corporation's Risks*

We have a limited history of operations and unless we are able to successfully execute our business plan, our business and operating results will suffer resulting in the complete failure of our business.

Our operations are subject to all of the risks inherent in the establishment of a new business. The likelihood of our success must be considered in light of the risks, problems, expenses and delays frequently encountered in connection with the formation of a new business in general, as well as the highly competitive environment in which the business is operating. To address these risks, we must, among other things, continue to respond to competitive developments, product failure causing personal injury and property damage, attract, retain and motivate qualified personnel, commercialize products, and implement and successfully execute our marketing strategy and advertising sales strategy. There can be no assurance that we will be successful in addressing such risks.

The Corporation's auditor has substantial doubts as to the Corporation's ability to continue as a going concern

Our independent auditors have added an explanatory paragraph to their audit issued in connection with the financial statements for the fiscal year ended February 29, 2019, relative to our ability to continue as a going concern. Because our auditors have issued a going concern opinion, there is a substantial uncertainty we will continue operations in which case you could lose your investment. The financial statements do not include any adjustments that might result from the uncertainty about our ability to continue our business. As such we may have to cease operations and investors could lose their entire investment.

We will incur increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could harm our operating results.

Should we become a public company, we will incur significant additional legal, accounting and other expenses that we did not incur as a private company, including costs associated with public company reporting requirements. We expect these rules and regulations to substantially increase our legal and financial compliance costs and to make some activities more time-consuming and costly. We are unable to currently estimate these costs with any degree of certainty. We also expect these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage previously available. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as our executive officers. Currently we do not have a system of checks and balances in place covering our financial operations and investors will bear the economic risk associated with the lack of such oversight.

We do not intend to use unionized labor.

Our business plan is based on our position as a manufacturing and sales operation. As part of that plan we intend to use non-union contracted service providers. If we underestimate costs or timing our projects may not be economically viable and/or we may not be able to complete with them which could result in losses to investors.

To date we have generated minimal revenues from operations and we may have additional capital requirements to continue our operations but they might not be available to us on favorable terms or at all, and if unavailable our ability to run our business will be impaired.

As of the date of this Offering Memorandum and even if we raise the maximum Offering, we have limited working capital. As a result, it may be impossible to expand our operations to manufacture sufficient number of Extractors to sustain operations. Should we be successful in completing this Offering, the proceeds will be utilized over the next twelve months as specified in the "Use of Proceeds." If we are unable to generate sufficient revenues to cover operating expenses or raise additional funds after the twelve months or during the twelve months should we determine to undertake additional projects, outside of our current business plan, we will be unlikely to expand our business operations. We currently have no other plans or arrangements to raise capital for our business except for this Offering.

Early failures would impair our ability to attract additional capital.

Our business model contemplates continuing sales and we are anticipating revenue from our sales to finance an increased level of operations. In the event that our early operations are not profitable, we will need to raise additional capital from outside investment. There are no guarantees that we will be able to raise such capital, or that if we are able to, that it will be on favorable terms. Early failures are likely to make such additional financing difficult to obtain and we may not be able to raise any additional capital, if required.

Our products may not be accepted by the market and our business may fail as a direct result of such lack of market acceptance.

The ultimate profitability of any product depends upon its audience appeal in relation to the cost of its production and distribution. The audience appeal of a given product depends, among other things, on unpredictable critical reviews and changing public tastes and such appeal cannot be anticipated with certainty. If certain segments of the viewing public do not like, are willing to pay for, or otherwise approve of our products, our business may fail.

The premature abandonment of products may result in losses to investors and impair our overall results of operations.

The development of our products may be abandoned at any stage if further expenditures do not appear commercially feasible, with the resulting loss of some or all of the funds previously expended on the development of the projects, including funds expended in connection with the development of any products. In the event that we determine that it is in the best interests of our shareholders to abandon a product, it is unlikely that we will be able to recoup any of our costs.

Cost overruns will affect our results of operations and may cause the failure of our business.

The costs of developing products and marketing/selling said products are often underestimated and may be increased by factors beyond our control. Such factors may include weather conditions, taxation, labor disputes, governmental regulations, equipment breakdowns and other production disruptions. While we intend to engage qualified personnel the risk of running over budget is always significant and may have a substantial adverse impact on our profitability.

We are currently dependent on our officers and directors for our success and our future operations may require that we can attract and retain qualified employees, which we may not be able to do.

Our current operations are managed by our officers and directors, should our officers and directors resign, we would have no personnel to undertake the operations of the Corporation and therefore the Corporation would be adversely affected. We have no key-person insurance policy for our President or any other Officers and/or Directors and at this time we have no intention of acquiring same. Our future operations may depend, in part, on our ability to attract, employ and retain additional qualified employees. No assurance can be given that we will be able to attract or retain such personnel, if required.

We will rely on consultants and employees and if we are unable to retain these or other similarly qualified individuals, we may not be able to carry out our business operations.

We expect to be dependent upon contract service providers and loss of their services could adversely affect our business and our ability to maintain our operations or develop new products. We have not entered into any employment or non-competition agreements with any individuals and do not plan to in the future. Our success will depend on our ability to attract and retain qualified personnel. If we cannot attract and retain the necessary individuals our operating results will suffer.

Costs associated with our business, including production and input costs are not fixed and might increase, creating uncertainty about our ability to meet our plan of operations.

We have not established long-term contracts with our consultants or other third party suppliers we intend to rely on for the component parts of the CO2 Extractors. The lack of long-term contracts could result in an increase in what we pay these individuals for their services. An increase in the production costs will reduce our margins and might make our projects uneconomical leading to the failure of our business.

There is no guarantee that we will be able to sell enough, or any, of our products to generate a profit and failure to become profitable will result in the failure of our business.

The market for our products is limited in scope and there is no assurance that our products will generate market acceptance and result in sales. We have developed the products with limited market research and there is no assurance that we will be able to respond to the rapidly evolving markets in the extraction industry. The inability to sell our CO2 Extractors will result in the failure of our business.

While we have a US patent, litigation arising out of infringement or other commercial disputes could cause us to incur expenses and impair our competitive advantage.

We may incur substantial expenses in defending against prospective claims, regardless of their merit. Our success depends in part on our ability to enforce intellectual property protection for our concepts and to preserve our trade secrets. The validity and breadth of claims covered in our patent filed with Canadian and U.S. authorities involve complex legal and factual questions and, therefore, may be subject to challenge. No assurances can be given that any of our patents will be held valid if subsequently challenged, or that others will not claim rights in, or ownership of, the potential copyrights or trademarks or other proprietary rights held by us or that our intellectual property will not infringe, or be alleged to infringe, the proprietary rights of others. Furthermore, there can be no assurance that others have not developed or will not develop similar concepts to our CO2 Extractor. In addition, whether or not additional intellectual property protection is issued to the Corporation, others may hold or receive intellectual protection covering concepts that were subsequently developed by the Corporation; and no assurance can be given that others will not or have not independently developed or otherwise acquired substantially equivalent intellectual property.

Our management has limited experience in producing and selling CO2 extractors and this lack of experience could result in the failure of the business.

Our management's lack of experience in producing and selling CO2 extractors could lead to poor decision-making which could result in cost-overruns and/or the inability to produce the desired products. Although management of the Corporation intends to hire experienced and qualified staff, this inexperience could also result in the Corporation's inability to consummate revenue contracts or any contracts at all. Any combination of the aforementioned may result in the failure of the Corporation and a loss of your investment.

Our products operate under pressure and various jurisdictions have regulations around pressured products.

Almost all jurisdictions have rules and regulations related to pressurized vessels and without an exemption, our products may be unsaleable without certification. Certification is often a matter of passing operating specification tests and paying fees but there is no guarantee that any relevant authority will not change certification processes and that any such changes would not render our products unsaleable in the applicable jurisdiction. Such changes could cause a material decrease in our sales and profitability and could put the Corporation out of business in which case you could lose your entire investment.

Service and Warranty Risks

The Corporation's products are technical in nature and are sold with a one year limited warranty and a product return policy. There is no certainty the products will operate as expected and this could result in the return of a significant number of CO2 Extractors or result in expensive warranty claims. Any combination of the aforementioned may result in the failure of the Corporation and a loss of your investment.

8.3 Investment Risks

Even if our projects are successful, we may not be successful and our investors may still lose their investment.

Management has no proven track record of profitably running a manufacturing and sales/marketing operation and poor decisions could be made that result in unprofitable operations and a failure of the business further resulting in a complete loss of your investment.

Our Common Shares are not currently traded on any stock market and there is no assurance that Common Shares purchased pursuant to this Offering can be resold and if resold will be at prices at or above the Offering price.

The Offering price of \$0.08 per share was arbitrarily determined and bears no relationship to our earnings, book value, or any other recognized criteria of value. At the present time there is no public market for our common stock and we cannot predict the extent to which investor interest in us will lead to the development of an active, liquid trading market. Investors should not consider investing in this Offering unless they can afford the complete loss of their investment.

Investors in the Offering will bear a substantial risk of loss due to immediate and substantial dilution.

The present owners of all of the Corporation's issued and outstanding securities acquired such securities at a cost substantially less than that which the investors in this Offering will pay. Upon the sale of the Common Shares offered hereby, the investors in this Offering will experience an immediate and substantial "Dilution". Therefore, the investors in this Offering will bear a substantial portion of the risk of loss. Additionally, sales of securities of the Corporation in the future could result in further "dilution."

Investors cannot withdraw funds once invested and will not receive a refund.

Beyond the rights associated with this Offering Memorandum, investors will not have the right to withdraw invested funds and the funds will be immediately available to the Corporation.

The Corporation does not plan to pay dividends in the foreseeable future, and, as a result, stockholders will need to sell Common Shares to realize a return on their investment.

The Corporation has not declared or paid any cash dividends on its capital stock since inception. The Corporation intends to retain any future earnings to finance the operation and expansion of its business and does not anticipate paying any cash dividends in the foreseeable future. As a result, stockholders will need to sell shares of common stock in order to realize a return on their investment, if any. If no market develops for the Common Shares in the future investors would lose their entire investment.

You may not be able to sell your shares in our Corporation because there is no public market for our stock.

There is no public market for our Common Shares. In the absence of being listed, no market is available for investors in our common stock to sell their shares. Although we intend to pursue a public listing there is no guarantee that any such listing will occur. Even if a public listing is achieved, there is no guarantee that a market will develop for your shares and therefore, investors in this Offering may find it difficult or impossible to sell their Common Shares.

There is currently no market for the Corporation's common stock, but if a market for our common stock does develop, our stock price may be volatile.

There is currently no market for the Corporation's common stock and there is no assurance that a market will develop. If a market develops, it is anticipated that the market price of the common stock will be subject to wide fluctuations in response to several factors including:

- The ability to complete the development of products in order to provide them to distribution channels;
- The ability to generate revenues from sales;
- The ability to generate brand recognition of the products and services and acceptance by consumers;
- Increased competition from competitors who offer competing services;
- The financial condition and results of operations; and
- The ability to continue to generate or otherwise acquire new products and develop those assets into viable commercial products.

Furthermore, the stock market may experience extreme price and volume fluctuations, which, without a direct relationship to our operating performance, may affect the market price of our stock.

We may, in the future, issue additional Common Shares which would reduce investors' percentage ownership and may dilute the value of our shares.

The Corporation's Articles of Incorporation authorize the issuance of unlimited Common Shares. There are no other classes of securities authorized other than preferred shares. We may value any securities issued in the future on an arbitrary basis. The issuance of additional securities for future services or acquisitions or other corporate actions may also have the effect of diluting the value of the shares held by our investors and might have an adverse effect on the trading market for our Common Shares.

Insufficient Capital

The Corporation currently has revenue producing operations but may, from time to time, report a working capital deficit. To maintain its activities, the Corporation may require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Corporation will be successful in obtaining such additional financing; failure to do so could result in failure of the Corporation and total loss of your investment.

Financing Risks

The Corporation has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Corporation will be profitable. The Corporation has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Corporation is through the sale of its equity shares and there is no assurance that any such funds will be available on terms acceptable to the Corporation, or at all. If available, future equity financing may result in substantial dilution to purchasers under the Offering. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History

The Corporation has a limited history of earnings. The purpose of this Offering is to raise funds to carry out its business objectives.

Resale of Shares

The continued operation of the Corporation will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Corporation is unable to generate such revenues or obtain such additional financing, any investment in the Corporation may be lost. In such event, the probability of resale of the shares purchased would be diminished.

Negative Operating Cash Flow

Since inception, the Corporation has had negative operating cash flow. The Corporation has incurred losses since its founding. The losses and negative operating cash flow may continue for the foreseeable future as funds are expended on the business plan. The Corporation cannot predict when it will reach positive operating cash flow.

Patent Risks

Although the Corporation has exercised the usual due diligence with respect to determining title to patents and patent applications in which it has a material interest, there is no guarantee that title to such assets will not be challenged or impugned. The Corporation's patent application interests may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects.

Currency Risk

Currency fluctuations may affect the cash flow which the Corporation may realize from its operations, since most of its product sales are expected to occur in US dollars whereas the Corporation's costs are incurred primarily in Canadian dollars.

Conflicts of Interest

There are potential conflicts of interest to which the directors, officers, insiders and promoters of the Corporation will be subject in connection with the operations of the Corporation. Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (Alberta).

These risk factors, individually or occurring together, would likely have a substantial negative effect on the Corporation's business and would likely cause it to fail.

Dividends

The Corporation does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Conflicts of Interest

Certain of the directors and officers of the Corporation are engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Corporation may become subject to conflicts of interest. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided under the ABCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the ABCA. To the Corporation's knowledge, as at the date hereof there are no existing or potential material conflicts of interest between The Corporation and a director or officer of the Corporation except as otherwise disclosed herein.

Employees

The Corporation has no taxable employees at this time and all non-contract tasks are performed by management. This structure was adopted to simplify startup management and financial reporting and is expected to remain this way until a public offering is achieved.

Locations

We have a small warehouse/shop in Calgary for which we pay minimal month-to-month rent. Administrative functions are performed by Mr. James Durward at his Calgary home. Custom parts are machined at third-party machine shops. Additional physical space is available and will be added on an "as-needed" basis.

Intellectual Property

We have a US patent, and a Canadian patent is pending.

Insurance

There is no liability insurance at this time but such insurance will be pursued after a public listing.

Technology Acquisition

The Corporation purchased certain assets from the founder James Durward, in exchange for 5,000,000 common voting shares of the Corporation. For the purposes of the exchange transaction, the assets are valued at \$100,000 and consist of a 100% interest in US patent# 15/686,002 and Canadian Patent Application# 2,977,305. The Corporation was notified in early 2019 that the US patent was granted and the Canadian patent is expected to follow shortly.

ITEM 9 - REPORTING OBLIGATIONS

As at the date of this Offering Memorandum, the Corporation is not a "reporting issuer" as such term is defined in applicable securities legislation and accordingly is not subject to most of the continuous disclosure reporting obligations imposed on reporting issuers by such securities legislation. However, Shareholders will receive, upon request, a copy of the audited annual financial statements of the Corporation within 120 days of the end of each fiscal year, and any other information that may be required to be delivered to Shareholders under applicable securities legislation from time to time for each jurisdiction. You may request a copy of the financial statements by contacting us at the address, numbers or e-mail address set out on the front cover.

Pursuant to the Business Corporations Act (Alberta), the Corporation is required to:

1. Hold an annual meeting of shareholders of the Corporation no later than 18 months after incorporation and subsequently not later than 15 months after holding the last preceding annual meeting.
2. Place before the shareholders at every annual meeting annual financial statements as required by law.

ITEM 10 - RESALE RESTRICTIONS

10.1 *General Statement*

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with the exemption from the prospectus and registration requirements under securities legislation.

10.2 *Restricted Period*

Unless permitted under securities legislation, you cannot trade the Special Warrants before the date that is four months and a day after the date the Corporation becomes a reporting issuer in any province or territory of Canada. The Corporation may never become a reporting issuer and you may be subject to an indefinite hold period. You should consult with your professional advisor with respect to the resale restrictions and the availability of further exemptions relating to the Special Warrants offered hereunder.

10.3 *Manitoba Resale Restrictions*

For trades in Manitoba, unless permitted under securities legislation, you must not trade your Common Shares without the prior written consent of the regulator in Manitoba unless: (a) the Corporation has filed a prospectus with the regulator in Manitoba with respect to the Common Shares you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or (b) you have held the Common Shares for at least 12 months. The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 14 - PURCHASER'S RIGHTS

If you purchase these Special Warrants you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer. The following summaries of investors' legal rights are subject to the express provisions of the securities laws of the applicable province or territory in which they are resident and reference is made thereto for the complete text of such provisions. The rights of action described below are in addition to and without derogation from any right or remedy available at law to the investor and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.

Two Day Cancellation Right

You can cancel your agreement to purchase Special Warrants. To do so, you must send a notice to the Corporation's head office by midnight on the second business day after you sign the agreement to buy Special Warrants.

Statutory Rights of Action in the Event of a Misrepresentation

For purposes of the following summaries, "**misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact that is necessary in order to make a statement in this Offering Memorandum not misleading in light of the circumstances in which it was made. A "**material fact**" means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the Special Warrants or the underlying Common Shares.

British Columbia

If you are a resident of British Columbia, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- a) the Corporation to rescind your agreement to buy these Special Warrants, or
- b) for damages against the Corporation, every person who was a director or acting in a similar capacity of the Corporation at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

This statutory right is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Special Warrants. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the .

Alberta

If you are a resident of Alberta, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- a) the Corporation to rescind your agreement to buy these Special Warrants, or
- b) for damages against the Corporation, every director of the Corporation at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

This statutory right is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Special Warrants. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the Special Warrants.

Saskatchewan

If you are a resident of Saskatchewan and if there is a misrepresentation in this Offering Memorandum, or any amendment thereto, you have a statutory right to sue:

- a) the Corporation to rescind your agreement to buy these Special Warrants, or
- b) for damages against the Corporation, every promoter and director of the Corporation as at the date of this Offering Memorandum, every person whose consent has been filed respecting the Offering but only with respect to reports, opinions and statements made by that person, every other person who signed this Offering Memorandum and every person who sells securities on behalf of the Corporation under this Offering Memorandum.

These statutory rights are available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Special Warrants. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the day you purchased the Special Warrants.

Manitoba

If you are a resident of Manitoba, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- a) the Corporation to rescind your agreement to buy these Special Warrants; or
- b) for damages against the Corporation, every person director of the Corporation at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

These statutory rights are available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Special Warrants. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or 2 years after the day you purchased the Special Warrants.

Ontario

Section 130.1 of the Securities Act (Ontario), provides that if you are a resident of Ontario, and if there is a misrepresentation in this Offering Memorandum, a purchaser who purchases a Special Warrant offered by this Offering Memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, the following rights:

- a) the purchaser has a right of action for damages against the Corporation, or
- b) where the purchaser purchased the Special Warrants from the Corporation, the purchaser may elect to exercise a right of rescission against the Corporation, in which case the purchaser has no right of action for damages against the Corporation.

The Corporation will not be held liable under this paragraph if the subscriber purchased the Special Warrants with the knowledge of the misrepresentation. In an action for damages, the Corporation will not be liable for all or any portion of such damages that it proves do not represent the depreciation in value of the Special Warrants as a result of the misrepresentation relied upon and in no case will the amount recoverable under this paragraph exceed the price at which the Special Warrants were sold to the subscriber.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the Special Warrants.

Nova Scotia

If you are a resident of Nova Scotia and if there is a misrepresentation in this Offering Memorandum, or any amendment thereto, you have a statutory right to sue:

- a) the Corporation to rescind your agreement to buy these Special Warrants, or
- b) for damages against the Corporation, every person who was a director of the Corporation at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Special Warrants. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the day you purchased the Special Warrants.

New Brunswick

If you are a resident of New Brunswick and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- a) the Corporation or the seller to rescind your agreement to buy these Special Warrants, or
- b) for damages against the Corporation, every person who was a director of the Corporation at the date of this Offering Memorandum, every person who signed this Offering Memorandum or the seller.

The Corporation will not be held liable under this paragraph if the subscriber purchased the Special Warrants with the knowledge of the misrepresentation. In an action for damages, the Corporation will not be liable for all or any portion of such damages that they prove do not represent the depreciation in value of the Special Warrants as a result of the misrepresentation relied upon and in no case will the amount recoverable under this paragraph exceed the price at which the Special Warrants were sold to the subscriber.

Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the day you purchased the Special Warrants.

Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon or Nunavut

If you are a resident of Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon or Nunavut and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- a) the Corporation to rescind your agreement to buy these Special Warrants, or
- b) for damages against the Corporation, every person who was a director at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

These statutory rights are available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Special Warrants. Additionally, if you elect to exercise a right of rescission against the Corporation, you will have no right of action against the persons described in (b) above.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to rescind the agreement within 180 days after the date that you purchased the Special Warrants. You must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action or 3 years after the day you purchased the Special Warrants.

General

The securities laws of the above noted provinces and territories are complex. Reference should be made to the full text of the provisions summarized above relating to contractual and statutory rights of action. Subscribers should consult their own legal advisors with respect to their rights and the remedies available to them. The rights discussed above are in addition to and without derogation from any other rights or remedies which Subscribers may have at law.

ITEM 12 – FINANCIAL STATEMENTS

The Corporation's financial statements from the date of incorporation to the year ended February 28, 2019 are attached hereto as Schedule "A".

ITEM 13 - DATE AND CERTIFICATE

Dated: May 31, 2019

This Offering Memorandum does not contain a misrepresentation.

(Signed) "*James M. Durward*"

James M. Durward
President, Chief Executive Officer,
Corporate Secretary and Director

(Signed) "*Dwayne Vinck*"

Dwayne Vinck
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) "*G. Steven Price*"

G. Steven Price
Director

(Signed) "*Dusan Kuzma*"

Dusan Kuzma
Director

ON BEHALF OF THE PROMOTER

(Signed) "*James M. Durward*"

James M. Durward
President, Chief Executive Officer,
Corporate Secretary and Director

SCHEDULE "A" TO THE OFFERING MEMORANDUM

MEDTRACTOR CORP.

Financial Statements

Audited Financial Statements of the Corporation for the year ended February 28, 2019 are attached.

**MedXtractor Corp.
Financial Statements**

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

To the Shareholders of MedXtractor Corp.:

Opinion

We have audited the financial statements of MedXtractor Corp. (the "Company"), which comprise the statement of financial position as at February 28, 2019, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the period from January 24, 2018 (date of incorporation) to February 28, 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at February 28, 2019, and its financial performance and its cash flows for the period from January 24, 2018 (date of incorporation) to February 28, 2019 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Company has not achieved profitable operations since its inception and had an accumulated deficit of \$256,963 and recognized cash flow deficiency from operations of \$216,392. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The logo for MNP, consisting of the letters 'MNP' in a bold, green, sans-serif font.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Alberta

May 24, 2019

MNP LLP
Chartered Professional Accountants

MNP

MedXtractor Corp.
Statement of Financial Position
As at February 28, 2019

Assets

Current

Cash	\$	143,489
Accounts receivable		29,980
Inventory (Note 5)		90,041
		<u>263,510</u>

Non-current Assets

Furniture and equipment		822
Intangibles (Note 6, 13)		4,840
		<u>4,840</u>

Total assets	\$	269,172
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Liabilities

Current

Accounts payable and accruals	\$	28,133
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Total liabilities		<u>28,133</u>
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Shareholders' Equity

Share capital (Note 7)	\$	366,002
Contributed surplus (Note 11)		132,000
Deficit		<u>(256,963)</u>

Total shareholders' equity		<u>241,039</u>
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Total liabilities and shareholders' equity	\$	269,172
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Subsequent events (Note 15)

Approved on behalf of the Board

"signed"
Director

"signed"
Director

The accompanying notes are an integral part of these financial statements

MedXtractor Corp.**Statement of Loss and Comprehensive Loss***For the period from January 24, 2018 (date of incorporation) to February 28, 2019*

Revenues	
Sales (Note 12)	\$ 162,392
Cost of Sales	\$ 54,944
Gross margin	\$ 107,448

Expenses	
Depreciation and amortization (Note 6)	\$ 459
Advertising and promotion	60,031
Interest and bank charges	3,084
Contractors	6,000
Dues and subscriptions	17,944
Legal audit, and professional (Note 13)	112,790
Travel, meals and entertainment	9,225
Referral fees	4,811
Research and development	2,447
Office expenses	9,067
Accounting	5,772
Rent	2,100
Stock based compensation (Note 11)	132,000
Total expenses	\$ 365,730

Other Income	
Interest Income	\$ 1,319
Total other income	\$ 1,319

Net operating loss and comprehensive loss	\$ 256,963
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The accompanying notes are an integral part of these financial statements

MedXtractor Corp.
Statement of Changes in Shareholders' Equity

	Share Capital (\$)	Contributed Surplus (\$)	Deficit (\$)	Shareholders' Equity (\$)
At incorporation January 24, 2018	1	-	-	1
Share issuances (Note 7)	366,001	-	-	366,001
Stock based compensation (Note 11)	-	132,000	-	132,000
Net loss	-	-	(256,963)	(256,963)
As at February 28, 2019	366,002	132,000	(256,963)	241,039

The accompanying notes are an integral part of these financial statements

MedXtractor Corp.
Statement of Cash Flows

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

Cash provided by the following activities:

Operating activities

Net loss	\$ (256,963)
Amortization	459
Stock based compensation (Note 11)	132,000
Change in non-cash working capital (Note 14)	(91,888)

Cash flows used in operating activities **\$ (216,392)**

Investing activities

Purchase of furniture and equipment	\$ (1,027)
Investing in intangibles (Note 8)	(5,093)

Cash flows used in investing activities **(6,120)**

Financing activities

Issuance of common shares (Note 7)	\$ 366,001
Cash flows provided by financing activities	366,001

Increase in cash **143,489**

Cash, beginning of period **-**

Cash, end of period **\$ 143,489**

The accompanying notes are an integral part of these financial statements

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

1. Incorporation and operations

MedXtractor Corp. (the "Company") was incorporated on January 24, 2018 by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). The principal business of the Company is the sale of essential oil CO2 extraction equipment.

The head office and registered office of the Company is located at Suite 730, 1015 – 4th street SW Calgary, Alberta T2R 1J4.

2. Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") in effect for the fiscal period beginning January 24, 2018. These financial statements represent the Company's first presentation of financial statements under IFRS.

These financial statements were authorized for issue in accordance with a resolution of the directors on May 24, 2019.

Going Concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

At February 28, 2019, the Company had not achieved profitable operations since its inception and had an accumulated deficit of \$258,963 and recognized a cash flow deficiency from operations of \$216,392. Whether and when the Company can attain profitability and positive cash flows from operations is uncertain. The lack of profitable operations and operating cash flow deficiency results in a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements do not reflect adjustments that would be necessary if the going concern basis was not appropriate. Consequently, adjustments would then be necessary to the carrying value of assets and liabilities, the reported revenues and expenses and their classifications. Such adjustments, if required, could be material.

Basis of measurement

These financial statements are stated in Canadian dollars which is the Company's functional currency and were prepared on a going concern basis, under the historical cost convention.

Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Areas where estimates are significant to the financial statements are disclosed in Note 4.

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

3. Significant accounting policies

Cash

Cash consists of the proceeds generated from share receipts.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets held by the Company relate to permits, patent application, URL website address and all intellectual rights, with an estimated useful life of 20 years. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets - Research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and,
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Inventory

Outsourced inventories are valued at the lower of subcontracted costs and net realizable value determined on a first-in, first-out basis.

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

3. Significant accounting policies (continued)

Furniture and Equipment

Furniture and equipment are recorded at historical cost. Depreciation is recognized on a straight-line basis over five years, which represents the estimated useful lives of the assets. Depreciation rates, estimated lives and salvage values are reassessed annually.

Share-based payments

The Company applies a fair value based method of accounting for all share-based payments. Employee and director stock options are measured at their fair value of each tranche on the grant date and recognized over its respective vesting period. Non-employee stock options are measured based on the service provided to the reporting date and at their then-current fair values. The cost of stock options is presented as share-based payment expense when applicable with a corresponding credit to contributed surplus. On the exercise of stock options share capital is credited for consideration received and for fair value amounts previously credited to contributed surplus. The Company uses the Black-Scholes option pricing model to estimate the fair value of share-based payments.

Taxes

Tax expense comprises current and deferred tax. Tax is recognized in the statement of comprehensive loss except to the extent it relates to items recognized in other comprehensive income or directly in equity.

Current tax

Current tax expense is based on the results for the period as adjusted for items that are not taxable or not deductible. Current tax is calculated using tax rates and laws that were enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred taxes are the taxes expected to be payable or recoverable on differences between the carrying amounts of assets in the statement of financial position and their corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences between the carrying amounts of assets and their corresponding tax bases. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets in a transaction that affects neither the taxable profit nor the accounting profit.

Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the CGU). The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell.

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

3. Significant accounting policies (continued)

Financial instruments

Classification and Measurement of Financial Instruments

The Company measures its financial assets and financial liabilities at fair value on initial recognition, which is typically the transaction price unless a financial instrument contains a significant financing component. Subsequent measurement is dependent on the financial instrument's classification which in the case of financial assets, is determined by the context of the Company's business model and the contractual cash flow characteristics of the financial asset. Financial assets are classified into two categories: (1) measured at amortized cost and (2) fair value through profit and loss ("FVTPL"). Financial liabilities are subsequently measured at amortized cost, other than financial liabilities that are measured at FVTPL or designated as FVTPL where any change in fair value resulting from an entity's own credit risk is recorded as other comprehensive income ("OCI").

Amortized Cost

The Company classifies its accounts receivable and accounts payable and accruals as measured at amortized cost. The contractual cash flows received from the financial assets are solely payments of principal and interest and are held within a business model whose objective is to collect the contractual cash flows. These financial assets and financial liabilities are subsequently measured at amortized cost using the effective interest method.

FVTPL

The Company classifies its cash as measured at FVTPL. Financial assets and liabilities classified as FVTPL are subsequently measured at fair value with changes in fair value charged immediately to the consolidated statements of income and comprehensive income. The adoption of IFRS 9 did not change the classification of the Company's financial assets or financial liabilities.

Impairment of Financial Assets

IFRS 9 introduces a new model for the measurement of impairment of financial assets based on expected credit losses which replaces the incurred losses impairment model applied under IAS 39. Under this new model, the Company's accounts receivable are considered collectible within one year or less; therefore, these financial assets are not considered to have a significant financing component and a lifetime expected credit loss ("ECL") is measured at the date of initial recognition of the trade and other receivable.

The Company's accounts receivable are subject to the expected credit loss model under IFRS 9. For the accounts receivable, the Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables. In estimating the lifetime expected loss provision, the Company considered historical industry default rates as well as credit ratings of major customers.

Revenue recognition

Revenue is recognized in a manner that depicts the transfer of promised goods or services to a customer and at an amount that reflects the consideration expected to be received in exchange for transferring those goods or services.

This is achieved by applying the following five steps: (i) identify the contract with a customer; (ii) identify the performance obligations in the contract (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. Typically, revenue is recognized on shipment of product as specified by a customer's order and customer payment is reasonably assured.

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

3. Significant accounting policies (continued)

Accounting standards issued but not yet applied

The Company has reviewed amendments to accounting pronouncements that have been issued but are not yet effective, and determined that the following may have a future impact on the Company.

In January 2016, the IASB issued IFRS 16 Leases, which requires lessees to recognize all leases on the statement of Financial Position. IFRS 16 is effective for annual periods beginning on or after January 1, 2019 with earlier application permitted for companies that also applies IFRS 15 Revenue from Contracts with Customers. The Company is currently evaluating the impact of the standard on its financial statements and does not believe that adoption of IFRS 16 will result in a material impact.

4. Significant accounting estimates and assumptions

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes can differ from these estimates.

Estimates

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Fair value of financial instruments

The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainty.

Taxes

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

Stock based payment transactions

The Company measures the cost of equity-settled share-based transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility, forfeiture rate, risk-free rate and dividend yield and making assumptions about them.

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

4. Significant accounting estimates and assumptions

Judgements

The key areas of judgment that have a significant risk of causing material adjustment to the amounts recognized in the financial statements are:

Impairment of non-financial assets

The determination of whether indicators of impairment exist and the aggregation of assets into cash-generating units ("CGU's") based on their ability to generate independent cash flows are subject to management's judgment. The recoverable amounts used for impairment calculations require estimates of future cash flows related to the assets or CGU's and estimates of discount rates applied to these cash flows.

Taxes

The Company recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available to utilize the Company's deductible temporary differences which are based on management's judgement on the degree of future taxable profits. To the extent that future taxable profits differ significantly from the estimates impacts the amount of the deferred tax assets management judges is probable.

Financial instruments

The Company is required to classify its various financial instruments into certain categories for the financial instruments' initial and subsequent measurement. This classification is based on management's judgement as to the purpose of the financial instrument and to which category is most applicable.

5. Inventory

Inventory consists of:

Outsourced subcontracted machined parts and supplies	\$ 90,041
Total	\$ 90,041

During the period ended February 28, 2019, the Company expensed \$43,292 of inventory which is included in cost of sales.

6. Intangibles

	Patents
Intangible assets, cost	\$ 5,094
Accumulated amortization	(254)
Intangible assets, net of accumulated amortization	\$ 4,840

On February 22, 2018 the Company acquired intangible assets including patent application, URL website address, and all intellectual rights relating to the cannabis oil extraction technology. The Corporation issued 5,000,000 common shares for an aggregate of \$1, the carrying-value of the intangible assets at the time. The intangible assets were acquired from the President, Director and then sole Shareholder of the Company (Note 13).

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

7. Share capital

Authorized:

Unlimited number of voting Common Shares
Unlimited number of non-voting Preferred shares issuable in series

Issued: Common Shares

	Number of Shares	\$
Issued on incorporation	100	1
Issued for cash	15,700,000	366,000
Issued for intangibles (note 6)	5,000,000	1
As at February 28, 2019	20,700,100	366,002

At incorporation, the Company issued 100 common shares at a price of \$0.01 per share for total proceeds of \$1.

On February 22, 2018, the Company issued 5,000,000 common shares of the Company in exchange for intangible assets purchased from a related party (Note 6) at a notional exchange value of \$1 representing the carrying-value of the intangible assets.

During the period ended February 28, 2019, the Company issued 13,100,000 and 2,600,000 common shares of the Company at prices of \$0.02 and \$0.04, respectively, per common share for total proceeds of \$366,000.

8. Income taxes

The tax provision recorded in the financial statements differs from the amount computed by applying the combined Canadian federal and provincial income tax statutory rates to loss before tax as follows:

	2019
Loss before tax	\$ (256,963)
Statutory income tax rate (%)	27%
Expected tax recovery at statutory rate	69,380
Increase (decrease) in taxes resulting from:	
Non-deductible items	(35,640)
Deferred tax benefits not recognized	(33,740)
Income tax provision	\$ -

The Company has not recognized a deferred tax asset in respect of the following deductible temporary differences:

Furniture, equipment and intangibles	\$ 459
Non-capital losses	124,504
Total deductible temporary differences	\$ 124,963

As at February 28, 2019, the Company has not recognized a deferred tax asset in respect of an estimated non-capital loss carry-forward balance of \$124,504 available to reduce future years' income for Canadian tax purposes. These losses, if not fully utilized, will begin to expire in 2038.

Deferred tax assets are recorded only to the extent that future taxable income will be available against which the deferred can be offset. Management estimates future income using forecasts based on the best available current information. Based on the current estimates, no deferred tax asset has been recorded.

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

9. Capital disclosures

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to advance its technology and create operating profits.

The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- ii. to maintain investor, creditor and market confidence in order to sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at period-end.

10. Financial instruments

The Company, as part of its operations, carries financial instruments consisting of cash, accounts receivable, and accounts payable and accruals. It is management's opinion that the Company is not exposed to significant credit, interest, or currency risks arising from these financial instruments except as otherwise disclosed.

Fair value

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The fair value of cash is determined on level 1 inputs. The carrying amount of cash, accounts receivable, and account payable and accruals approximates its fair value due to the short-term maturities of these items.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk.

Accounts receivable aging	
Current	17,101
30 to 60 days	5,132
60 to 90 days	7,747
Changes in non-cash working capital	\$ 29,980

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

10. Financial instruments (continued)

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at February 28, 2019, the Company had a cash balance of \$143,489 to pay liabilities of \$28,133.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

i. Interest rate risk

The Company has cash balances and no interest-bearing debt.

ii. Foreign currency risk

The Company does not have assets or liabilities in foreign currency.

iii. Commodity risk

The Company is not exposed to commodity price risk.

11. Stock Option Plan

The Company has a stock option plan for its officers, directors, employees and consultants. The maximum number of common shares issuable under the Plan cannot exceed 10% of the Company's issued and outstanding common shares.

On March 14, 2018, the Company granted 1,500,000 common share purchase options to directors of the Corporation. The stock options are exercisable at a price of \$0.10 per share, expire in five years and the options will vest immediately at the date of grant. The fair value of the 1,500,000 stock options granted on March 14, 2018 is \$0.088 per option, calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk free interest rate of 1.99%, expected life of 5 years and expected volatility of 137%.

12. Segmented Information

Revenues are predominantly to Canadian customers with \$50,808 to customers in the USA and \$5,947 to customers in Australia.

13. Related Party Transactions

On February 22, 2018 the Company acquired intangible assets including patent application, URL website address, and all intellectual rights relating to the cannabis oil extraction technology. The Corporation issued 5,000,000 common shares for an aggregate of \$1, the carrying-value of the intangible assets at the time. The intangible assets were acquired from the President, Director and then sole Shareholder of the Company.

MedXtractor Corp.
Notes to the Financial Statements

For the period from January 24, 2018 (date of incorporation) to February 28, 2019

13. Related Party Transactions (continued)

Key Management Personnel

The Company has determined that the key management personnel of the Company consists of its officers and directors. The following table provides information on compensation expense related to officers and directors.

Wages, consulting fees and benefits	\$ 25,000
Stock based compensation expense	132,000
<hr/>	
Total	\$ 157,000

14. Changes in non-cash working capital

Accounts receivable	(29,980)
Inventory	(90,041)
Accounts payable and accruals	28,133
<hr/>	
Changes in non-cash working capital	\$ (91,888)

15. Subsequent events

Subsequent to the period ended February 28, 2019 the following events occurred:

On March 21, 2019, the Company and optionees agreed to cancel the 1,500,000 common shares purchase options discussed in Note 11. The Company granted 1,725,000 common share purchase options to directors of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant.

On April 1, 2019, the Company granted 375,000 common share purchase options to an officer of the Corporation. The stock options are exercisable at a price of \$0.08 per share, expire in five years and the options will vest immediately at the date of grant.

SCHEDULE "B"

FORM 45-103F4 - Risk Acknowledgment

I acknowledge that this is a risky investment:

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- The securities are redeemable, but I may only be able to redeem them in limited circumstances.
- I could lose all the money I invest.

I am investing \$ _____ in total; this includes any amount I am obliged to pay in future. Medxtractor Corp. will pay _____ of this to _____ [name of person selling the securities] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one for your records.

You have 2 business days to cancel your purchase. To do so, send a notice to MEDXTRACTOR CORP. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to [name of issuer] at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

**MEDXTRACTOR CORP.
c/o 3632 13 Street SW
Calgary, Alberta T2T 3R1
Attention: Mr. James M. Durward, President
Phone: (403) 689-3901**

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A *non-reporting issuer* does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator.

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701 West Georgia Street

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ONTARIO SECURITIES COMMISSION

20 Queen Street West, Suite 1903

Toronto, Ontario M5H 3S8

(416) 593-8314

www.osc.gov.on.ca

SASKATCHEWAN SECURITIES COMMISSION

Suite 601, 1919 Saskatchewan Drive

Regina, Saskatchewan S4P 4H2

(306) 787-5645

www.sfsc.gov.sk.ca/

SCHEDULE "C"

SUBSCRIPTION AGREEMENT

SUBSCRIPTION AGREEMENT FOR SPECIAL WARRANTS

TO: MEDXTRACTOR CORP. (the "Issuer")

The undersigned (the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number of special warrants of the Issuer ("Special Warrants"), for the subscription price of (Cdn.) \$0.08 per Special Warrant, representing the aggregate consideration set forth below (the "Subscription Amount"), upon and subject to the terms and conditions set forth in the attached "General Provisions" (together with this page and the attached schedules, the "Subscription Agreement"). Each Special Warrant shall automatically convert into units of the Issuer ("Units") and will be deemed to have been exercised without any further action on the part of the Subscriber on the earliest of: (i) the first business day following the date on which a receipt for a final prospectus has been issued to the Issuer by the securities regulatory authorities in a Province of Canada; or (ii) the 12th month following the date of issuance of the Special Warrants. On conversion, each Unit shall consist of one common share of the Issuer ("Common Share") and one common share purchase warrant ("Warrant"). Each whole purchase warrant is exercisable into one Common Share upon payment to the Issuer of \$0.20 on or before the date that is 12 months from the conversion date of the Special Warrants. The Subscriber agrees that the Issuer (and its legal counsel) may rely upon the representations, warranties and covenants of the Subscriber contained in this Subscription Agreement.

Full Legal Name of Subscriber (please print)

By: _____
Authorized Signature

Official Title or Capacity (please print)

Name of Signatory (please print name of individual whose signature appears above if different than name of Subscriber)

Subscriber's Address (including postal code)

Telephone Number (including area code)

E-Mail Address

Register the Special Warrants as follows (unless otherwise instructed by the Subscriber):

Name

Account reference, if applicable

Address (including postal code)

Number and type of securities of the Issuer held directly or indirectly by the Subscriber or the Disclosed Principal (if applicable) (excluding the securities subscribed for hereunder):

Number of Special Warrants: _____

Aggregate Subscription Price: Cdn. \$ _____

If the Subscriber is purchasing as agent for a principal and is not deemed to be purchasing as principal under NI 45-106 (as defined herein) by virtue of being either (i) a trust company or trust corporation acting on behalf of a fully managed account managed by the trust company or trust corporation; or (ii) a person acting on behalf of a fully managed account managed by it, and in each such case satisfying the criteria set forth in NI 45-106, complete the following and ensure that Exhibit 1 is completed in respect of such principal ("Disclosed Principal"):

(Name of Disclosed Principal)

(Disclosed Principal's Address)

(Disclosed Principal's Telephone Number and E-Mail Address)

Deliver the Special Warrants as follows (unless otherwise instructed by the Subscriber):

Name

Account reference, if applicable

Contact Name

Address (including postal code)

Telephone Number (including area code)

Is the Subscriber or the Disclosed Principal (if applicable) an Insider of the Issuer of a Pro-Group place?

Insider _____ ProGroup _____ Neither _____

ACCEPTANCE: The Issuer hereby accepts the above subscription on the terms and conditions contained in this Subscription Agreement.

MEDXTRACTOR CORP.

Dated: _____, 2019.

Per: _____
James M. Durward, President

Subscription No.: _____

**SUBSCRIPTION AGREEMENT FOR SPECIAL WARRANTS OF
MEDXTRACTOR CORP.**

INSTRUCTIONS TO THE SUBSCRIBER

DATE: MAY 31, 2019

THIS DOCUMENT CONTAINS A NUMBER OF FORMS REQUIRED BY SECURITIES LEGISLATION AND POLICY, SOME OF WHICH YOU MUST COMPLETE AND OTHERS NOT DEPENDING ON SEVERAL FACTORS. THE SECURITIES OFFERED HEREUNDER ARE HIGHLY SPECULATIVE. AN INVESTMENT IS APPROPRIATE ONLY FOR INVESTORS WHO HAVE THE CAPACITY TO ABSORB A LOSS OF SOME OR ALL OF THEIR INVESTMENT.

- STEP 1 Enter the number of Special Warrants you are purchasing, your name, address, telephone number, e-mail address and registration instructions and sign this document on the cover page.
- STEP 2 All Subscribers must complete "Information Regarding the Subscriber" appearing on page 3.
- STEP 3 If you are purchasing the Special Warrants as an "Accredited Investor", as such term is defined in National Instrument 45-106 or *Securities Act* (Alberta) (generally a high net worth or high income investor), you must complete and sign Schedule "A" – "Accredited Investor Certificate" and the Appendix 2 attached to Schedule "A" if you are an individual.
- STEP 4 If the Subscriber is purchasing the Special Warrants in reliance on the "offering memorandum exemption" and is resident in British Columbia, two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B";
- STEP 5 If the Subscriber is purchasing the Special Warrants in reliance on the "offering memorandum exemption" and is resident in Alberta, Saskatchewan or Ontario:
- (i) two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B";
 - (ii) if the Subscriber is an "eligible investor" as such term is defined in NI 45-106, one (1) copy of the Certificate of Eligible Investor in the form attached to this Subscription Agreement as Schedule "C";
 - (iii) one (1) copy of each of Exhibit 1 and Exhibit 2 to Schedule "D" attached to this Subscription Agreement, characterizing the type of investor and confirming investment limits specified therein (the investment limits do not apply if you are not an individual or you are an "accredited investor");
 - (iv) if the Subscriber is relying on advice from a portfolio manager, investment dealer or exempt market dealer (each a "registrant") to increase its 12-month investment limit to \$100,000, then the dealing representative or advising representative of such registrant who provided such advice must complete Section 2 of Exhibit 2 to Schedule "D"; and
- STEP 6 If the Subscriber is purchasing the Special Warrants in reliance on the "offering memorandum exemption" and is resident in Manitoba, two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B" and, if the acquisition cost to the Subscriber exceeds \$10,000, one (1) copy of the Certificate of Eligible Investor in the form attached to this Subscription Agreement as Schedule "C"

Please return the completed forms, Exhibits and Appendices, as applicable, together with the aggregate subscription funds to the Issuer at 3632 13 Street SW, Calgary, Alberta, T2T 3R1, Attention: Mr. James M. Durward, President. Payment must be submitted in the form of a bank draft payable to "**MEDXTRACTOR CORP.**", or as may otherwise be agreed to by the Issuer. All monetary amounts herein are in Canadian dollars.

IMPORTANT NOTICE TO ALL SUBSCRIBERS

The Issuer is neither listed on any stock exchange nor is it a reporting issuer in any jurisdiction and there is no guarantee that it will ever achieve a listing or become a reporting issuer in any jurisdiction. The securities purchased pursuant to this Offering are subject to an indefinite hold period under applicable securities laws and Subscribers may not be able to resell their securities except in accordance with limited exemptions under applicable securities legislation. The securities offered hereunder are highly speculative. An investment is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment.

INFORMATION REGARDING THE SUBSCRIBER

Please check the appropriate box (and complete the required information, if applicable) in each section:

1. **Security Holdings.** Prior to giving effect to the securities being subscribed for under this Subscription Agreement, the Subscriber and all persons acting jointly and in concert with the Subscriber currently own, directly or indirectly, or exercise control or direction over (provide additional detail as applicable):
 - Special Warrants of MEDTRACTOR CORP. and/or the following other kinds of shares and convertible securities (including but not limited to convertible debt, warrants and options) entitling the Subscriber to acquire additional common shares or other kinds of shares of the Issuer:

 - No shares of the Issuer or securities convertible into shares of the Issuer.
2. **Insider Status.** The Subscriber either:
 - Is an "insider" of the Issuer by virtue of being:
 - (a) a director or senior officer of the Issuer;
 - (b) a director or senior officer of a company that is an Insider or subsidiary of the Issuer;
 - (c) a person that beneficially owns or controls, directly or indirectly, voting shares of the Issuer carrying more than 10% of the voting rights attached to all the Issuer's outstanding voting shares;
 - (d) the Issuer itself if it holds any of its own securities; or
 - (e) a person designated as an insider in an order made by a securities commission or securities regulatory authority in Canada.
 - Is not an Insider of the Issuer.

GENERAL PROVISIONS

1. Definitions

- 1.1 (a) “**Accredited Investor**” means a Subscriber resident in Canada who is an accredited investor as defined in Section 1.1 of NI 45-106;
- (b) “**Applicable Securities Laws**” means the securities legislation having application and the rules, instruments, policies, notices and orders issued by applicable securities regulatory authorities having application over this Offering and the Issuer in the Qualifying Jurisdictions;
- (c) “**consultant**” means, for an issuer, a person, other than an employee, executive officer, or director of the issuer or of a related entity of the issuer, that
- (i) is engaged to provide services to the issuer or a related entity of the issuer, other than services provided in relation to a distribution,
 - (ii) provides the services under a written contract with the issuer or a related entity of the issuer, and
 - (iii) spends or will spend a significant amount of time and attention on the affairs and business of the issuer or a related entity of the issuer,
- and includes,
- (iv) for an individual consultant, a corporation of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner; and
 - (v) for a consultant that is not an individual, an employee, executive officer, or director of the consultant, provided that the individual employee, executive officer, or director spends or will spend a significant amount of time and attention on the affairs of the issuer or a related entity of the issuer;
- (d) “**Closing**” means a completion of an issue and sale by the Issuer and the purchase by the Subscriber of the Special Warrants pursuant to this Subscription Agreement on the Closing Date. Closings may occur on one or more dates as the Issuer may determine;
- (e) “**Closing Date**” means a day on which the Closing takes place, as the Issuer may determine;
- (f) “**Common Share**” means a common share without par value in the capital of the Issuer;
- (g) “**Employee, Executive Officer, Director and Consultant Exemptions**” means the exemption from the prospectus requirement found in Section 2.24 of NI 45-106;
- (h) “**Exemptions**” means the exemptions from the prospectus requirement under Applicable Securities Laws;
- (i) “**Family, Friends and Business Associates Exemptions**” means the exemptions from the prospectus requirement found in Sections 2.5 – 2.6.1 of NI 45-106;
- (j) “**International Jurisdiction**” means a country other than Canada or the United States;
- (k) “**material change**” is as defined under Applicable Securities Laws;
- (l) “**material fact**” is as defined under Applicable Securities Laws;
- (m) “**misrepresentation**” is as defined under Applicable Securities Laws;

- (n) “NI 45-106” means National Instrument 45-106 – Prospectus Exemptions in the form adopted by the securities commissions in all provinces and territories of Canada (a copy is available online at www.asc.ca);
- (o) “Offering” means the sale by the Issuer of up to 9,375,000 Special Warrants, or such other amount as the directors of the Issuer may determine in their sole discretion, on the terms set forth in this Subscription Agreement;
- (p) “Offering Memorandum” means the offering memorandum of the Issuer dated May 31, 2019.
- (q) “permitted assign” means, for a person that is an employee, executive officer, director or consultant of the Issuer or of a related entity of the Issuer,
 - (i) a trustee, custodian, or administrator acting on behalf of, or for the benefit of the person,
 - (ii) a holding entity of the person,
 - (iii) an RRSP or a RRIF of the person,
 - (iv) a spouse of the person,
 - (v) a trustee, custodian, or administrator acting on behalf of, or for the benefit of the spouse of the person,
 - (vi) a holding entity of the spouse of the person, or
 - (vii) an RRSP or a RRIF of the spouse of the person;
- (r) “person” means and includes:
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and
 - (iv) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative;
- (s) “Qualifying Jurisdictions” means the provinces and territories of Canada other than Quebec;
- (z) “Schedules” means the schedules attached hereto and forming part hereof and comprising of:
 - (i) “A” Accredited Investor Certificate;
 - (ii) “B” NI 45-106 F4 Risk Acknowledgement Form;
 - (iii) “C” Certificate of Eligible Investor;
 - (iv) “D” Schedule D – Exhibit 1 and 2 Classification of Investors under Offering Memorandum Exemption and Investment Limits (Alberta, Saskatchewan, and Ontario Residents)
- (aa) “Subscriber” means the person or persons named as a Subscriber on the execution page of this Subscription Agreement and if more than one person is so named, means all of them jointly and severally;
- (bb) “Subscription Agreement” or “Agreement” means this subscription agreement between the Subscriber and the Issuer, including all Schedules incorporated by reference, as it may be amended or supplemented from time to time;

- (cc) "U.S. Person" means a U.S. Person as defined in Regulation S (the definition of which includes, but is not limited to, (i) any natural person resident in the United States, (ii) any partnership or corporation organized or incorporated under the laws of the United States, (iii) any partnership or corporation organized outside of the United States by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act, unless it is organized, or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts, and (iv) any estate or trust of which any executor or administrator or trustee is a U.S. Person;
- (dd) "U.S. Securities Act" means the *Securities Act of 1933*, as amended, of the United States of America; and
- (ee) "United States" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

1.2 Words and phrases which are used in this Subscription Agreement and all Schedules thereto and which are defined in NI 45-106 will have the meaning ascribed thereto in NI 45-106, unless otherwise specifically defined in Section 1.1 of this Subscription Agreement.

2. Prospectus Exempt Subscription Commitment

2.1 The Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) hereby irrevocably subscribes for and agrees to purchase from the Issuer, subject to the terms and conditions set forth herein, that number of Special Warrants set out above the Subscriber's name on the execution page of this Subscription Agreement at the price of CDN\$0.08 per Special Warrant. Subject to the terms hereof, this Subscription Agreement will be deemed to have been made and be effective only upon its acceptance by the Issuer.

2.2 The Subscriber (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) acknowledges and agrees that the Issuer reserves the right to reject this subscription for Special Warrants, in whole or in part, at any time prior to the Closing Date. Upon the Issuer's acceptance of this subscription, this Subscription Agreement will constitute an agreement for the purchase by the Subscriber from the Issuer, and for the Issuer to issue and sell to the Subscriber, the number of Special Warrants set out on the execution page hereof and on the terms and conditions set out herein. If this subscription is rejected in whole, any cheques or other forms of payment delivered to the Issuer representing payment for the Special Warrants subscribed for herein will be promptly returned to the Subscriber without interest or deduction. If this subscription is accepted only in part, a cheque representing any refund for that portion of the subscription for the Special Warrants which is not accepted will be promptly delivered to the Subscriber by the Issuer without interest or deduction.

3. Terms and Conditions of Subscription for Special Warrants of the Issuer

3.1 The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that Closing the Offering is not subject to achieving a minimum subscription amount and any funds shall be made available to the Issuer for use at its sole discretion.

3.2 The Special Warrants will be governed by the terms and conditions set out in the certificate representing the Special Warrants (the "Certificates") delivered at Closing. The Certificate will contain among other things, provision for the appropriate adjustment in a class and number of Special Warrants upon the occurrence of certain events, including any subdivision, consolidation or re-classification of the common shares of the Issuer or payments of stock dividends or upon the merger or re-organization of the Issuer.

3.3 Each Special Warrant shall automatically convert into Units of the Issuer and will be deemed to have been exercised without any further action on the part of the Subscriber on the earliest of: (i) the first business day following the date on which a receipt for a final prospectus has been issued to the Issuer by the securities regulatory authorities in a Province of Canada; or (ii) the 12th month following the date of issuance of the Special Warrants. On conversion, each Unit shall consist of one Common Share of the Issuer and one Warrant. Each whole purchase Warrant is exercisable into one Common Share upon payment to the Issuer of \$0.20 on or before the date that is 12 months from the conversion date of the Special Warrants.

4. Closing

4.1 Prior to Closing, the Subscriber will deliver to the offices of the Issuer, not later than two business days prior to the Closing Date, the aggregate Subscription Amount and subscription documents completed in accordance with the instructions on page two of this Agreement. Alternatively, the Subscriber will deliver certified funds to the Issuer against concurrent delivery by the Issuer of certificates representing the Special Warrants. On request by the Issuer, the Subscriber agrees to complete and deliver any other documents, questionnaires, notices and undertakings as may possibly be required by regulatory authorities, stock exchanges and Applicable Securities Laws to complete the transactions contemplated by this Agreement. Closing will occur on the Closing Date at which time certificates representing the Special Warrants will be available against payment of funds as agreed to and determined by the Issuer. The Subscriber hereby waives receiving any prior notice of Closing.

4.2 Closing is subject to certain conditions, including the following:

- (a) approval and acceptance of the Subscription Agreement by the Board of Directors of the Issuer;
- (b) the Subscriber duly completes, signs, and delivers to the Issuer a copy of this Subscription Agreement, together with the aggregate Subscription Amount and all documents required by Applicable Securities Laws;
- (c) the sale of the Special Warrants is exempt from the prospectus requirement under the Applicable Securities Laws relating to the sale of the securities; and
- (d) the Subscriber's representations and warranties given herein remain true and correct as at the Closing Date.

5. Privacy Legislation

5.1 The Subscriber acknowledges and consents to the fact that the Issuer and its counsel are collecting the Subscriber's (and any beneficial purchaser for which the Subscriber is contracting hereunder) personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar replacement or supplemental provincial or federal legislation or laws in effect from time to time) for the purpose of completing the Subscriber's subscription. The Subscriber acknowledges and consents to the Issuer and its counsel retaining the personal information for so long as permitted or required by applicable law or business practices. The Subscriber further acknowledges and consents to the fact that the Issuer and its counsel may be required by Applicable Securities Laws, stock exchange rules and/or Investment Industry Regulatory Organization of Canada rules to provide regulatory authorities any personal information provided by the Subscriber respecting itself (and any beneficial purchaser for which the Subscriber is contracting hereunder). The Subscriber represents and warrants that it has the authority to provide the consents and acknowledgements set out in this paragraph on behalf of all beneficial purchasers for which the Subscriber is contracting. In addition to the foregoing, the Subscriber agrees and acknowledges that the Issuer and its counsel may use and disclose the Subscriber's personal information, or that of each beneficial purchaser for whom the Subscriber are contracting hereunder, as follows:

- (a) for internal use with respect to managing the relationships between and contractual obligations of the Subscriber and its respective counsel, or any beneficial purchaser for whom the Subscriber is contracting hereunder;
- (b) for use and disclosure to the Issuer's transfer agent and registrar;
- (c) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to Canada Revenue Agency;
- (d) disclosure to securities regulatory authorities and other regulatory bodies with jurisdiction with respect to reports of trade and similar regulatory filings;

- (e) disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
- (f) disclosure to professional advisers of the Issuer and its respective counsel in connection with the performance of their professional services;
- (g) disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with the Subscriber's prior written consent;
- (h) disclosure to a court determining the rights of the parties under this Subscription Agreement; or
- (i) for use and disclosure as otherwise required or permitted by law.

The Subscriber acknowledges that the Ontario Securities Commission collects personal information in forms submitted to it by the Issuer, including information about the Subscriber, the Subscriber's address and contact information, and the Subscriber's subscription. The Subscriber acknowledges that the Ontario Securities Commission is entitled to collect the information under authority granted to it under Applicable Securities Laws for the purpose of administration and enforcement of the Applicable Securities Laws in Ontario. The Subscriber acknowledges that it may obtain information regarding the collection of this information by contacting the Administrative Assistant to the Director of Corporate Finance, Ontario Securities Commission, Suite 1903, Box 5520, Queen Street West, Toronto, Ontario M5H 3S8, Telephone: (416) 593-3682, Facsimile: (416) 593-8252. The Subscriber consents to the collection of personal information by the Ontario Securities Commission.

6. Subscriber's Acknowledgements – Regarding Risk, Restrictions, Independent Advice and Advancement of Subscription Proceeds to the Issuer

6.1 The Subscriber represents and warrants and acknowledges and agrees with (on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Subscriber is contracting hereunder) the Issuer and its counsel (and acknowledges that the Issuer and its counsel are relying thereon) that:

- (a) the Subscriber has relied solely upon this Subscription Agreement and, other than as stated herein, not upon any verbal or written representation as to fact or otherwise made by or on behalf of the Issuer or its counsel, such publicly available information having been delivered to the Subscriber without independent investigation or verification by the Issuer or its counsel;
- (b) no prospectus has been filed by the Issuer with any securities commission or similar authority, in connection with the issuance of the Special Warrants, and the issuance and the sale of the Special Warrants are subject to such sale being exempt from the prospectus requirement under Applicable Securities Laws and accordingly:
 - (i) the Subscriber is restricted from using certain of the civil remedies available under such legislation;
 - (ii) the Subscriber may not receive information that might otherwise be required to be provided to it under such legislation;
 - (iii) the Subscriber understands that the Special Warrants purchased by the Subscriber are subject to resale restrictions and it may be difficult or impossible to ever sell the Special Warrants;
 - (iv) the Issuer is relieved from certain obligations that would otherwise apply under such legislation;
- (c) the Subscriber (or others for whom the Subscriber is contracting hereunder) has been advised to consult its own legal advisors with respect to the merits and risks of an investment in the Special Warrants and with respect to applicable resale restrictions and it (or others for whom it is contracting hereunder) is solely responsible (and the Issuer is in no way responsible) for compliance with applicable resale restrictions;

- (d) without limitation, no representation, guarantee or warranty has been made or given to the Subscriber by the Issuer or its respective officers, agents or employees or any other person, expressly or by implication, as to:
 - (i) the approximate or exact length of time that the Subscriber will be required to remain as an investor in the Issuer;
 - (ii) the financial viability of the business of the Issuer; or
 - (iii) the future profitability of the business of the Issuer;
- (e) the offer made by this Subscription Agreement is irrevocable (subject to the right of the Issuer to terminate this Subscription Agreement) and requires acceptance by the Issuer;
- (f) this Subscription Agreement is not enforceable by the Subscriber unless it has been accepted by the Issuer and the Subscriber waives any requirement on the Issuer's behalf to communicate immediately its acceptance of this Subscription Agreement to the Subscriber;
- (g) the Special Warrants are highly speculative investments which involve a substantial degree of risk and the Subscriber may lose its entire investment in the Special Warrants;
- (h) the Subscriber is sophisticated in financial investments, has had access to and has received all such information concerning the Issuer that the Subscriber has considered necessary in connection with the Subscriber's investment decision;
- (i) the subscription proceeds will be available to the Issuer on Closing and this subscription is not conditional on any other subscriptions;
- (j) that the Issuer will be required to file a report of exempt distribution with all applicable securities regulatory authorities in one or more jurisdictions containing personal information about the Subscriber, including the following personal information:
 - (i) the full name, residential address and telephone number of the Subscriber;
 - (ii) whether the Subscriber is an insider or a registrant (as defined herein);
 - (iii) the number and type of securities purchased;
 - (iv) the total purchase price (in Canadian dollars);
 - (v) the exemption relied on; and
 - (vi) the date of distribution;
- (k) the Subscriber acknowledges that the Issuer may complete additional financings in the future which may have a dilutive effect on existing shareholders at such time, including the Subscriber;
- (l) no agency, governmental authority, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or governmental authorities made any recommendation or endorsement with respect to the Special Warrants;
- (m) the Issuer and its counsel will rely on the representations and warranties made herein or otherwise provided by the Subscriber to the Issuer in completing the sale and issue of the Special Warrants to the Subscriber;

7. Subscriber's Exemption Status

7.1 **Subscriber in Canada.** If the Subscriber is a resident of Canada, the Subscriber, by its execution of this Subscription Agreement, hereby further represents, warrants to, and covenants with the Issuer and its counsel (which representations, warranties and covenants will survive the Closing of the Offering), that the Subscriber (on its own behalf and if applicable, on behalf of each beneficial purchaser for whom the Subscriber is contracting hereunder) is purchasing the Special Warrants as principal for its own account (or is deemed to be purchasing as principal under NI 51-106), it is purchasing such Special Warrants not for the benefit of any other person, and not with a view to the resale or distribution of the Special Warrants and one of the following Exemptions applies to the Subscriber and if applicable, each beneficial purchaser for whom the Subscriber is contracting hereunder:

- (a) *Accredited Investor Exemption*
 - (i) The Subscriber is an "Accredited Investor" and the Subscriber has properly completed and duly executed the Accredited Investor Certificate attached to this Subscription Agreement as Schedule "A" indicating the means by which the Subscriber is an Accredited Investor and confirms the truth and accuracy of all statements made by the Subscriber in such certificate;
 - (ii) If you are an individual, you have concurrently executed and delivered Form 45-106F9 – Form for Individual Accredited Investors in the form attached as Appendix 2 to Schedule "A" hereto;
- (b) If the Subscriber is relying on the offering memorandum exemption found in Section 2.9 of NI 45-106 and is resident in or otherwise subject to the applicable securities laws of British Columbia, it is purchasing the Common Shares as principal (or is deemed to be purchasing as principal) for its own account and not for the benefit of any other person and it has received or been provided with a copy of the Offering Memorandum and the Subscriber has executed and delivered to the Corporation two copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B", retaining one (1) copy of such Risk Acknowledgement for its records; OR
- (c) if the Subscriber is relying on the offering memorandum exemption found in Section 2.9 of NI 45-106 and is resident in or otherwise subject to the applicable securities laws of Alberta, Saskatchewan or Ontario:
 - (i) it is purchasing the Common Shares as principal (or is deemed to be purchasing as principal) for its own account and not for the benefit of any other person;
 - (ii) it was not created or used solely to purchase or hold securities in reliance on this Section 7.1(c)(ii);
 - (iii) the acquisition cost of all securities acquired by the Subscriber who is an individual in the preceding 12 months does not exceed: (i) in the case of a Subscriber that is not an eligible investor, \$10,000; (ii) in the case of a Subscriber that is an eligible investor, \$30,000; (iii) in the case of a Subscriber that is an eligible investor and that has received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable, \$100,000; and
 - (iv) at the same time or before the Subscriber signs this Subscription Agreement, it has received or been provided with a copy of the Offering Memorandum, and the Subscriber has executed and delivered to the Corporation:
 - (v) two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B", retaining one (1) copy of such Risk Acknowledgement for its records;
 - (vi) if the Subscriber is an "eligible investor" as such term is defined in NI 45-106, one (1) copy of the Certificate of Eligible Investor in the form attached to this Subscription Agreement as Schedule "C";

- (vii) one (1) copy of each of Exhibit 1 and Exhibit 2 to Schedule "D" attached to this Subscription Agreement, characterizing the type of investor and confirming investment limits specified therein (the investment limits do not apply if the Subscriber is not an individual or it is an "accredited investor" as defined in NI 45-106);
 - (viii) if the Subscriber is relying on advice from a portfolio manager, investment dealer or exempt market dealer (each a "registrant") to increase its 12-month investment limit to \$100,000, then the dealing representative or advising representative of such registrant who provided such advice must complete Section 2 of Exhibit 2 to Schedule "D"; OR
- (d) if the Subscriber is relying on the offering memorandum exemption found in Section 2.9 of NI 45-106 and is resident in or otherwise subject to the applicable securities laws of **Manitoba**:
- (i) it is purchasing the Common Shares as principal (or is deemed to be purchasing as principal) for its own account and not for the benefit of any other person;
 - (ii) it is an eligible investor (in which case, it was not created or used solely to purchase or hold securities as an eligible investor as defined in paragraph (a) of the definition of "eligible investor" in NI 45-106) or the acquisition cost of the Common Shares does not exceed \$10,000; and
 - (iii) at the same time or before the Subscriber signs this Subscription Agreement, it has received or been provided with a copy of the Offering Memorandum,

and the Subscriber has executed and delivered to the Corporation two (2) copies of the Risk Acknowledgement in the form attached to this Subscription Agreement as Schedule "B", retaining one (1) copy of such Risk Acknowledgement for its records and, if the acquisition cost to the Subscriber exceeds \$10,000, one (1) copy of the Certificate of Eligible Investor in the form attached to this Subscription Agreement as Schedule "C".

7.2 Subscriber Outside of Canada. If the Subscriber is resident in an International Jurisdiction or in the United States, it certifies in particular and further acknowledges and certifies that:

- (a) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Special Warrants;
- (b) there is no government or other insurance covering the Special Warrants;
- (c) there are risks associated with the purchase of the Special Warrants;
- (d) there are restrictions on the Subscriber's ability to resell the Special Warrants and it is the responsibility of the Subscriber to determine what those restrictions are and to comply with them before selling the Special Warrants;
- (e) the Issuer has advised the Subscriber that the Issuer is relying on an exemption from the requirements to provide the Subscriber with a prospectus and, as a consequence of acquiring securities pursuant to this exemption, certain protections, rights and remedies provided by Applicable Securities Laws, including statutory rights of rescission or damages, will not be available to the Subscriber;
- (f) the Subscriber is knowledgeable of securities legislation having application or jurisdiction over the Subscriber and the Offering (other than the laws of Canada and the United States) which would apply to this Subscription Agreement;
- (g) the Subscriber is purchasing the Special Warrants pursuant to exemptions from any prospectus, registration or similar requirements under the laws of that International Jurisdiction and or, if such is not applicable, the Subscriber is permitted to purchase the Special Warrants, and the Issuer has no filing obligations in the International Jurisdiction;

- (h) no laws in the International Jurisdiction require the Issuer to make any filings or seek any approvals of any kind whatsoever from any regulatory authority of any kind whatsoever in the International Jurisdiction; and
- (i) the Special Warrants are being acquired for investment only and not with a view to resale and distribution within the International Jurisdiction.

7.3 Other General Representations Applicable to All Subscribers

The Subscriber represents and warrants and acknowledges and agrees with (on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Subscriber is contracting hereunder) the Issuer and its counsel (and acknowledges that the Issuer and its counsel are relying thereon) that:

- (a) the Subscriber has no knowledge of a “material fact” or “material change”, as those terms are defined herein, in respect of the affairs of the Issuer that has not been generally disclosed to the public;
- (b) the Subscriber (and, if applicable, any beneficial purchaser for whom it is acting) is resident in the jurisdiction set out under the heading “Name and Address of Subscriber” on the execution page of this Subscription Agreement;
- (c) the Subscriber is of legal age and has the legal capacity and competence to enter into and execute this Subscription Agreement and to take all actions required pursuant hereto and, if the Subscriber is a corporation, it is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation and all necessary approvals by its directors, shareholders and others have been obtained to authorize execution of this Subscription Agreement on behalf of the Subscriber;
- (d) the entering into of this Subscription Agreement and the transactions contemplated hereby do not result in the violation of any of the terms and provisions of any law applicable to, or the constating documents of, the Subscriber or of any agreement, written or oral, to which the Subscriber may be a party or by which the Subscriber is or may be bound;
- (e) the Subscriber has duly and validly authorized, executed and delivered this Subscription Agreement and understands it is intended to constitute a valid and binding agreement of the Subscriber enforceable against the Subscriber;
- (f) in connection with the Subscriber’s investment in the Special Warrants, the Subscriber has not relied upon the Issuer for investment, legal or tax advice, and has, in all cases sought the advice of the Subscriber’s own personal investment advisor, legal counsel and tax advisers or has waived its rights thereto and the Subscriber is either experienced in or knowledgeable with regard to the affairs of the Issuer, or either alone or with its professional advisors is capable, by reason of knowledge and experience in financial and business matters in general, and investments in particular, of evaluating the merits and risks of an investment in the Special Warrants and is able to bear the economic risk of the investment and it can otherwise be reasonably assumed to have the capacity to protect its own interest in connection with the investment in the Special Warrants;
- (g) in the case of the purchase by the Subscriber of the Special Warrants as agent or trustee for a principal, the Subscriber is the duly authorized trustee or agent of such beneficial Subscriber with due and proper power and authority to execute and deliver, on behalf of such beneficial Subscriber, this Subscription Agreement and all other documentation in connection with the purchase of the Special Warrants hereunder, to agree to the terms and conditions herein and therein set out and to make the representations, warranties, acknowledgements and covenants herein and therein contained, all as if such beneficial Subscriber were the Subscriber and is subscribing as principal for its own account and not for the benefit of any other person for investment only and not for resale and the Subscriber’s actions as trustee or agent are in compliance with applicable law and the Subscriber and the beneficial Subscriber each acknowledge that the Issuer may be required by law to disclose to certain regulatory authorities the identity of the beneficial Subscriber of Special Warrants;

- (h) the Subscriber is not a control person as defined under Applicable Securities Laws and will not become a control person by virtue of this subscription;
- (i) no person has made to the Subscriber any written or oral representations:
 - (i) that any person will resell or repurchase the Special Warrants;
 - (ii) that any person will refund the purchase price for the Special Warrants;
 - (iii) as to the future price or value of the Special Warrants; or
 - (iv) that the Special Warrants will be listed and posted for trading on a stock exchange or that application has been made to list and post the Special Warrants for trading on a stock exchange;

Not a person in the United States or a U.S. Person

- (j) The Subscriber represents and warrants that:
 - (i) the Special Warrants are not being acquired, directly or indirectly, for the account or benefit of a Person or a person in the United States and the Subscriber does not have any agreement or understanding (either written or oral) with any U.S. Person or a person in the United States respecting:
 - (A) the transfer or assignment of any rights or interests in any of the Special Warrants;
 - (B) the division of profits, losses, fees, commissions, or any financial stake in connection with this Subscription Agreement; or
 - (C) the voting of the Special Warrants; and
 - (ii) the Subscriber has no intention to distribute either directly or indirectly any of the Special Warrants in the United States or to U.S. Persons;
 - (iii) the Subscriber represents that the current structure of this transaction and all transactions and activities contemplated hereunder is not a scheme to avoid the registration requirements of the U.S. Securities Act;
 - (iv) the Subscriber is not a "U.S. Person" and is not purchasing the Special Warrants for the account or benefit of any U.S. Person or a person in the United States or for offering, resale or delivery for the account or benefit of any U.S. Person or a person in the United States;
 - (v) the Subscriber was outside the United States at the time of execution and delivery of this Subscription Agreement within the meaning of Regulation S;
 - (vi) no offers to sell the Special Warrants were made by any person to the Subscriber while the Subscriber was in the United States;
 - (vii) the Subscriber acknowledges that the Special Warrants have not been registered under the U.S. Securities Act, and may not be offered or sold in the United States or to a U.S. Person unless an exemption from such registration requirements is available. The Subscriber understands that the Issuer has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of the Special Warrants;

- (viii) the Subscriber will not engage in any directed selling efforts (as defined by Regulation S under the U.S. Securities Act) in the United States in respect of the Special Warrants, which would include any activities undertaken for the purpose of, or that could reasonably be expected to have the effect of conditioning the market in the United States for the resale of the Special Warrants;
- (k) the funds representing the aggregate subscription price for the Special Warrants which will be advanced by the Subscriber hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* and the Subscriber acknowledges that the Issuer may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to such legislation. To the best of its knowledge, (a) none of the subscription funds to be provided by the Subscriber (i) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (b) the Subscriber shall promptly notify the Issuer if the Subscriber discovers that any of such representations ceases to be true, and to provide the Issuer with appropriate information in connection therewith. Notwithstanding that the Subscriber may be purchasing the Special Warrants as agent on behalf of an undisclosed principal, the Subscriber agrees to provide, on request, particulars as to the identity of such undisclosed principal as may be required by the Issuer in order to comply with the foregoing;
- (l) the Subscriber will comply with Applicable Securities Laws and, if applicable, Regulation S concerning the resale of the Special Warrants and all related restrictions (and the Issuer is not in any way responsible for such compliance) and will speak and consult with its own legal advisors with respect to such compliance;
- (m) the Subscriber acknowledges and agrees that all costs and expenses incurred by the Subscriber (including any fees and disbursements of any special counsel or other advisors retained by the Subscriber) relating to the purchase of the Special Warrants will be borne by the Subscriber;
- (n) The representations, warranties and covenants of the Subscriber herein are made with the intent that they be relied upon by the Issuer and its counsel in determining the suitability of the purchaser of Special Warrants and the Subscriber agrees to indemnify, defend and hold the Issuer and its counsel harmless against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur caused or arising from reliance thereon. The Subscriber undertakes to immediately notify the Issuer and its counsel of any change in any statement or other information relating to the Subscriber set forth herein prior to the Closing Date.

8. Covenants of the Issuer

The Issuer hereby covenants with each Subscriber that it will:

- (a) offer, sell, issue and deliver the Special Warrants pursuant to exemptions from the prospectus filing, registration or qualification requirements of Applicable Securities Laws and otherwise fulfill all legal requirements required to be fulfilled by the Issuer (including without limitation, compliance with all Applicable Securities Laws in connection with the Offering);
- (b) within the required time, file any documents, reports and information, in the required form, required to be filed by Applicable Securities Laws and in connection with the Offering, together with any applicable filing fees and other materials;
- (c) use its reasonable commercial efforts to obtain all necessary approvals for this Offering, if applicable.

9. Resale Restrictions and Legending of Securities

9.1 The Subscriber acknowledges that any resale of the Special Warrants will be subject to resale restrictions contained in the Applicable Securities Laws applicable to the Issuer, the Subscriber or any proposed transferee. Share certificates will include the following legend imprinted thereon:

"Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of (i) [insert the distribution date], and (ii) the date the issuer became a reporting issuer in any province or territory"

9.2 The Subscriber is aware that the Special Warrants have not been and will not be registered under the U.S. Securities Act or the securities laws of any state and that the Special Warrants may not be offered or sold in the United States without registration under the U.S. Securities Act or compliance with requirements of an exemption from registration and the applicable laws of all applicable states and acknowledges that the Issuer has no present intention of filing a registration statement under the U.S. Securities Act in respect of the Special Warrants.

10. General

10.1 Time is of the essence hereof.

10.2 The parties hereto will execute and deliver all such further documents and instruments and do all such acts and things as may either before or after the execution of this Subscription Agreement be reasonably required to carry out the full intent and meaning of this Subscription Agreement.

10.3 This Subscription Agreement, any amendment, addendum, annex, exhibit, supplement or other document relating hereto, any dispute arising from or related hereto, and all related rights, duties and remedies shall be governed by and construed in accordance with the laws of the Province of Alberta, and the laws of Canada applicable in the Province of Alberta, governing contracts made and to be performed wholly therein, without reference to its principles governing the choice or conflict of laws, and the parties hereto and their successors in interest irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta, sitting in the City of Calgary, with respect to any dispute arising from or related to this Subscription Agreement.

10.4 This Subscription Agreement may not be assigned by any party hereto.

10.5 The Issuer will be entitled to rely on delivery of a facsimile copy of this Subscription Agreement, and acceptance by the Issuer of a facsimile copy of this Subscription Agreement will create a legal, valid and binding agreement between the Subscriber and the Issuer in accordance with its terms.

10.6 This Subscription Agreement may be signed by the parties in as many counterparts as may be deemed necessary, each of which so signed will be deemed to be an original, and all such counterparts together will constitute one and the same instrument.

10.7 This Subscription Agreement is deemed to be entered into on the acceptance date by Issuer, notwithstanding its actual date of execution by the Subscriber.

10.8 This Subscription Agreement, including, without limitation, the representations, warranties, acknowledgements and covenants contained herein, will survive and continue in full force and effect and be binding upon the parties notwithstanding the completion of the purchase of the Special Warrants by the Subscriber pursuant hereto, the completion of the issue of Special Warrants of the Issuer and any subsequent disposition by the Subscriber of the Special Warrants.

10.9 The invalidity or unenforceability of any particular provision of this Subscription Agreement will not affect or limit the validity or enforceability of the remaining provisions of this Subscription Agreement.

10.10 Except as expressly provided in this Subscription Agreement and in the agreements, instruments and other documents contemplated or provided for herein, this Subscription Agreement contains the entire agreement between the parties with respect to the sale of the Special Warrants and there are no other terms, conditions, representations or warranties, whether expressed, implied, oral or written, by statute, by common law, by the Issuer, by the Subscriber, or by anyone else. In the event that execution pages are delivered to the Issuer without this entire Agreement, the Issuer is entitled to assume that the Subscriber, and each beneficial purchaser for whom it is acting, has accepted all of the terms and conditions contained in the parts of this Subscription Agreement that are not returned, without amendment or modification.

10.11 All monetary amounts expressed herein are Canadian Dollars.

SCHEDULE "A"

ACCREDITED INVESTOR CERTIFICATE

(To be completed by Accredited Investors only)

TO: MEDTRACTOR CORP. (the "Issuer")

ACCREDITED INVESTOR (DEFINED IN NI 45-106):

The undersigned (the "Subscriber") (or if applicable, each beneficial purchaser the Subscriber is contracting for hereunder), hereby confirms and certifies to the Issuer that the Subscriber is purchasing the Special Warrants as principal and that the Subscriber is an "Accredited Investor" as defined in NI 45-106 or *Securities Act* (Ontario) and is [check appropriate boxes]:

- _____ (a) except in Ontario, a Canadian financial institution or an authorized foreign bank listed in Schedule III of the *Bank Act* (Canada),
- _____ (b) except in Ontario, the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada),
- _____ (c) except in Ontario, a subsidiary of any person referred to in paragraph (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
- _____ (d) except in Ontario, a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer,
- _____ (e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d),
- _____ (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the *Securities Act* (Ontario) or the *Securities Act* (Newfoundland and Labrador),
- _____ (f) except in Ontario, the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly-owned entity of the Government of Canada or a jurisdiction of Canada,
- _____ (g) except in Ontario, a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Quebec,
- _____ (h) except in Ontario, any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,
- _____ (i) except in Ontario, a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada,
- _____ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities, exceeds \$1,000,000,
- _____ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities, exceeds \$5,000,000,

- _____ (k) an individual whose net income before taxes exceeded \$200,000 in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year,
- _____ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000,
- _____ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements,
- _____ (n) an investment fund that distributes or has distributed its securities only to
 - (i) a person that is or was an accredited investor at the time of the distribution,
 - (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [Minimum amount investment] and 2.19 [Additional investment in investment funds] of NI 45-106, or
 - (iii) a person described in paragraph (i) or (ii) immediately above that acquires or acquired securities under section 2.18 [Investment fund reinvestment] of NI 45-106,
- _____ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Quebec, the securities regulatory authority, has issued a receipt,
- _____ (p) a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account by the trust company or trust corporation, as the case may be,
- _____ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,
- _____ (r) a registered charity under the Income Tax Act (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded,
- _____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function,
- _____ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors,
- _____ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser,
- _____ (v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Quebec, the regulator as an accredited investor, or
- _____ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.

FOR ONTARIO RESIDENTS ONLY.

The following categories apply to Ontario residents only [check appropriate boxes]:

- _____ (x) a financial institution listed in Schedule I, II or III of the *Bank Act* (Canada), an association to which the *Cooperative Credit Association Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act, or a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be,
- _____ (y) the Business Development Bank of Canada,
- _____ (z) a subsidiary of any person referred to in paragraph (x) or (y), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
- _____ (aa) a person or company registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations,
- _____ (bb) the Government of Canada, the government of a province or territory of Canada, or any Crown corporation, agency or wholly-owned entity of the Government of Canada or of the government of a province or territory of Canada,
- _____ (cc) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Quebec,
- _____ (dd) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,
- _____ (ee) a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada, or
- _____ (ff) A person or company that is recognized or designated by the Ontario Securities Commission as an accredited investor.

If you have checked one of paragraphs (j), (k) or (l), please complete and sign Appendix 2 – Form 45-106F9 Form for Individual Accredited Investors.

For purposes hereof, words and phrases which are used in this Accredited Investor Certificate and which are defined in NI 45-106 will have the meaning ascribed thereto in NI 45-106. Certain definitions that are relevant to qualifications as an "Accredited Investor" are attached hereto as Appendix I. You must review these definitions carefully.

EXECUTED by the Subscriber at _____, this _____ day of _____, 2019.

If a corporation, partnership or other entity:

Signature of Authorized Signatory

Name and Position of Signatory

Name of Purchasing Entity

Jurisdiction of Residence

If an Individual:

Signature

Print Name

Jurisdiction of Residence

APPENDIX I TO SCHEDULE "A"

DEFINITIONS RELEVANT TO QUALIFICATIONS AS AN ACCREDITED INVESTOR

- (a) *"Canadian financial institution"* means
- (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of the *Cooperative Credit Associations Act* (Canada), or
 - (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (b) *"control person"* has the meaning ascribed to that term in securities legislation except in Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, the Northwest Territories and Nunavut where "control person" means any person that holds or is one of a combination of persons that hold
- (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer, or
 - (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of that issuer;
- (c) *"eligibility adviser"* means
- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a purchaser and authorized to give advice with respect to the type of security being distributed, and
 - (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practising member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:
 - (A) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons, and
 - (B) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 24 months;
- (d) *"executive officer"* means, for an issuer, an individual who is
- (i) a chair, vice-chair or president,
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production,
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer, or
 - (iv) performing a policy-making function in respect of the issuer;
- (e) *"financial assets"* means cash, securities or a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

- (f) *"founder"* means, in respect of an issuer, a person who,
 - (i) acting alone, in conjunction or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer, and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (g) *"fully managed account"* means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (h) *"investment fund"* has the meaning ascribed thereto in National Instrument 81-106 - *Investment Fund Continuous Disclosure*;
- (i) *"person"* includes
 - (i) an individual,
 - (ii) a corporation,
 - (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (j) *"related liabilities"* means
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or
 - (ii) liabilities that are secured by financial assets.
- (k) *"spouse"* means, an individual who,
 - (i) is married to another individual and is not living separate and apart within the meaning of the Divorce Act (Canada), from the other individual,
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender, or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) immediately above or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (l) *"subsidiary"* means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary;

Affiliated Entities and Control

1. An issuer is considered to be an affiliate of another issuer if one of them is a subsidiary of the other, or if each of them is controlled by the same person.
2. A person (first person) is considered to control another person (second person) if
 - (i) *the first person, directly or indirectly, beneficially owns or exercises control or direction over securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless the first person holds the voting securities only to secure an obligation,*
 - (ii) *the second person is a partnership, other than a limited partnership, and the first person holds more than 50% of the interests in the partnership, or*
 - (iii) *the second person is a limited partnership and the general partner of the limited partnership is the first person.*

All monetary references are in Canadian Dollars

APPENDIX 2 TO SCHEDULE "A"

Form 45-106F9

*Form for **INDIVIDUAL** Accredited Investors*

<p>WARNING! This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.</p>
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SECTION 1 TO BE COMPLETED BY ISSUER OR SELLING SECURITY HOLDER

1. ABOUT YOUR INVESTMENT

Type of securities: Special Warrants	Issuer: MEDTRACTOR CORP.
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SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER

2. RISK ACKNOWLEDGEMENT

This investment is risky. Initial that you understand that:	Your initials
Risk of loss – You could lose your entire investment of \$ _____.	
Liquidity risk – You may not be able to sell your investment quickly – or at all.	
Lack of information – You may receive little or no information about your investment.	
Lack of advice – You may not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca .	

3. ACCREDITED INVESTOR STATUS

You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	Your initials
• Your net income before taxes was more than \$200,000 in each for the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	
• Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.	
• Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
• Either alone or with your spouse, you may have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	

4. YOUR NAME AND SIGNATURE

By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.

First and last name (please print):

Signature:	Date:
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SECTION 5 TO BE COMPLETED BY SALESPERSON

5. SALESPERSON INFORMATION

[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]

First and last name of salesperson (please print):

Telephone:

Email:

Name of firm (if registered):

SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER

6. FOR MORE INFORMATION ABOUT THIS INVESTMENT

Please contact:

MEDTRACTOR CORP.
Attention: James M. Durward, President
c/o 3632 – 13 Street SW
Calgary, Alberta T2T 3R1
Phone: (403) 689-3901
E-Mail: jimdurward@shaw.ca

For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca

Form instructions:

- 1. This form does not mandate the use of a specific font size or style but the font must be legible.*
- 2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.*
- 3. The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.*

SCHEDULE "B"
REPRESENTATION LETTER – FORM 45-106F4

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- The person selling me these securities is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$ _____ [total consideration] in total; this includes any amount I am obliged to pay in future. MEDXTRACTOR CORP. will pay up to \$ _____ of this subscription amount to _____ [name of person selling the securities] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

You have 2 business days to cancel your purchase. To do so, send a notice to MEDXTRACTOR CORP. stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to MEDXTRACTOR CORP. at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

MEDXTRACTOR CORP.
c/o 3632 – 13 Street SW
Calgary, Alberta T2T 3R1
Attention: Mr. James M. Durward, President
Phone: (403) 237-0018

WARNING

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A *non-reporting issuer* does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator.

ALBERTA SECURITIES COMMISSION

Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
(403) 297-6454

www.albertasecuritiescommission.com

MANITOBA SECURITIES COMMISSION

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4W5
(204) 945-2548

www.msc.gov.mb.ca

BRITISH COLUMBIA SECURITIES COMMISSION

701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
(604) 899-6500

www.bcsc.bc.ca

ONTARIO SECURITIES COMMISSION

20 Queen Street West, Suite 1903
Toronto, Ontario M5H 3S8
(416) 593-8314

www.osc.gov.on.ca

SASKATCHEWAN SECURITIES COMMISSION

Suite 601, 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
(306) 787-5645

www.sfsc.gov.sk.ca/

SCHEDULE "C"

CERTIFICATE OF ELIGIBLE INVESTOR

TO: MEDXTRACTOR CORP. (the "Corporation")

(Capitalized terms not specifically defined in this Schedule have the meaning ascribed to them in the Subscription Agreement to which this Schedule is attached)

In connection with the purchase of Common Shares of the Corporation, the undersigned hereby represents, warrants and certifies to the Corporation that the undersigned is an "eligible investor" as defined in Section 1.1 of National Instrument 45-106 *Prospectus Exemptions* and is purchasing the securities offered hereunder as principal.

The undersigned has indicated below the category or categories which it, he or she satisfies to qualify as an "eligible investor". If not an individual, the undersigned was not created or used solely to purchase or hold securities as an "eligible investor".

The undersigned fully understands the meaning of the terms and conditions of the category of "eligible investor" applicable to it and confirms that it has reviewed and understands the definitions in this Certificate in respect of the category of "eligible investor" applicable to it.

If the undersigned is an "eligible investor" by virtue of satisfying paragraph (f) below as an "accredited investor", it acknowledges that it must complete and sign Schedule "A" to the Subscription Agreement.

The undersigned understands that the Corporation and its respective counsel are relying on this information in determining to sell securities to the undersigned in a manner exempt from the prospectus and registration requirements of the securities legislation in the jurisdiction in which the undersigned is a resident.

Upon execution of this Certificate by the undersigned Subscriber, this Certificate shall be incorporated into and form a part of the Subscription Agreement.

ELIGIBLE INVESTOR STATUS

The undersigned represents, warrants and certifies that it, he or she is [initial each applicable item]:

- (a) a person whose:
 - (i) net assets, alone or with a spouse, in the case of an individual, exceed \$400,000, */Note: your "net assets" are your total assets (including real estate) minus your total debt*
 - (ii) net income before taxes exceeded \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or
 - (iii) net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year,
- (b) a person of which a majority of the voting securities are beneficially owned by eligible investors, or a majority of the directors are eligible investors,
- (c) a general partnership of which all of the partners are eligible investors,
- (d) a limited partnership of which the majority of the general partners are eligible investors,
- (e) a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are eligible investors,

Note: If you initialed & marked (b), (c), (d) or (e), then indicate the name and category of eligible investor (by reference to the applicable item above) as follows (attach additional pages if required):

- (1) list all owners of voting securities (and % owned) if relying 011 security holders as Eligible Investors or list all of the directors if relying 011 the majority of directors as eligible investor
- (2) list all partners
- (3) list all general partners
- (4) list all beneficiaries, trustees and executors

Attach supporting documentation affirming the owners of voting securities (and % owned) such as an Annual Return or a certified list of shareholders.

Name and Title	Percentage of Securities	Category of Eligible Investor
_____	_____	_____
_____	_____	_____
_____	_____	_____

- (f) an accredited investor, as such term is defined in NI 45-106, and it has concurrently completed, signed and delivered a Representation Letter in the form of Schedule "A" this Subscription Agreement indicating the applicable category or categories,
- (g) a person who purchases the security as principal and is:
 - (i) a director, executive officer or control person of the Corporation or of an affiliate of the Corporation,
 - (ii) a spouse, parent, grandparent, brother, sister, child or grandchild of a director, executive officer or control person of the Corporation, or of an affiliate of the Corporation,
 - (iii) a parent, grandparent, brother, sister, child or grandchild of the spouse of a director, executive officer or control person of the Corporation, or of an affiliate of the Corporation,
 - (iv) a close personal friend of a director, executive officer or control person of the Corporation, or of an affiliate of the Corporation,
 - (v) a close business associate of a director, executive officer or control person of the Corporation, or of an affiliate of the Corporation,
 - (vi) a founder of the Corporation or a spouse, parent, grandparent, brother, sister, child, grandchild, close personal friend or close business associate of a founder of the Corporation,
 - (vii) a parent, grandparent, brother, sister, child or grandchild of the spouse of a founder of the Corporation,
 - (viii) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons or companies described in paragraphs (i) to (vi), or
 - (ix) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (i) to (vi), or

- (h) a person that has obtained advice regarding the suitability of the investment and, if the person or company is resident in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser. "Eligibility Advisor" means a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of the purchaser and authorized to give advice with respect to the type of security being distributed, and in Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant (A) does not have a professional, business or personal relationship with the Corporation, or any of the directors, executive officers, founders or control persons of the Corporation, and (B) has not acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the Corporation or any of the Corporation's directors, executive officers, founders or control persons within the previous 12 months.

[If you fall within this category, please indicate in the space below the name, title and firm of the investment dealer, securities dealer or equivalent from whom you obtained advice:

The undersigned has executed this Questionnaire as of the ____ day of _____, 2019.

If a Corporation, Partnership or Other Entity:

If an Individual:

Name of Entity

Signature

Type of Entity

Named Individual

Signature of Person Signing

Title of Person Signing

As used in this certificate, the following terms have the following meaning:

"affiliate" means an issuer connected with another issuer because (i) one of them is the subsidiary of the other; (ii) each of them is controlled by the same person; or (iii) for the purposes of Saskatchewan securities law, both are subsidiaries of the same issuer.

"close personal friend" is an individual who has known the director, executive officer, founder or control person well enough and for a sufficient period of time to be in a position to assess their capabilities and trustworthiness. The term "close personal friend" can include family members not already specifically identified in the exemption if the family member satisfies the criteria described above.

An individual is not a close personal friend solely because the individual is a relative or a member of the same organization, association or religious group or a client, customer or former client or customer.

The relationship between the purchaser and director, executive officer, founder or control person must be direct. For example, the exemption is not available for a close personal friend of a close personal friend of the director, executive officer, founder or control person.

"close business associate" is an individual who has had sufficient prior business dealings with the director, executive officer, founder or control person to be in a position to assess their capabilities and trustworthiness.

An individual is not a close business associate solely because the individual is a client, customer or former client or customer.

The relationship between the purchaser and director, executive officer, founder or control person must be direct. For example, the exemption is not available for a close business associate of a close business associate of a director, executive officer, founder or control person.

"control person" means any person that holds or is one of a combination of persons that holds:

- (a) a sufficient number of any of the securities of the Corporation so as to affect materially the control of the Corporation; or
- (b) more than 20% of the voting shares of the Corporation except where there is evidence showing the holding of the shares does not affect materially the control of the Corporation.

"director" means (i) a member of the board of directors of a company or an individual who performs similar functions for a company, and (ii) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company.

"executive officer" means, for the Corporation, an individual who is:

- (a) a chair, vice-chair or president;
- (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production;
- (c) an officer of the Corporation or any of its subsidiaries and who performs a policy-making function in respect of the Corporation, or
- (d) performing a policy-making function in respect of the Corporation.

"founder" means a person or company who,

- (a) acting alone, in conjunction or in concert with one or more other persons or companies, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the Corporation, and
- (b) at the time of the proposed trade, is actively involved in the business of the Corporation.

"person" includes:

- (a) an individual;
- (b) a corporation;
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and
- (d) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative.

SCHEDULE "D"

Each Subscriber who is an Alberta, Saskatchewan or Ontario resident and who is subscribing as an individual under the offering memorandum exemption is required to complete and execute two copies of each of Exhibit 1 and Exhibit 2 to this Schedule "D", retaining one copy for its records.

EXHIBIT 1 TO SCHEDULE "D"

Classification of Investors Under the Offering Memorandum Exemption

Instructions: This Exhibit 1 of Schedule "D" must be completed together with the Risk Acknowledgement Form (Schedule "B") and Exhibit 2 to Schedule "D" by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 Prospectus Exemptions (NI 45-106) in Alberta, Saskatchewan and Ontario.

How you qualify to buy securities under the offering memorandum exemption

Initial the statement under A, B, C or D containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B or C, you are not required to complete A.

A. You are an eligible investor because:		Your initials
Eligible Investor	Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse's was more than \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Either alone or with your spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)	

B. You are an eligible investor, as a person described in section 2.3 [<i>Accredited investor</i>] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act</i> (Ontario), because:		Your initials
Accredited Investor	Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	

	Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.	
	Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
	Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	

C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106, because:		Your initials
Family, Friends and Business Associates	<p>You are:</p> <p>1) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a director of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a control person of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a founder of the issuer</p> <p>OR</p> <p>2) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>	
	<p>You are a family member of _____</p> <p><i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse], who holds the following position at the issuer or an affiliate of the issuer: _____.</i></p> <p>You are the _____ of that person or that person's spouse. <i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>	

	<p>You are a close personal friend of _____ <i>[Instruction: Insert the name of your close personal friend]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
	<p>You are a close business associate of _____ <i>[Instruction: Insert the name of your close business associate]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	

D. You are not an eligible investor.		Your initials
Not an Eligible Investor	You acknowledge that you are not an eligible investor.	

EXHIBIT 2 TO SCHEDULE "D"

Investment Limits for Investors Under the Offering Memorandum Exemption

Instructions: This Exhibit 2 of Schedule "D" must be completed together with the Risk Acknowledgement Form (Schedule "B") and Exhibit 1 to Schedule "D" by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 Prospectus Exemptions (NI 45-106) in Alberta, Saskatchewan and Ontario.

SECTION 1 TO BE COMPLETED BY THE PURCHASER
1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption
You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Exhibit 1. Initial the statement that applies to you.

A. You are an eligible investor.		Your initials
Eligible Investor	As an eligible investor that is an individual, you cannot invest more than \$30,000 in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable.	
	Initial one of the following statements:	
	You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months.	
	You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable.	
	You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000.	

B. You are an eligible investor, as a person described in section 2.3 [<i>Accredited investor</i>] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act (Ontario)</i>.		Your initials
Accredited Investor	You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 [<i>Accredited investor</i>], you are not subject to investment limits.	

C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106.		Your Initials
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Family, Friends and Business Associates	<p>You acknowledge that, by qualifying as an eligible investor as a person described in section 2.5 [Family, friends and business associates], you are not subject to investment limits.</p>	
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D. You are not an eligible investor.		Your initials
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Not an Eligible Investor	<p>You acknowledge that you cannot invest more than \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> <p>You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p>	
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SECTION 2 TO BE COMPLETED BY THE REGISTRANT
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2. Registrant information

[Instruction: this section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.]

First and last name of registrant (please print):

Registered as:
[Instruction: indicate whether registered as a dealing representative or advising representative]

Telephone:	Email:
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Name of firm:
[Instruction: indicate whether registered as an exempt market dealer, investment dealer or portfolio manager.]

Date: