

*This offering document pursuant to the listed issuer financing exemption under section 5A.2 of National Instrument 45-106 – Prospectus Exemptions (the "**Offering Document**") constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons whom they may be lawfully offered for sale. The securities offered under this Offering Document have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Offering Document does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the benefit of, U.S. persons or persons in the United States. "**United States**" and "**U.S. Person**" have the meanings ascribed to them in Regulation S under the U.S. Securities Act.*

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

New Issue

May 8, 2024



AMERICAN AIRES INC.

SUMMARY OF OFFERING

What are we offering?

- Offering:** Brokered best efforts private placement, on an agency basis, of units of American Aires Inc. (the "**Company**", "**Aires**", "**we**" or "**our**"), at a price of \$0.95 per unit (the "**Units**"), with each Unit being comprised of one common share in the capital of the Company (a "**Common Share**") and one common share purchase warrant of the Company (each, a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one Common Share at an exercise price of \$1.20 per Common Share for 5 years following the completion of the offering (the "**Offering**").
- Offering Price:** \$0.95 per Unit (the "**Issue Price**").
- Offering Amount:** Up to 3,158,000 Units, for gross proceeds of up to \$3,000,100. The Agent (as defined herein) shall have an option (the "**Agent's Option**"), exercisable in whole or in part at any time up to 48 hours prior to the Closing Date (as defined herein), to offer for sale up to an additional 810,911 Units for additional gross proceeds to the Company of up to \$770,365. In the event that the Agent's Option is exercised in its entirety, the total gross proceeds to the Company from the Offering will be a maximum of \$3,770,465.
- Closing Date:** On or about May 16, 2024 (the "**Closing Date**").
- Exchange:** The Common Shares are listed and posted for trading, under the symbol "**WIFI**", on the Canadian Securities Exchange (the "**CSE**") and under the symbol "**AAIRF**" on the OTCQB Venture Market ("**OTCQB**").
- Last Closing Price:** On May 8, 2024, the closing price of the Common Shares on the CSE was \$1.19.
- Agent:** Eight Capital as the lead agent and sole bookrunner (the "**Agent**").

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The Company is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 – Prospectus Exemptions. In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$5,000,000.**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Document contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "anticipates", "believes", "estimates", "expects" and similar expressions, or the negatives of such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might", or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Offering Document speak only as of the date of this Offering Document or as of the date specified in such statement. Specifically, this Offering Document includes, but is not limited to, forward-looking statements regarding: the Company's expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering; completion of the Offering on the terms described herein or at all; the expected Closing Date; the Company's ability to raise additional capital; and completion of the Company's business objectives.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. These risks, uncertainties and other factors include, but are not limited to, the global economic, political and public health situation; the future demand and adoption of EMR (as defined below) protection products; future studies on and health effects of EMR; regulatory changes; the Company's reliance on skilled personnel and executives; the exposure of the Company's or the Company's service provider's systems to potential cybersecurity threats, hacks and malicious actors; equipment and labor shortages and inflationary costs; changes in applicable taxation and other laws and regulations as well as how such laws and regulations are interpreted and enforced; competition; the availability of additional capital on acceptable terms or at all; the ability to obtain required approvals from regulatory authorities including but not limited to the CSE; and stock market volatility. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by forward-looking statements contained in this Offering Document. Such statements are based on a number of assumptions, including, but not limited to, in relation to the following: anticipated costs of, and the Company's ability to fund, its operations; the receipt of any required approvals; the Company's ability to operate in a safe, efficient and effective manner; the potential impact of natural disasters, epidemics, war and other force majeure events; inflationary pressures; the Company's ability to obtain financing as and when required and on reasonable terms; market competition; and general business and economic conditions.

Forward-looking statements may be affected by known and unknown risks, uncertainties and other factors including, without limitation, those referred to in this Offering Document that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

SUMMARY DESCRIPTION OF BUSINESS

What is our business?

Aires is a Canadian-based nanotechnology company committed to enhancing well-being and environmental safety through science-led innovation, education, and advocacy. The company has developed a proprietary silicon-based resonator that protects against the harmful effects of electromagnetic radiation ("EMR"). Aires currently has a full suite of consumer products under the brand name "Lifetune". Aires' Lifetune products target EMR emitted by consumer electronic devices such as cellphones, computers, baby monitors, and Wi-Fi, including the more powerful and rapidly expanding high-speed 5G networks. Aires is engaged in the business of producing, distribution and selling its Lifetune products.

Recent developments

On May 2, 2024, the Common Shares commenced trading on the OTCQB.

On March 20, 2024, Ruslan Elensky resigned from the board of directors of the Company and was replaced by Jamie Cochran.

On February 16, 2024, the Company closed a non-brokered private placement offering of 26,666,663 units of the Company at a price of \$0.15 per unit for aggregate gross proceeds of \$4,000,000. Each unit consisted of one Common Share and one common share purchase warrant, with each warrant exercisable at a price of \$0.25 per share until February 26, 2026, subject to accelerated expiry.

On November 24, 2023, the Company granted 10,000 stock options to an arm's length consultant, with each option exercisable to acquire one Common Share at a price of \$0.21 per Common Share until July 6, 2026. The options vested immediately upon grant.

On October 27, 2023, the Company settled an aggregate of \$810,648 owing to certain officers and employees of the Company by the issuance of 12,009,600 Common Shares at a deemed price of \$0.0675 per Common Share.

On October 19, 2023, the Company granted 490,000 stock options to certain insiders and arm's length parties, with each option exercisable to acquire one Common Share at a price of \$0.095 per Common Share. 50,000 of such options expire on December 10, 2024 and 440,000 of such options expire July 6, 2026. The options vested immediately upon grant.

On October 19, 2023, the Company also granted 8,100,000 restricted share units to certain insiders. 50% of such restricted share units vested immediately and the remaining 50% of such restricted share units will vest one year from the date of the grant.

On October 12, 2023 and October 13, 2023, certain holders of Debentures (as defined below) converted their principal amount and accrued interest into Common Shares. The amount converted was \$512,197 for 5,691,076 Common Shares at \$0.09 per share.

On September 26, 2023, certain holders of Debentures (as defined below) converted their principal amount and

accrued interest into Common Shares. The total amount converted was \$1,885,188 in exchange for 20,946,530 Common Shares at \$0.09 per share.

On September 22, 2023 and September 25, 2023, the Company issued 717 Debenture Units (as defined below), at the same terms as the Debenture Units described below, to arm's length investors for total gross proceeds of \$717,000.

On September 18, 2023, the Company consolidated its issued and outstanding Common Shares on the basis of one (1) Common Share for every ten (10) Common Shares outstanding (the "**Consolidation**"). The 1:10 Consolidation also applied to all outstanding warrants and stock options. certain holders of Debentures (as defined below) converted their principal amount and accrued interest into Common Shares.

On August 28, 2023, the Company entered into a partnership agreement (the "**Partnership Agreement**") with HUCK Project LLC ("**HUCK**") whereby HUCK became the Company's non-exclusive global retail-only distribution partner. HUCK is a US-based digital marketing and advertising consulting and execution group. HUCK is a related party of the Company because it is controlled by the CEO of the Company. Pursuant to the Partnership Agreement, (a) the Company granted to HUCK a non-exclusive, sublicensable licence to make, use, advertise, sell, promote and manufacture the Company's intellectual property relating to its REM converters; (b) the Company transferred its Airestech e-commerce website to HUCK; (c) HUCK acquired all inventory of the Company for \$684,038; and (d) HUCK agreed to pay the Company a monthly royalty of 5% to 40%, depending on the level of monthly sales by HUCK of the Company's products. The Company and HUCK terminated the Partnership Agreement as of January 1, 2024.

On June 15, 2023, the Company issued 325 Debenture Units, at the same terms as the Debenture Units described below, to arm's length investors for total gross proceeds of \$325,000.

On June 9, 2023, the Company issued 1,293 units of the Company ("**Debenture Units**") at a price of \$1,000 per Debenture Unit in satisfaction of outstanding debt in the amount of \$1,293,000. Each Debenture Unit consisted of one convertible debenture (each, a "**Debentures**" and collectively, the "**Debentures**") and 20,000 (2,000 post-Conversion) common share purchase warrants, with each warrant exercisable to acquire one Common Share at an exercise price of \$0.05 (\$0.50 post-Consolidation) until June 30, 2025. The Debentures bear interest at a rate of 12% per annum, payable semi-annually in arrears on the last day of June and December in each year. The maturity date of the Debentures is June 30, 2025. The Debentures are convertible into Common Shares at the last closing price of the Common Shares on the CSE before the time of conversion, at the option of the holders at any time prior to maturity. Each warrant entitles the holder thereof to acquire one Common Share at. The Debentures are secured by all of the assets of the Company. Of the 1,293 Debenture Units issued on June 9, 2023, 734 Debenture Units were issued to related parties of the Company and 559 Debenture Units were issued to arm's length parties.

On May 12, 2023, the Company closed a non-brokered private placement and issued an aggregate of 7,844,000 (784,400 post-Consolidation) units at a price of \$0.05 (pre-Consolidation) per unit for gross proceeds of \$392,000. Each unit comprised one Common Share and one common share purchase warrant which entitles the holder to purchase one Common Share at a price of \$0.05 (\$0.50 post-Consolidation) for a period of two years from the closing of the offering.

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this Offering Document or in any other document filed by the Company in the 12 months preceding the date of this Offering Document.

What are the business objectives that we expect to accomplish using the available funds?

The Company expects to use the net proceeds of the Offering, together with existing cash and cash equivalents, marketing, working capital and general corporate purposes. Capital expenditures will be made on the foregoing over the next 12 months. See the "*Use of Available Funds*" section below for a breakdown of the capital expenditures. There are no significant events which must occur in order to accomplish these business objectives.

USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

The Company's available funds following completion of the Offering is estimated to be \$4,190,876, assuming the Offering is fully subscribed. There is no minimum Offering.

		Assuming 100% of Offering ⁽¹⁾
A	Amount to be raised by this Offering	\$3,770,465
B	Selling commissions and fees ⁽²⁾	\$263,933
C	Estimated offering costs (e.g., legal, accounting, audit)	\$175,000
D	Net proceeds of Offering: $D = A - (B+C)$	\$3,331,532
E	Working capital as at April 30, 2024 ⁽³⁾	\$859,344
F	Additional sources of funding	N/A
G	Total available funds: $G = D+E+F$	\$4,190,876

Note:

- (1) Assumes full exercise of the Agent's Option.
- (2) The Company will pay to the Agent a cash commission of 7% of the aggregate gross proceeds of the Offering, other than in respect of proceeds from the sale of Units to certain "president's list" purchasers (the "**President's List**"), for which a 3.5% cash commission will be payable. This amount assumes no purchaser from the President's List, and the actual amount of cash commission paid to Agent may be lower.
- (3) As of the date of this Offering Document, the Company had not yet finalized its bookkeeping numbers for the end of April and therefore this number is management's reasonable estimate of the working capital as at April 30, 2024.

How will we use the available funds?

The Company intends to use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming 100% of Offering ⁽¹⁾
Inventory	\$1,047,719
Marketing	\$1,047,719
Operating Expenses ⁽²⁾	\$1,047,719
Unallocated Working Capital	\$1,047,719
Total: Equal to G in the available funds chart above	\$4,190,876

Note:

- (1) These amounts may be increased or decreased accordingly based on available funds and the amounts subscribed for under the Offering.
- (2) Operating expenses are expected to consist of, without limitation, salaries, contractors, insurance and office and general costs.

The above-noted allocation of capital represents the Company's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Company intends to spend the proceeds from the Offering as set forth above, there may be certain circumstances which affect the Company's ability to do so. Such circumstances include, but are not limited to, the Offering not being fully subscribed in which case for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above. The amounts ultimately allocated and spent will depend on a number of factors, including, but not limited to, the Company's ability to execute on its business plan. See the "*Cautionary Note Regarding Forward-Looking Statements*" section above.

The most recent audited annual financial statements of the Company included a going concern note. The Company has not yet generated sufficient positive cash flows from its operating activities to cover its previous deficits, which may cast doubt on the Company's ability to continue as a going concern. The Offering is intended to permit the Company to continue to achieve its business objectives, and is not expected to affect the decision to include a going concern note in the future financial statements of the Company.

How have we used the other funds we have raised in the past 12 months?

The table below provides a summary of how the Company used the proceeds raised in the past 12 months.

Date of Financing	Funds Raised	Intended Use of Funds	Explanation of Variances and Impact on Business Objectives and Milestones
February 16, 2023	\$4,000,000	To fund the general and administrative expenses of the Company.	No significant variances to intended use of proceeds. The Company has used the proceeds from this offering for the acquisition of inventory, investor relations, marketing and general and administrative expenses.
September 22, 2023 and September 25, 2023	\$717,000	Working capital purposes and to further the business objectives of the Company.	No significant variances to intended use of proceeds. The Company has used the proceeds from this offering for the acquisition of inventory, marketing and general and administrative expenses.
June 15, 2023	\$325,000	Working capital purposes and to further the business objectives of the Company.	No significant variances to intended use of proceeds. The Company has used the proceeds from this offering for the acquisition of inventory, marketing and general and administrative expenses.
May 12, 2023	\$392,000	Working capital and general corporate purposes.	No significant variances to intended use of proceeds. The Company has used the proceeds from this offering for the acquisition of inventory, marketing and general and administrative expenses.

FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

Agent:	Eight Capital as lead agent and sole bookrunner.
Compensation Type:	Cash commission and broker warrants.

Cash Commission:	Cash commission equal to 7% of the gross proceeds of the Offering, other than for sales to purchasers under the President's List, for which a 3.5% cash commission will be payable.
Broker Warrants:	Broker warrants (the " Broker Warrants ") entitling the Agent to purchase that number of Units (the " Broker Units ") equal to 7% of the aggregate number of Units sold pursuant to the Offering, other than Units sold under the President's List, for which Broker Warrants equal to 3.5% of the number of Units sold to purchasers under the President's List will be issued. The Broker Units shall have an exercise price per Broker Unit equal to the Issue Price, expiring 2 years from the Closing Date.

Does the Agent have a conflict of interest?

To the knowledge of the Company, it is not a "related issuer" or "connected issuer" of or to the Agent, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Document, you have a right

- (a) to rescind your purchase of these securities with the Company, or
- (b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

Security holders can access the Company's continuous disclosure filings on SEDAR+ at www.sedarplus.ca and may find additional information on our website at airestech.com. All dollar figures outlined in this Offering Document are expressed in Canadian dollars unless otherwise noted.

Please refer to **Appendix A** – “*Acknowledgements, Covenants, Representations and Warranties of the Investor*” and **Appendix B** – “*Indirect Collection of Personal Information*” attached hereto.

Purchasers should read this Offering Document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment in the Units.

CERTIFICATE OF THE COMPANY

May 8, 2024

This Offering Document, together with any document filed under Canadian securities legislation on or after May 8, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

"Josh Bruni"

"Vitaliy Savitsky"

Josh Bruni
Chief Executive Officer

Vitaliy Savitsky
Chief Financial Officer

APPENDIX A

ACKNOWLEDGEMENTS, COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE INVESTOR

Each purchaser of the Units (the "**Investor**") makes, and is deemed to make, the following acknowledgements, covenants, representations and warranties to the Company and the Agent, as at the date hereof, and as of the Closing Date:

- (a) the Investor confirms that it (i) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Units (including the potential loss of his, her or its entire investment); (ii) is aware of the characteristics of the Units (and the underlying securities) and understands the risks relating to an investment therein; and (iii) is able to bear the economic risk of loss of its investment in the Units and understands that it may lose its entire investment in the Units;
- (b) the Investor is resident in the jurisdiction disclosed to the Agent or the Company and the Investor was solicited to purchase in such jurisdiction;
- (c) the subscription for the Units by the Investor does not contravene any of the applicable securities legislation in the jurisdiction in which the Investor resides and does not give rise to any obligation of the Company to: (i) prepare and file a prospectus or similar document or to register the Units (or underlying securities) or to be registered with or to file any report or notice with any governmental or regulatory authority; or (ii) be subject to any ongoing disclosure requirements under the securities legislation of such jurisdiction;
- (d) unless the Investor has separately delivered to the Company and the Agent a U.S. Representation Letter (in which case the Investor makes the representations, warranties and covenants set forth therein), the Investor:
 - (i) (A) is not in the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the "**United States**"); (B) was outside of the United States at the time the buy order for the Units was originated; (C) is not subscribing for the Units for the account of a person in the United States or a U.S. Person; (D) is not subscribing for the Units for resale in the United States; and (E) was not offered the Units in the United States;
 - (ii) shall, if the Investor is a "distributor" (as defined in Regulation S ("**Regulation S**") of the U.S. Securities Act) selling securities to a distributor, a dealer, or a person receiving a selling concession, fee or other remuneration, prior to the expiration of the forty-day distribution compliance period, send a confirmation or other notice to the purchaser stating that the purchaser is subject to the same restrictions on offers and sales that apply to a distributor; and
 - (iii) the Investor understands and agrees that the Company will refuse to register any transfer of the Units, Common Shares, Warrants and Warrant Shares (as defined below) not made in accordance with the provisions of Regulation S;
- (e) the Investor is aware that the Units, Common Shares, Warrants and Common Shares issuable on exercise of the Warrants (the "**Warrant Shares**") have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and that the Units, Common Shares, Warrants and Warrant Shares may not be offered, sold or otherwise disposed of,

directly or indirectly, in the United States, or to or for the account or benefit of a U.S. Person without registration under the U.S. Securities Act and all applicable state securities laws or compliance with the requirements of an exemption from such registration and it acknowledges that the Company has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of the sale or resale of the Common Shares and Warrants;

- (f) (i) neither the Investor, nor any beneficial purchaser, if any, nor any Subscriber Beneficial Owner (as defined below) has been subject to or experienced any event or circumstance described in Rule 506(d)(1)(i) through (viii) of Regulation D (“**Regulation D**”) under the U.S. Securities Act, (ii) neither the Investor, nor any beneficial purchaser, if any, nor any Subscriber Beneficial Owner has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 of Regulation D, and (iii) if at any time the Investor, any beneficial purchaser, if any, or any Subscriber Beneficial Owner is deemed, directly or indirectly, to be the beneficial owner of ten percent (10%) or more of the Company’s outstanding voting equity securities as calculated under Rule 13d-3 under the United States Securities Exchange Act of 1934, as amended (the “**U.S. Exchange Act**”), the Investor or the beneficial purchaser (as applicable) will immediately notify the Company if the Investor, any beneficial purchaser, or a Subscriber Beneficial Owner becomes subject to or experiences any of the events or circumstances listed in Rule 506(d)(1)(i) through (viii) of Regulation D (or any successor thereto or expansion thereof) or becomes subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining such person for failure to comply with Rule 503 of Regulation D. The Investor has exercised, and will exercise, reasonable care to determine whether any beneficial purchaser and Subscriber Beneficial Owner is subject to any of the events or circumstances described in this paragraph. For these purposes, “**Subscriber Beneficial Owner**” means any person who through the Investor or the beneficial purchaser (if applicable) would be deemed, directly or indirectly, to be the beneficial owner of ten percent (10%) or more of the Company’s outstanding voting equity securities as calculated under Rule 13d-3 under the U.S. Exchange Act;
- (g) the funds representing the aggregate subscription funds which will be advanced by the Investor to the Company hereunder, as applicable, will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* (the “**PCMLTFA**”) or for the purposes of the United States *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act*, as may be amended from time to time (the “**PATRIOT Act**”) and the Investor acknowledges that the Company may in the future be required by law to disclose the Investor's name and other information relating to the Investor's subscription of the Units, on a confidential basis, pursuant to the PCMLTFA and the PATRIOT Act, and that, to the best of its knowledge: (i) none of the subscription funds to be provided by the Investor: (A) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States or any other jurisdiction; or (B) are being tendered on behalf of a person who has not been identified to the Investor; and (ii) it will promptly notify the Company if the Investor discovers that any of such representations ceases to be true, and to provide the Company with appropriate information in connection therewith;
- (h) neither the Company, the Agent, nor any of their respective directors, employees, officers, affiliates or agents has made any written or oral representations to the Investor: (i) that any person will resell or repurchase the Common Shares or Warrants comprising the Units; (ii) that any person will refund all or any part of the subscription amount; or (iii) as to the future price or value of the Common Shares or Warrants comprising the Units;
- (i) the Investor is not purchasing the Units with knowledge of any material information concerning the Company that has not been generally disclosed. The Investor's Units are not being purchased by the

Investor as a result of, nor does the Investor have knowledge of, any material fact (as defined in securities laws, regulations and rules, and the blanket rulings and policies and written interpretations of, and multilateral or national instruments adopted by, the securities regulatory authorities in the jurisdiction in which the Investor is resident or subject to (the "**Securities Laws**")) or material change (as defined in Securities Laws) concerning the Company that has not been generally disclosed and the decision of the Investor, to tender this offer and acquire the Investor's Units has not been made as a result of any oral or written representation as to fact or otherwise made by, or on behalf of, the Company or any other person and is based entirely upon the Offering Document;

- (j) if required by applicable Securities Laws or the Company, the Investor will execute, deliver and file or assist the Company in filing such reports, undertakings and other documents with respect to the issue and/or sale of the Units as may be required by any securities commission, stock exchange or other regulatory authority;
- (k) the Company is relying on an exemption from the requirement to provide the Investor with a prospectus under the Securities Laws and, as a consequence of acquiring the Units pursuant to such exemption, the Investor may not receive information that would otherwise be required to be given under the Securities Laws;
- (l) the Investor acknowledges that: (i) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Units; (ii) there is no government or other insurance covering the Units; and (iii) there are risks associated with the purchase of the Units, which securities are a speculative investment that involves a high degree of risk of loss of the Investor's entire investment.
- (m) if the Investor is:
 - (i) a corporation, the Investor is duly incorporated and is validly subsisting under the laws of its jurisdiction of incorporation and has all requisite legal and corporate power and authority to subscribe for the Units pursuant to the terms set out in this Offering Document;
 - (ii) a partnership, syndicate or other form of unincorporated organization, the Investor has the necessary legal capacity and authority to subscribe for the Units pursuant to the terms set out in this Offering Document and has obtained all necessary approvals in respect thereof; or
 - (iii) an individual, the Investor is of the full age of majority and is legally competent to subscribe for the Units pursuant to the terms set out in this Offering Document;
- (n) the Investor is responsible for obtaining such legal and tax advice as it considers appropriate in connection with the performance of this Offering Document and the transactions contemplated under this Offering Document, and that the Investor is not relying on legal or tax advice provided by the Company, the Agent or their respective counsel;
- (o) the subscription for the Units and the completion of the transactions described herein by the Investor will not result in any material breach of, or be in conflict with or constitute a material default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents, bylaws or resolutions of the Investor if the Investor is not an individual, the Securities Laws or any other laws applicable to the Investor, any agreement to which the Investor is a party, or any judgment, decree, order, statute, rule or regulation applicable to the Investor;

- (p) the Investor has obtained all necessary consents and authorizations to enable it to agree to subscribe for the Units pursuant to the terms set out in this Offering Document and the Investor has otherwise observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in any territory in connection with the purchase of the Units and the Investor has not taken any action which will or may result in the Company acting in breach of any regulatory or legal requirements of any territory in connection with the Offering or the Investor's subscription;
- (q) the Investor is purchasing the Units for investment purposes only and not with a view to resale or distribution; and
- (r) the Investor acknowledges that certain fees and commissions may be payable by the Company in connection with the Offering.

APPENDIX B

INDIRECT COLLECTION OF PERSONAL INFORMATION

By purchasing Units, the Investor acknowledges that the Company and the Agent and their respective agents and advisers may each collect, use and disclose the Investor's name and other specified personally identifiable information (including his, her or its name, jurisdiction of residence, address, telephone number, email address and aggregate value of the Units that it has purchased) (the "**Information**"), for purposes of: (a) meeting legal, regulatory, stock exchange and audit requirements and as otherwise permitted or required by law or regulation; and (b) issuing ownership statements issued under a direct registration system or other electronic book-entry system, or certificates that may be issued, as applicable, representing the Common Shares and Warrants (underlying the Units) to be issued to the Investor. The Information may also be disclosed by the Company to: (i) stock exchanges; (ii) revenue or taxing authorities; and (iii) any of the other parties involved in the Offering, including legal counsel, and may be included in record books in connection with the Offering. The Investor is deemed to be consenting to the disclosure of the Information.

By purchasing Units the Investor acknowledges: (A) that Information concerning the Investor will be disclosed to the relevant Canadian securities regulatory authorities and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the Investor consents to the disclosure of the Information; (B) the Information is being collected indirectly by the applicable Canadian securities regulatory authorities under the authority granted to them in securities legislation; and (C) the Information is being collected for the purposes of the administration and enforcement of the applicable Canadian securities legislation; and by purchasing the Units, the Investor shall be deemed to have authorized such indirect collection of personal information by the relevant Canadian securities regulatory authorities.