A copy of this preliminary prospectus has been filed with the securities regulatory authority in the provinces of British Columbia, Alberta, Saskatchewan and Ontario but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus does not constitute a public offering of securities.

*The securities offered hereby 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 except pursuant to an exemption from registration under the U.S. Securities Act and applicable state securities laws, may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. Person (as that term is defined in Regulation S under the U.S. Securities Act). This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States or to, or for the account of benefit of, any U.S Persons.*

New Issue Prospectus **December 21, 2018**

PRELIMINARY PROSPECTUS

VSBLTY GROUPE TECHNOLOGIES CORP.

14,600,000 Common Shares and 7,300,000 Common Share Purchase Warrants issuable on deemed exercise of 14,600,000 Special Warrants

No securities are being offered or sold pursuant to this non offering preliminary prospectus. This prospectus is being filed with the securities regulatory in British Columbia, Alberta, Saskatchewan and Ontario to enable VSBLTY Groupe Technologies Corp. ("**VGT**" or the "**Company**") to become a reporting issuer pursuant to the applicable securities legislation in such provinces, and to qualify the distribution of the following securities: 14,600,000 common shares (the "**Common Shares**") in the capital of the Company and 7,300,000 Common Share purchase warrants (the "**Warrants**") of the Company issuable upon the deemed exercise of 14,600,000 issued and outstanding special warrants (the "**Special Warrants**") of the Company. The Special Warrants were issued on October 17, 2018 at a price of $0.30 per Special Warrant to purchasers in the provinces British Columbia, Alberta, Saskatchewan and Ontario and outside of Canada on a private placement basis pursuant to certain prospectus exemptions under applicable securities legislation (the "**Private Placement**"). Collectively, the Common Shares and the Warrants are referred to herein as the "**Qualified Securities**". **The Special Warrants are not available for purchase pursuant to this prospectus and no additional funds are to be received by the Company from the distribution of the Qualified Securities other than the exercise price payable upon exercise of the Warrants.**

This prospectus is being filed in connection with the proposed acquisition by the Company of VSBLTY, Inc. ("**VSBLTY, Inc.**"), whereby pursuant to a merger of a wholly-owned subsidiary of the Company and VSBLTY, Inc. (the "**Acquisition**"), the Company will acquire all of the issued and outstanding securities of VSBLTY, Inc. in exchange for securities of the Company.

The Company intends to apply to the Canadian Securities Exchange (the "**CSE**") for the listing of the Common Shares. The CSE has provided written authorization to the Company to represent its intention to apply for listing on the CSE in this Prospectus. The CSE has not approved the listing of the Common Shares. Listing is subject to the Company fulfilling all the requirements of the CSE, including meeting all minimum listing requirements. There is no guarantee that the CSE will provide approval for the listing of the Common Shares. The Common Shares and the Warrants have not been listed or quoted on any stock exchange or market.

As at the date of this Propsectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by Plus Market Groups plc).

There is no market through which the Special Warrants may be sold and purchasers may not be able to resell the Special Warrants acquired pursuant to the Private Placement. In addition, there is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants qualified by this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities and the extent of issuer regulation. See "*Risk Factors*".

Each Special Warrant is represented by a Special Warrant Certificate and will be deemed exchanged, without payment of any additional consideration and without any further action by the holder, for one Common Share and one-half of one Warrant, on the third business day after the Prospectus Receipt Date (defined herein). The Special Warrants and the conditions necessary for them to be exercised for Common Shares and Warrants are described in more detail under the heading "*Plan of Distribution*" in this prospectus.

Guy Lombardo, a proposed director of the Company, Laurette Pitts, proposed Chief Financial Officer and Corporate Secretary of the Company, Tim Huckaby, proposed Chief Technology Officer of the Company, Fred Potok, proposed Chief Sales Officer of the Company, Linda Rosanio, proposed Chief Operating Officer of the Company, and Jan Talamo, proposed Chief Creative Officer of the Company, reside outside of Canada, and have appointed McMillan LLP, 1500-1055 West Georgia Street, Vancouver, BC V6E 4N7 as their agent for service of process in Canada. Investors are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if he party has appointed an agent for service of process.

An investment in Common Shares and Warrants of the Company is highly speculative due to various factors, including the nature and stage of development of the business of the Company. An investment in these securities should only be made by persons who can afford the total loss of their investment. See "*Risk Factors*".

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

Prospective investors should rely only on the information contained in this Prospectus. The Company has not authorized anyone to provide you with different information. Readers should assume that the information appearing in this Prospectus is accurate only as of its date, regardless of its time of delivery. The Company's business, financial condition, results of operations and prospects may have changed since that date.

The Company's head office is located at 1240 – 1140 West Pender Street, Vancouver, British Columbia V6E 4G1. The Company's registered office is located at 700 – 401 West Georgia Street, Vancouver, British Columbia V6B 5A1.

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GLOSSARY

The following is a glossary of certain general terms used in this Prospectus, including the summary hereof. Terms and abbreviations used in the financial statements and management's discussion and analysis included in, or appended to this prospectus are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**Acquisition**" means the acquisition of VSBLTY, Inc. by the Company pursuant to the Merger Agreement.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, together with all regulations promulgated thereto.

"**Board**" means the Board of Directors of the Company.

"**CEO**" means Chief Executive Officer.

"**CFO**" means Chief Financial Officer.

"**Closing**" means the closing of the Acquisition.

"**Common Share**" means a common share in the capital of the Company.

"**company**" means unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Company" or "VGT**" means VSBLTY Groupe Technologies Corp., a company organized under the laws of British Columbia.

"**Debentures**" has the meaning set forth under "*Business of VSBLTY, Inc. – General Development of the Business – Debenture Offerings*".

"**Delaware General Corporation Law**" means the Delaware General Corporation Law (Title 8, Chapter 1).

"**DRS**" means the Direct Registration System.

"**Effective Date**" means the date the Acquisition becomes effective.

"**Escrow Agreement**" means the NP 46-201 escrow agreement to be entered into on or before the Prospectus Receipt Date among the Company, the Escrow Agent and certain shareholders of the Company.

"**Exchange**" or "**CSE**" means the Canadian Securities Exchange.

"**Exchange Requirements**" means the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), and all applicable provisions of the securities laws of any other jurisdiction.

"**Form 51-102F6**" means Form 51-102F6 *Statement of Executive Compensation*.

"**Listing**" means the listing of the Company's Common Shares on the CSE under the trading symbol "VSBY" or such other symbol approved by the Exchange.

"**Listing Date**" means the date that the Common Shares are listed on the CSE or another stock exchange recognized under provincial securities laws.

"**Mergeco**" means VSBLTY, Inc., being the surviving entity from the merger of U.S. Subco and VSBLTY, Inc.

"**Merger Agreement**" means the merger agreement dated December 12, 2018, between VSBLTY Groupe Technologies Corp., U.S. Subco and VSBLTY, Inc.

"**Merging Companies**" means U.S. Subco and VSBLTY, Inc.

"**MD&A**" means management's discussion and analysis of financial condition and operating results.

"**Named Executive Officers**" or "**NEOs**" has the meaning set forth under "Executive Compensation".

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees.*

"**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

"**NP 46-201**" means National Policy 46-201 – *Escrow for Initial Public Offerings*.

"**Partnership Units**" means partnership units of VSBLTY, L.P.

"**Person**" means a company or individual.

"**Private Placement**" means the non-brokered private placement of the Company of 14,600,000 Special Warrants for gross proceeds of $4,380,000, which completed on October 17, 2018 which will result in the deemed exercise of Special Warrants for 14,600,000 Common Shares and 7,300,000 Warrants.

"**Prospectus**" means this prospectus dated December 21, 2018.

"**Prospectus Receipt Date**" means the date that a receipt for a final prospectus qualifying the distribution of the Qualified Securities is issued to the Company from the securities regulatory authorities in British Columbia, Alberta, Saskatchewan and Ontario.

"**Qualified Securities**" has the meaning as set forth on the face page of this Prospectus.

"**Regulation D**" means Regulation D promulgated under the U.S. Securities Act.

"**Shareholders**" means holders of Common Shares.

"**Special Warrantholder**" means holders of Special Warrants.

"**Special Warrants**" means the special warrants issued by the Company at a price of $0.30 per Special Warrant, pursuant to the Private Placement entitling the holder thereof to acquire, for no additional consideration, one Common Share and one-half of one Warrant pursuant to the terms and conditions in the Special Warrant Certificates.

"**Special Warrant Certificate**" means a certificate representing Special Warrants.

"**Special Warrant Exercise Date**" means the date the Special Warrants are deemed to have been exercised into one Common Share and one-half of one Warrant, which is the earlier of the date that is (i) the third business day after the Prospectus Receipt Date and (ii) four months and one day after the issue date of the Special Warrants.

"**Stock Option Plan**" means the 10% rolling share option plan of the Company to be adopted by the Board, and providing for the granting of incentive options to the Company's directors, officers, employees and consultants in accordance with the rules and policies of the Exchange.

"**Trigger Event**" means the event which allows the Company to abridge the exercise period of the Warrants if the ten-day volume-weighted average trading price of the Common Shares is greater than $0.50.

"**United States**" or "**U.S.**" means the United States of America, its territories or its possessions, any state of the United States or the District of Columbia.

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

"U.S. Subco" means VSBLTY Merger Co., a corporation organized under the laws of Delaware and wholly-owned by the Company.

"**Warrants**" means the common share purchase warrants of the Company issuable upon deemed exercise of the Special Warrants entitling the holder to acquire one Common Share at a price of $0.40 per Common Share for a period of one year from the Listing Date.

"**Warrant Shares**" means the Common Shares issuable upon exercise of the Warrants.

"**VSBLTY Common Share**" means a common share in the capital of VSBLTY, Inc.

"**VSBLTY, Inc.**" means VSBLTY, Inc., a corporation organized under the laws of Delaware.

"**VSBLTY, L.P.**" means VSBLTY, L.P., a limited partnership existing under the laws of Delaware which is the predecessor entity of VSBLTY, Inc.

CURRENCY PRESENTATION

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to US$ are to United State (US) dollars. Canadian dollars are denoted as $ or C$.

The daily exchange rate on December 20, 2018, as reported by the Bank of Canada for the conversion of United States dollars into Canadian dollars was US$1.00 equals $1.3495.

NOTE REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains statements and information that, to the extent that they are not historical fact, may constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include financial and other projections, as well as statements regarding future plans, objectives or economic performance, or the assumption underlying any of the foregoing. This prospectus uses words such as "may", "would", "could", "will", "likely", "except", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook", and other similar expressions to identify forward-looking information. Such statements include the proposed use of available funds; the objectives and business plans of the Company; the deemed exercise of the Special Warrants on the Special Warrants Exercise Date; the share capital of the Company; the listing on the CSE; the executive compensation of the Company; proposed option grants by the Company; and the composition of the Board of Directors and management of the Company.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking statements contained in this prospectus include the Company's ability to obtain listing approval from the CSE and key personnel and qualified employees continuing their employment with the Company.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. The Company does not undertake any obligation to update any forward-looking information to reflect information, events, results, circumstances or otherwise after the date hereof or to reflect the occurrence of unanticipated events, except as required by law including securities laws.

For a more detailed discussion of certain of these risk factors, see "*Risk Factors*".

INFORMATION CONCERNING VSBLTY, INC.

The information contained or referred to in this prospectus with respect to VSBLTY, Inc. and its related business has been provided by management of VSBLTY, Inc. and is the responsibility of VSBLTY, Inc.. The Company has reviewed information and documents provided by VSBLTY, Inc., including audited financial statements of VSBLTY, Inc.. Management and the directors of the Company have relied upon VSBLTY, Inc. for the accuracy of the information provided by VSBLTY, Inc.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus.

The Company:	VSBLTY Groupe Technologies Corp. is a corporation existing under the laws of the Province of British Columbia. See "*Corporate Structure*".
VSBLTY, Inc.:	VSBLTY, Inc. is a corporation existing under the laws of the State of Delaware". See "*Corporate Structure*".
The Acquisition:	The Company, U.S. Subco and VSBLTY, Inc. have entered into the Merger Agreement, pursuant to which the Acquisition will be completed whereby VSBLTY, Inc. will merge with U.S. Subco, a wholly-owned subsidiary of the Company, and the VSBLTY Shareholders will receive securities of the Company in exchange for their VSBLTY Common Shares. As a result of the Acquisition, the Company will acquire a 100% ownership interest in VSBLTY, Inc. The Acquisition is subject to certain conditions, including, among others, the completion of the Private Placement, there being no material adverse change occurring to the business of either the Company or VSBLTY, Inc. and the receipt of all necessary regulatory, corporate and third party approvals, including the conditional listing approval of the Exchange.
Business of the Company:	Since its inception, the principal business of the Company has been the identification and evaluation of businesses, assets and properties. See "*Business of the Company*". Following the completion of the Acquisition, the Resulting Issuer will continue the business of VSBLTY, Inc.
Business of VSBLTY, Inc.:	VSBLTY, Inc. is a software company in the business of commercializing digital display and intelligent analytics. By combining interactive touch-screens and data-capture cameras, with cloud-based and edge based facial analytics, VSBLTY, Inc. provides solutions for retailers and out of home digital signage networks to deliver interactive engagement and intelligence through the measurement of various elements of the customer engagement. The Company employs its proprietary software as a service-based model for its subscription-based customers. Clients of VSBLTY, Inc. are able to leverage their point-of-decision brand-promotion by installing VSBLTY, Inc.'s cloud and edge based facial analytics software in retail spaces such as beverage-cooler doors, in-line and free-standing refrigerator/freezer doors, digital display screens and other customer accessible displays in vertical markets such as retail grocery, liquor outlets, casinos and stadiums. VSBLTY, Inc. also utilizes its facial and object recognition capabilities in the security business, where it can identify bad actors, weapons or other "machine learned" objects to assist various venues with crowd control through the identification and monitoring of dangerous persons or objects. See "*Business of VSBLTY, Inc.*"
The Private Placement:	Pursuant to the Private Placement, the Company issued 14,600,000 Special Warrants for gross proceeds of $4,380,000 on October 17, 2018. See "*Plan of Distribution*" and "*Description of Securities Distributed*".
Issue Price:	C$0.30 per Special Warrant
Qualified Securities	This Prospectus is being filed to qualify the distribution of 14,600,000 Common Shares, 7,300,000 Warrants issuable upon the deemed exercise of 14,600,000 issued and outstanding Special Warrants.

Listing The Company intends to list its Common Shares on the CSE under the trading symbol "VSBY" or such other symbol accepted by the CSE. Listing is subject to the Company fulfilling all of the requirements of the Exchange, including minimum public distribution requirements. See "*Plan of Distribution*".

Use of Proceeds: The Resulting Issuer will use the funds available to it upon the completion of the Acquisition, including the net proceeds from the Private Placement, to further its business objectives. Specifically, the Resulting Issuer will use the funds available to it upon the completion of the Acquisition, as follows:

Principal Purpose	Amount to be Expended
Wages and Benefits	$1,500,000
Market Development	$250,000
Legal and Professional	$400,000
Product Development	$550,000
Research	$75,000
General and Administrative Expenses	$350,000
Unallocated General Working Capital	$1,101,000
TOTAL	$4,226,000

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Resulting Issuer to achieve its stated business objectives. See "*Use of Available Funds*".

Directors and Officers of the Resulting Issuer: Upon completion of the Acquisition, the Board of Directors of the Resulting Issuer is expected to consist of Jay Hutton, Alnesh Mohan and Guy Lombardo. The officers of the Resulting Issuer are expected to consist of Jay Hutton (Chief Executive Officer), Laurette Pitts (Chief Financial Officer and Corporate Secretary), Tim Huckaby (Chief Technology Officer), Fred Potok (Chief Sales Officer), Linda Rosanio (Chief Operations Officer) and Jan Talamo (Chief Creative Officer).

Selected Consolidated Financial Information: The following table contains certain unaudited *pro forma* consolidated financial information for the Company as at and for the period from incorporation on August 1, 2018 to September 30, 2018 and of VSBLTY, Inc. as at and for the nine months ended September 30, 2018 and gives effect to the completion of the Acquisition and the Private Placement. This information should be read together with the audited financial statements of the Company as at and for the period from incorporation on August 1, 2018 to September 30, 2018 and the unaudited interim financial statements of VSBLTY, Inc. as at and for the nine months ended September 30 and the *pro forma* financial statements of the Company together with the accompanying notes which are included elsewhere in this prospectus. The *pro forma* financial statements of the Company are prepared in accordance with International Financial Reporting Standards.

	As at September 30, 2018 (unaudited) (US$)
Total Assets	3,800,673
Total Liabilities	319,927

Total Equity	3,480,746

See “*Selected Financial Information and Management’s Discussion and Analysis*.”

Risk Factors: The current business of VSBLTY, Inc. will be the business of the Company upon completion of the Acquisition. Due to the nature of VSBLTY, Inc.’s business and the present stage of development of its business, VSBLTY, Inc. is subject to significant risks. Readers should carefully consider all such risks. Risk factors include, but are not limited to, the market for products or technology platform may not develop or perform as expected, failure to respond to technological developments, limited operating history and operation is currently limited to one state, additional capital requirements, and competition. For a detailed description of these and other risks see “*Risk Factors*”.

CORPORATE STRUCTURE

VGT

The Company was incorporated under the BCBCA on August 1, 2018 under the name "1174237 B.C. Ltd.". On September 21, 2018, the Company changed its name to "VSBLTY Groupe Technologies Corp." The Company's head office is located at 1240 – 1140 West Pender Street, Vancouver, British Columbia V6E 4G1. The Company's registered office is located at 700 – 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1.

The Company's wholly-owned subsidiary, U.S. Subco, was incorporated under the Delaware General Corporate Law under the name "VSBLTY Merger Co.".

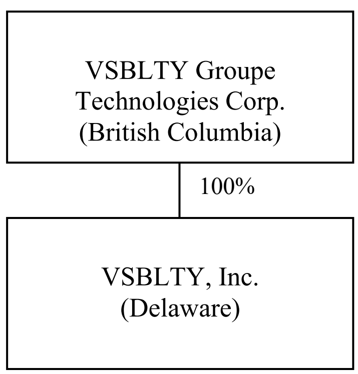
VSBLTY, Inc.

VSBLTY, Inc. is a corporation formed under the Delaware General Corporate Law on December 12, 2018 in the State of Delaware under the name "VSBLTY, Inc."

Prior to entering into the Merger Agreement, VSBLTY, L.P. was converted into a C corporation, VSBLTY, Inc., under Delaware law which was accomplished through the formless conversion statute (DE conversion from unincorporated entity to DE Corp – DGCL 265), thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. proportionately to the other common stock holders of VSBLTY, Inc. so that ownership interests remained substantially intact after such distribution. VSBLTY, Inc.'s head office is located at 417 North 8th Street, Suite 300, Philadelphia, Pennsylvania 19123. VSBLTY, Inc.'s registered office is located at The Corporation Service Company, 251 Little Falls Drive, City of Wilmington, New Castle County, DE 19808.

Resulting Issuer

Following completion of the Acquisition, the Resulting Issuer will carry on the business of VSBLTY, Inc. The organizational chart for the Resulting Issuer will be as follows:



The head office of the Resulting Issuer will be 417 North 8th Street, Suite 300, Philadelphia, Pennsylvania 19123 and the registered and records office of the Resulting Issuer will be 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

ACQUISITION AND RELATED TRANSACTIONS

On December 12, 2018, the Company and VSBLTY, Inc. entered into the Merger Agreement setting out the terms of the Acquisition and certain related transactions. The following are the principal elements of the Acquisition and related transactions.

Acquisition Structure and Exchange of Securities

The Acquisition will result in the merger of VSBLTY, Inc. and U.S. Subco to form Mergeco, with the result that Mergeco will become a wholly-owned subsidiary of the Company.

Pursuant to the Acquisition, the VSBLTY Shareholders will receive Common Shares in exchange for their VSBLTY Common Shares, on the basis that each VSBLTY Common Share issued and outstanding before the Acquisition will be exchanged for 7.21228396 fully paid and non-assessable Common Shares.

Prior to the Closing of the Acquisition, all of the VSBLTY Debentures will convert into VSBLTY Common Shares in accordance with their terms and all of the outstanding VSBLTY Warrants will be exercised for VSBLTY Common Shares for no additional consideration. The VSBLTY Common Shares issued upon conversion of the VSBLTY Debentures and exercise of the VSBLTY Warrants will be exchanged for Common Shares pursuant to the Acquisition.

The holders of VSBLTY Common Shares as of the effective time of the Acquisition will receive an aggregate of approximately 61,853,958 Common Shares.

Debt Settlements

Subject to the agreement of the applicable debt holders, in connection with and prior to the effective time of the Acquisition, debts of VSBLTY, Inc. in the aggregate amount of USD $656,409.77 (the "**VSBLTY Converting Debt**") will be settled in consideration for an aggregate of approximately 395,708 VSBLTY Common Shares, resulting in each of the holders of the VSBLTY Converting Debt receiving one Common Share in the Acquisition for each USD $0.23 of VSBLTY Converting Debt.

Shareholder Approvals

The Acquisition was approved by the Company's sole shareholder on December 12, 2018.

The Acquisition is subject to the approval of the board of directors of VSBLTY Inc. and the VSBLTY Shareholders. The Acquisition must be approved by 66.6% of the holders of VSBLTY Common Shares.

Private Placement

As a condition to the completion of the Acquisition, the Company completed the Private Placement of Special Warrants on October 17, 2018 at a price of $0.30 per Special Warrant for aggregate gross proceeds of $4,380,000. See "*Plan of Distribution*" and "*Description of Securities Distributed*".

Merger Agreement

The Acquisition is being effected pursuant to the Merger Agreement. The Merger Agreement contains covenants, representations and warranties of and from each of VSBLTY Groupe Technologies Corp., U.S. Subco and VSBLTY, Inc. and various conditions precedent, both mutual and with respect to each entity.

The following is a summary of certain provisions of the Merger Agreement. The Merger Agreement is filed on SEDAR and reference is made thereto for the full text thereof.

Representations and Warranties

The Merger Agreement contains representations and warranties made by the Company to VSBLTY, Inc. and representations and warranties made by VSBLTY, Inc. to the Company. Those representations and warranties were made solely for the purposes of the Merger Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating its terms. The representations and warranties provided under the Merger Agreement by each of the parties relate to, among other things: due incorporation; corporate power and authority; material licenses and permits; necessary proceedings; subsidiaries; equity capital; board approvals; litigation; material agreements; third party consents; compliance with applicable laws; title to property; employees; financial statements; liabilities; shareholder loans; indebtedness to officers and directors; absence of certain changes or events; corporate records; and bankruptcy.

Covenants

In the Merger Agreement, each of the Company and VSBLTY, Inc. agreed to certain covenants, including customary affirmative and negative covenants relating to the operation of their respective businesses, and using commercially reasonable efforts to satisfy the conditions precedent to their respective obligations under the Merger Agreement. Without limiting the generality of the foregoing, each of the parties to the Merger Agreement agreed to do the following until the earlier of the completion of the Acquisition or the termination of the Merger Agreement: undertake commercially reasonable efforts to obtain from the respective party's directors, shareholders and all federal, state or other governmental or administrative bodies such approvals or consents as are required to complete the Acquisition; operate its business in a prudent and business-like manner in the ordinary course and in a manner consistent with past practice; not issue any shares or securities, except as contemplated under the Merger Agreement; promptly advise the other party, in full particulars, about any material changes, events or breaches of any covenants or agreement in the Merger Agreement; and other such standard business covenants.

Each of the parties to the Merger Agreement also agreed that it will not directly or indirectly, solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Acquisition.

Termination

The Merger Agreement may be terminated on the day which the earliest of the following events occurs:

(a) written agreement of the parties;

(b) either party terminates the Merger Agreement if any applicable governmental authority having notified in writing either the Company or VSBLTY, Inc. of its determination to not permit the Acquisition to proceed, in whole or in part, and the parties have used commercially reasonable efforts to appeal or reverse such determination, or modify the Merger Agreement on a basis that is not prejudicial to either party hereto in order to address such determination;

(c) either party terminates the Merger Agreement if the Closing of the Acquisition has not occurred on or before 5:00 p.m. (Vancouver time) on February 28, 2019;

(d) the Company terminates if there has been a material breach by VSBLTY, Inc. of any representation, warranty, covenant or agreement set forth in the Merger Agreement or any of the documents contemplated thereby which breach would result in the failure to satisfy one or more of the conditions of closing, and VSBLTY, Inc. fails to cure within ten (10) business days after written notice thereof is given by the Company; or

(e) VSBLTY, Inc. terminates if there has been a material breach by the Company of any representation, warranty, covenant or agreement set forth in the Merger Agreement or any of the documents contemplated thereby which breach would result in the failure to satisfy one or more of the conditions of closing, and the Company fails to cure within ten (10) business days after written notice thereof is given by the Company.

Conditions Precedent to the Acquisition

Conditions Precedent in Favour of the Company

The obligation of the Company to complete the Acquisition is subject to the fulfillment of each of the following conditions precedent (each of which is for the exclusive benefit of the Company and may be waived by the Company in whole or in part at any time):

(a) *Truth of Representations and Warranties*. The representations and warranties of VSBLTY, Inc. contained in the Merger Agreement will have been true and correct as of the date of the Merger Agreement and will be true and correct as of the Closing in all material respects.

(b) *Performance of Obligations.* VSBLTY, Inc. will have performed, fulfilled or complied with, in all material respects, all of its obligations, covenants and agreements contained in the Merger Agreement to be fulfilled or complied with by it at or prior to the Closing.

(c) *Approvals and Consents*. All required approvals, consents and authorizations of third parties, including without limitation all necessary shareholder and regulatory approvals, will have been obtained on terms acceptable to the Company acting reasonably, including the conditional approval of the CSE for the listing of the Common Shares and the approval of the shareholders of VSBLTY, Inc.

(d) *Financing*. The Financing will have been completed.

(e) *U.S. Registration Exemption*. The issuance of the Common Shares issuable pursuant to the Merger Agreement will be exempt or excluded from registration requirements under the U.S. Securities Act, and the registration and qualification requirements of all applicable securities law.

(f) *Exemption from Prospectus Requirements*. The distribution of the Common Shares in Canada pursuant to the Merger Agreement will be exempt from, or otherwise not subject to, prospectus requirements of applicable securities law.

(g) *No Material Adverse Change*. There will have been no material adverse change affecting VSBLTY, Inc. since the date of the Merger Agreement, other than a reduction of its cash position and/or accrual of expenses, in each case in order to pay or accrue for professional fees or other expenses in connection with the Acquisition.

(h) *Deliveries*. VSBLTY, Inc. will have delivered or caused to be delivered to the Company all of the closing documents required by the Merger Agreement.

(i) *No Legal Action or Prohibition of Law.* There will be no action or proceeding pending or threatened by any person in any jurisdiction, or any applicable laws proposed, enacted, promulgated or applied, to enjoin, restrict or prohibit any of the transactions contemplated by the Merger Agreement or which could reasonably be expected to result in a material adverse effect on VSBLTY, Inc.

Conditions Precedent in Favour of the VSBLTY, Inc.

The obligation of VSBLTY, Inc. to complete the Acquisition is subject to the fulfillment of each of the following conditions precedent (each of which is for the exclusive benefit of VSBLTY, Inc. and may be waived by VSBLTY, Inc. in whole or in part at any time):

(a) *Truth of Representations and Warranties.* The representations and warranties of the Company contained in the Merger Agreement will have been true and correct as of the date of the Merger Agreement and will be true and correct as of the Closing in all material respects.

(b) *Performance of Obligations.* The Company will have performed, fulfilled or complied with, in all material respects, all of its obligations, covenants and agreements contained in the Merger Agreement to be fulfilled or complied with by the Company at or prior to the Closing.

(c) *Approvals and Consents.* All required approvals, consents and authorizations of third parties, including without limitation all necessary shareholder and regulatory approvals, will have been obtained on terms acceptable to VSBLTY, Inc. acting reasonably, including the conditional approval of the CSE for the listing of the Common Shares and the approval of the shareholders of VSBLTY, Inc.

(d) *Financing.* The Financing will have been completed.

(e) *U.S. Registration Exemption*. The issuance of the Common Shares issuable pursuant to the Merger will be exempt or excluded from registration requirements under the U.S. Securities Act, and the registration and qualification requirements of all applicable securities law.

(f) *Exemption from Prospectus Requirements.* The distribution of the Common Shares in Canada pursuant to the Merger Agreement will be exempt from, or otherwise not subject to, prospectus requirements of applicable securities law.

(g) *No Material Adverse Change.* There will have been no material adverse change in the business, results of operations, assets, liabilities, financial condition or affairs of the Company since the date of the Merger Agreement, other than a reduction of its cash position in order to pay professional fees or other expenses in connection with the Acquisition.

(h) *Issuance of Shares.* The Common Shares issued pursuant to the Acquisition will be free and clear of any and all liens and restrictions on transfer whatsoever except as provided in the Merger Agreement.

(i) *Deliveries.* The Company will have delivered or caused to be delivered to VSBLTY, Inc. all of the closing documents required by the Merger Agreement.

(j) *No Legal Action or Prohibition of Law.* There will be no action or proceeding pending or threatened by any Person (other than the Company) in any jurisdiction, or any applicable Laws proposed, enacted, promulgated or applied, to enjoin, restrict or prohibit any of the transactions contemplated by the Merger Agreement or which could reasonably be expected to result in a material adverse effect on the Company.

BUSINESS OF THE COMPANY

The Company was incorporated on August 1, 2018 and to date has not carried on any active business or operations. The principal business of the Company has been to identify and evaluate businesses and assets with a view to completing a going public transaction and, having identified and evaluated such opportunities, to negotiate an acquisition or participation subject to acceptance by the Exchange.

The Company entered into Merger Agreement effective December 12, 2018 with respect to the Acquisition of VSBLTY, Inc. by the Company. See "*Acquisition and Related Transactions*".

On October 17, 2018, the Company completed the Private Placement of an aggregate 14,600,000 Special Warrants at a purchase price of $0.30 per Special Warrant for aggregate gross proceeds of $4,380,000. In connection with the Private Placement, the Company paid, or will pay upon the escrow release, aggregate finder's fees of $228,128 and issued 760,426 common share purchase warrants to finders, each of which is exercisable to purchase one Common Share at a price of $0.40 per share for a period of 12 months from the closing date of the Private Placement. See "*Plan of Distribution*" for a description of the terms of the Special Warrants.

On December 12, 2018 and December 13, 2018, the Company advanced USD $600,000 and USD $400,000, respectively, to VSBLTY, Inc. pursuant to a promissory note and may advance additional amounts prior to closing of the Acquisition. The loan is non-interest bearing, except upon termination of the Merger Agreement or an event of default, upon which the loan would bear interest at a rate of 10% per annum. The loan will mature on the earlier of the date that is 24 months from the date of the loan or three months from any termination of the Merger Agreement.

Following the completion of the Acquisition, the Company will continue the business of VSBLTY, Inc. See “*Business of VSBLTY, Inc.*”.

BUSINESS OF VSBLTY, INC.

Overview

VSBLTY, Inc. is a software company in the business of commercializing software solutions that power various types of digital display platforms. The company deploys solutions that combine interactive touch-screens and data-capture cameras and sensors, with cloud and edge based facial analytics. The Company employs its proprietary software as a service-based model for its subscription-based customers. Clients of VSBLTY, Inc. are able to leverage their point-of-decision brand-promotion by installing VSBLTY, Inc.’s cloud and edge-based facial analytics software in retail spaces such as beverage-cooler doors, in-line and free-standing refrigerator/freezer doors, digital display screens and other customer accessible digital displays in vertical markets such as retail grocery, liquor outlets, casinos and stadiums. VSBLTY, Inc. also utilizes its facial recognition capabilities in the security business, where it can identify bad actors to assist various venues with crowd control through the identification and monitoring of dangerous persons or objects.

General Development of the Business

When VSBLTY, L.P. was formed in July 2015, the intellectual property from Actus Interactive Software LP (“**Actus LP**”), a limited partnership majority owned by Jay Hutton and Tim Huckaby, was transferred into VSBLTY, L.P. and formed the basis of the VSBLTY L.P.’s first product. In consideration for such intellectual property, VSBLTY, L.P. issued 19.942 Class A partnership units to Actus LP.

The primary objective of VSBLTY, L.P. was to secure initial market success that would validate the product, the market and the overall value proposition of the VSBLTY L.P. A series of pilot deployment were secured for large consumer packaged food brands, which provided the necessary validation for VSBLTY, L.P. that allowed its products to be tested.

On June 14, 2016, the outstanding units of VSBLTY, L.P. were split the basis of 40,000 new units for each one (1) existing unit.

In and around February 2017, VSBLTY L.P. raised approximately $500,000 pursuant to certain loan agreements with stockholders at the time. In accordance with the loan agreements, each holder also received certain warrants exercisable at a strike price of $1.31 per unit.

On August 24, 2018, VSBLTY, L.P. issued secured debentures (“**Debentures**”) in the aggregate principal amount of C$500,000. In accordance with their terms, such Debentures will automatically convert into VSBLTY Common Shares immediately prior to closing of the Acquisition, and will be exchanged for Common Shares pursuant to the Acquisition. The number of VSBLTY Common Shares to be received by the holders of Debentures will be equal to the number of VSBLTY Common Shares that would be required for the holders of the Debentures to receive one Common Share for each $0.05 of principal amount outstanding under the Debentures.

On September 17, 2018, VSBLTY, L.P. issued additional Debentures in the aggregate principal amount of C$1,000,000. In accordance with their terms, such Debentures will automatically convert into VSBLTY Common Shares immediately prior to closing of the Acquisition, and will be exchanged for Common Shares pursuant to the Acquisition. The number of VSBLTY Common Shares to be received by the holders of Debentures will be equal to the number of VSBLTY Common Shares that would be required for the holders of the Debentures to receive one Common Share for each $0.10 of principal amount outstanding under the Debentures.

VSBLTY, Inc. has assumed the obligations of VSBLTY, L.P. under the Debentures. All of the Debentures bear interest at 10% per annum and are secured by all of the assets of VSBLTY, Inc. VSBLTY, Inc. has outstanding Debentures in the aggregate principal amount of C$1,500,000 and interest of C$33,368.63 owing as of November 30, 2018 on the Debentures. Upon conversion of the Debentures, all accrued interest on the Debentures will be forfeited.

Trends, Commitments, Events or Uncertainties

As a participant in retail solutions, VSBLTY, Inc. assists retailers in defining a digital growth and marketing strategy. While VSBLTY, Inc. brings specific solutions that help retailers take advantage of digital trends in retail often the team is called upon to provide comprehensive expertise and consulting to educate its customers on how to take advantage of the VSBLTY, Inc. solutions. This can position VSBLTY, Inc. as a trusted resource, but also slows the selling process and lengthens the selling cycle. Over time, management of VSBLTY, Inc. believes that the pace of deployment will increase and sales cycles will shorten as retailers develop an understanding of the technology. However, this creates uncertainly for the management of the business and with respect to accurate projections and forecasting. VSBLTY, Inc.'s goal is to established a brand that is trusted by retailers and brands alike to guide them through the digital revolution in retail. The company will focus its resources on leveraging this trust to generate revenue and continue to build its brand.

The digital-out-of-home ("**DOOH**") market refers to digital advertising that is targeted to consumers outside their homes. Management of VSBLTY, Inc. believes that as advertisers continue to look for alternative markets they will continue to seek media and channels that can deliver the same kind of measurability that the Internet can offer. DOOH is expected to grow to the extent that it can provide this measurability to major brands. Brands will pay for impressions delivered that have attribution, accountability and addressability. To date, DOOH has not been able to deliver this to the same extent as the Internet. VSBLTY, Inc. provides a platform and capability that is intended to deliver this measurability.

In the security category, VSBLTY, Inc. has a similar issue. Most camera and sensor systems have a human dependency. The guiding philosophy of machine vision with machine learning is that computers and software can be leveraged to interpret live video. Dissecting, understanding and contextualizing live video is an important capability of VSBLTY, Inc. One of the goals of VSBLTY, Inc., and others pioneering the category, is to augment human operators interpreting video and flagging security operators to anomalous or extraordinary activity.

Since inception, VSBLTY, Inc. has delivered software solutions that rely heavily upon cloud computing. However, there are many applications, particularly in DOOH and security, which will perform better and more reliably with edge processing. The consumption of algorithms in cloud computing is subject to licensing but VSBLTY, Inc. believes that it has developed technology that runs with equal reliability on the edge. This model also consumes less third party licensed algorithms. This migration from cloud to edge will allow VSBLTY, Inc. to provide solutions in both categories. VSBLTY, Inc. will support both consumption models and will have different pricing models for each. VSBLTY, Inc. expects that edge-based solutions will have an enormous impact within the next 12 months as this market further defines itself.

Narrative Description of the Business

Principal Business

VSBLTY, Inc. is a software company in the business of commercializing various technologies relating to digital display platforms by combining interactive touch-screens and data-capture cameras, with cloud and edge based facial analytics. VSBLTY, Inc. employs its pro-active digital display ("Pro-Active Digital Display") software as a service-based model for its subscription-based customers. Pro-Active Digital Display actively involves the consumer at the point of its purchase decision through its interactive touch-screen display, while capturing key performance indicators ("KPI's") including data regarding (i) total brand impressions, engagements and interactions, (ii) unique and returning viewers, (iii) gender, and age of viewers, (iv) opt ins, (v) dwell time, and (vi) emotional engagement. VSBLTY, Inc. derives periodic and rateably recurring revenue from its subscription-based product licenses, which are intended to have 12 to 36 month terms.

The company has three primary software modules. They can be licensed separately or in conjunction with one another as an integrated suite of software. The three modules are:

1. Vision Captor, an integrated software suite that provides content management capability to a customer. A customer will utilize digital assets (photos, video, multimedia content) to provide a customer experience for a digital display. VisionCaptor is software deployed partly on the edge and partly in the cloud but is consumed using a cloud licensing model. VisionCaptor is optimized to run on multiple form factors

2. DataCaptor, a software module that leverages camera and sensor technology along with artificial intelligence (machine learning and machine vision) to provide real time analytics and audience measurement. Some of the key measurement components include gender, age range, sentiment, dwell time, engagement level, and proximity. DataCaptor has the unique ability to drive content based upon what the cameras are seeing. The DataCaptor software informs VisionCaptor on the demographic content of the audience and instructs the Content Management System ("**CMS**") to play relevant content. An example would be content designed for a 25-year-old female as opposed to content designed for 50-year-old males. The objective is to drive meaningful messaging demographically triggered by the machine vision. DataCaptor can be used in conjunction with the Vision Captor CMS or, in some cases, it is used as the analytics and measurement component that interfaces into foreign CMS software platforms.

3. Vector, a software module that interfaces with a comprehensive database to detect persons of interest within the camera's field of view. This can be used as a loyalty extension in retail (faces enrolled by identity) or, in a security context, looking for persons or objects of interest, at scale, in public areas or congested locations where public safety is a primary concern. Facial recognition and object recognition are the primary applications of this module.

These three independent modules give VSBLTY, Inc. a differentiated suite of software services that allow venues, retailers, or digital out of home network providers to deploy sophisticated digital content solutions, coupled with in-depth measurement and analytics as well as a security solution.

Digital Out-of-Home Advertising

Digital Out-of-home ("**DOOH**") signage and information advertising has historically been associated with media such as back-lit poster boards and large-form billboards situated proximate to high-traffic thoroughfares and areas where people congregate, such as transit hubs, airports, malls, sports stadiums and so on. The DOOH advertising industry is mature, is based upon well-understood revenue models, and has long-established market participants, but its effectiveness has never been reliably measurable. The revenue model for DOOH advertising is dependent upon an estimation of the numbers of eyeballs that see, or are able to see, any particular DOOH advertising displays on a daily basis. In attempting to measure this crucial eyeball-metric, advertisers use inferences to predict the likely number of eyeballs in question, based upon empirical data on situate-traffic flow. VSBLTY, Inc. believes that the eyeball metric calculation is not sufficiently reliable. As this industry matures more industry participants view measurement (accountability and objective, auditable results) to be the next important evolution of the category.

VSBLTY, Inc.'s competitive advantage in the DOOH advertising media channel is its ability, through its proprietary technological algorithms, to exploit the new promotional, analytic, and bi-directional capabilities of digital capture, display and response. The advent and proliferation of lower cost, high-bright digital-screen technology can be leveraged through the company's cloud and edge-based technology from the ability of rotating advertising images on a single physical platform.

Management of VSBLTY, Inc. believes that VSBLTY, Inc.'s products resolve the historical eyeball metric limitation inherent in the DOOH advertising industry. With the forward-facing data-collection capability of its proprietary software, VSBLTY, Inc. provides not only accurate eyeball metrics or impression counts, but also more in-depth data captured through facial analytics, such as gender, age ranges, engagement level, emotional reaction and dwell time.

Strategy

Key to VSBLTY, Inc.'s business strategy is its participation in the process of new-product adoption in the digital-media messaging category. In 2014 and 2015, digital display innovation was introduced to the marketplace and it represented a breakthrough that VSBLTY, Inc. identified as a means of leverage for entry into the grocery industry. There is demand for more promotional space at retail. Impressions delivered at retail have high value because of their influence upon consumers at point of decision. As digital solutions become less expensive, the opportunity to drive innovative retail campaigns that are delivered at comparatively low cost, is a compelling proposition for a consumer-packaged goods "(**CPG**") brand.

Description of Products and Services

In the United States, VSBLTY, Inc. deals directly with its customer base. In some cases, VSBLTY, Inc. has a relationship with a channel or a systems integrator that will incorporate the software in various delivery platforms. In foreign markets, VSBLTY, Inc. appoints a regional partner or distributor and works directly with that entity in the development of that market.

The form of delivery is through a cloud enabled license, generally supported by a services contract that defines the scope of the engagement. In some cases, VSBLTY, Inc. will perform all services articulated in the scope of work and in other cases VSBLTY, Inc. will partner with other entities for the delivery of all services. Customers do not get an executable copy of the source code. They only participate under a subscription type license that is governed by a commercial contract.

Timing and Stage of Research and Development Programs

VSBLTY, Inc. has developed and released multiple versions of the three software modules developed by the company. Because of competitive forces, customer requests, or the simple need to maintain a leadership position, the company continues to invest in research and development not only to manage the deployments in the field but also to enhance the product offerings.

VSBLTY, Inc. has sub-contracted development to two primary sources. InterKnowlogy LLC ("**InterKnowlogy**"), a Carlsbad based custom application developer, is an entity controlled by Tim Huckaby. Mr. Huckaby is a well-known technology leader and a founder of VSBLTY, L.P. InterKnowlogy has provided critical research and proof of concept development expertise to VSBLTY, Inc. Logic Studio, based in Quito, Ecuador is a contract development entity that has been engaged by VSBLTY, Inc. for three years to build its production code.

Production and Sales

VSBLTY, Inc. holds a sub-lease for premises at 417 North 8th Street in Philadelphia, PA. The term of this lease is five years, and VSBLTY, Inc. is responsible for one third of monthly lease expenses or approximately US$2,300 per month.

VSBLTY, Inc. has invested a considerable amount of effort to articulate its supply chain. As VSBLTY, Inc. provides a software solution there are hardware requirements that are typically satisfied by one of the several hardware vendors (depending on the type of platform selected). The key vendors with whom VSBLTY, Inc. has commercial ties are as follows:

- Peerless AV – VSBLTY, Inc. utilizes kiosk hardware and outdoor high bright solutions from Peerless AV.

- Intel Corporation - All processor hardware is sourced from Intel Corporation and related entities.

- In Store Screen – Digital header and shelf strip hardware is manufactured by In Store Screen and utilized by VSBLTY, Inc. for intelligent aisle activations.

- LG/MRI – LG/MRI is one of the world's leading sources for outdoor, high bright screens as well as digital coolers and freezers.

VSBLTY, Inc. utilizes contractors for all positions, but is expecting to transition all or most of those positions to employee status overt the next twelve months. This transition will be completed by the end of 2019, by which time VSBLTY, Inc. expects to have 20 full time staff or equivalent.

To date, VSBLTY, Inc. has relied on small number of key customers. In 2016 VSBLTY, Inc. generated 54% of its revenue from one customer and in 2017 generated 33% of its revenue from one customer.

Marketing Plan

The primary goal of VSBLTY, Inc.'s 2019 marketing program is to continue to build awareness of VSBLTY, Inc. as the market leader in Proactive Digital Display for retail and security among key constituents including decision makers at key retailers, consumer packaged good companies, stadiums, public transit hubs, and other important public spaces. Targeting influential writers within the news media and the investor community as well as individual investors will be a key focus in 2019.

The key objective of VSBLTY, Inc. is to develop meaningful deployments with national or international retailers, CPG's or other significant partners that can, by association, establish VSBLTY, Inc. as being a leader in this quickly emerging market.

VSBLTY, Inc.'s marketing team will deploy a tactical plan across various marketing channels both on-line and off-line. Business and technology print and digital media will continue to be targeted to generate news and information about key milestones as VSBLTY, Inc. signs important and relevant service agreements in each market sector. Social media posts will support this news to provide greater reach among key constituents that follow or may become interested in following the company's story.

Participation at select industry trade shows will also continue to be a major focus for generating leads and building VSBLTY, Inc.'s market position. VSBLTY, Inc. intends to continue to leverage major strategic partners such as Intel Corporation to partner with at these shows to establish credibility, as well as realize the expense savings by being included within their footprint on the floor at international trade shows. This has been an effective tactic in the past, as VSBLTY, Inc. has been invited to numerous trade shows by its strategic partners and significant manufacturing partners.

VSBLTY, Inc. also intends to develop an updated website during 2019 to enable the company to feature more case studies and provide more information to support the growing security segment of the business. Search engine optimization and paid search will become a more important aspect of VSBLTY's marketing plan as VSBLTY, Inc. builds its use cases and closes larger scale contracts.

Competitive Conditions

VSBLTY, Inc. has a broad product spectrum and participates in a marketplace that is still in the process of defining itself. The three critical components of the business of the company and the competitive landscape for each is described below.

Digital Signage Content Management System ("**VisionCapto**r")

There are several hundred vendors that develop content management systems for digital platforms making this is a crowded segment of the market. Many of these software solutions only provide the ability to provide passive display (non-interactive) content. VSBLTY, Inc., with its VisionCaptor module, can provide comprehensive and scalable solutions for various digital display applications including those that require interactivity and remote management. The market leaders in the segment of the market include Scala, Broadsign and Brightsign.

DataCaptor

Leveraging proprietary software, VSBLTY, Inc. uses machine learning along with computer vision to define the nature of the audience, in real time and according to several measurement criteria. As the various markets trend toward more accountability and measurement, VSBLTY, Inc. is in an excellent position to be among the pioneers in this category. There are two primary competitors to VSBLTY, Inc. in this specific area: (i) Quvidi (based in Paris, France), and (ii) Admobilize (based in Miami Beach, Florida). Both competitors concentrate their business primarily in the measurement market with minimal solutions for CMS and security. VSBLTY, Inc.'s breadth of product and service offerings is its primary differentiator.

VSBLTY Vector

VSBLTY Vector is the security module that is capable of detecting the presence of persons of interest within a crowd of people. It does this at scale and in real time as an adjunct to existing security infrastructure and with the ability to interface with existing CCTV apparatus. The uniqueness of the VSBLTY, Inc. approach is that it couples digital display with security (facial recognition and object recognition). The philosophy is driven by the belief that facial recognition, as a technology, is more effective when connected to or delivered alongside digital display. When there is compelling content to look at, people will look. When they look, the identification of the face happens instantly and supports the immediate security cross reference.

While this combination is an innovation of VSBLTY, Inc. there is nothing proprietary about this approach (although this is the basis of a patent application by VSBLTY, Inc. which, if granted, could provide the basis of a strong defense). There are several companies that offer digital display or facial recognition as a discrete category, but VSBLTY, Inc. is not aware of any that have mature offerings in both categories. The security capability is a natural extension of measurement and since measurement (precise analytics for DOOH) has become an expectation in DOOH there are several companies aggressively developing products to allow for AI powered machine learning and machine vision for real time DOOH measurement. If and when this happens there will be more competition for VSBLTY, Inc. As an example, Nippon Electronics Corporation, a leading facial recognition vendor, has made announcements about merging the capabilities of their new digital signage product with security. In addition, Stratacache (based in Dayton, OH), has begun to offer commercial solutions for real time video analytics. This is further evidence that the markets are merging and growing in real terms.

Intellectual Property

Patents

To the knowledge of VSBLTY, Inc. management, the method of triggering content based on how a computer and camera interpret a scene is proprietary to VSBLTY, Inc. More specifically the use of computer vision to govern and instruct software behaviour was pioneered by VSBLTY, Inc. It started with the simple notion that a digital sign would be able to tell if a man or a woman were present in front of the display and drive specific custom content to that audience. The idea is that the cue is taken from the environment. What is unique about the way VSBLTY, Inc. applies this concept is that the software is instructed ahead of time what parameters will be used to govern content. It can be a simple set of parameters or a more complex set, but the decision making is autonomous, and, after the fact, the software reports its performance and what it has done.

Two related patent applications have been filed by VSBLTY, Inc. to cover this innovation: (i) Patent application 15/731,334, which is related to driving content based upon a scene analysis; and (ii) Patent application 15/731,333, which is Continuation in Part related to using the innovation in conjunction with vending machine technology. Neither application has resulted in the issuance of a patent.

In addition, VSBLTY, Inc. has released multiple versions of software that constitute a comprehensive body or work and proprietary methods and capabilities. VSBLTY, Inc. expects to file additional patent applications as it continues to develop its technology.

Trademarks

VSBLTY, Inc. has applied for and received trademarks for the way it represents the various branding elements of its software. Two trademarks related to the product have been granted: (i) Trademark 87450202 – the mark consists of the letter "V" in gray to white gradient. There is an inverted red triangle in the center of the "V"; and (ii) Trademark 87450210 – an additional mark that consist of the V for VSBLTY with gradient.

Uniqueness of VSBLTY Software

VSBLTY, Inc. believes that several software elements developed by VSBLTY, Inc. are unique and may be separately patentable from any of the other VSBLTY, Inc. products, including the following:

- complex and proprietary machine learning that occurs not in the cloud where there is unlimited processing power but on the edge with local, lightweight processors. Artificial intelligence that utilized machine learning was pioneered in the cloud where processing power was essentially unlimited and accessible only through high-speed network connections. The weakest link is the network connectivity and the cost of the processing. VSBLTY, Inc. has developed superior technology that runs off low cost local processors that achieve higher performance because they need not traverse a network link that introduces latency and cost. These complex algorithms, deployed initially on the cloud infrastructure, can now be deployed on the edge (closer to where the services are consumed and without need for a network connection). This algorithm dependent, heavy lifting is essential to the proper functioning of AI and machine learning to identify, see and track the humans within range of the camera. This is the technology which identifies and tracks humans (only limited by the capability of the camera) while performing facial recognition and measuring engagement, emotion, demographic profiles (age, race, gender);

- comprehensive SDKs (Software Development Kits) and APIs (Application Programming Interfaces) built and documented by VSBLTY, Inc. In the world of artificial intelligence, this is difficult to do and involves very complex engineering. This gives VSBLTY, Inc. the ability to rapidly develop new machine learning algorithms for as yet unanticipated applications. These capabilities are unique to VSBLTY and provide a platform for rapid development of new machine learning (ML) models;

- proprietary technology that can conduct real time computer processing on people within the field of view at scale. This includes demographic tracking of users (age & gender), facial identification, facial recognition (in loyalty scenarios the user opts-in to be recognized), emotional satisfaction / dissatisfaction tracking (user is happy, sad, surprised, contempt, etc.), engagement tracking (user's eyes are engaged with the content or looking away), number of viewers and the level of engagement that they have with the platform in seconds and percentage of dwell, counting of people that come within "site" of the system (body counting), targeted content or advertising based on any of the audience measurement systems above, audience measurement analytics and usage analytics stored in a cloud based database that can run sophisticated reporting for analysis;

- the web-based content manager and content designer for interactive and non-interactive content groups;

- multi-screen spanning (allowing the content and touch to span unlimited large form factor screen devices);

- edge based body counting, the technology which tracks and counts humans within view of the camera and runs "on the edge" without the need for an internet connection to call cloud services; and

- an innovative object recognition software system based on computer vision and machine learning technology that enables the recognition of objects with a confidence level and the technology that allows the VSBLTY, Inc. software to react to recognized objects whether it be in terms or changing content or firing an event that triggers an alert. This is used in conjunction with facial recognition and digital signage to provide for weapons detection at a stadium or a school. In the retail context the object recognition can be used to analyze what objects (products) are pulled from the shelf by a shopper because of the successful delivery of a message from a digital sign.

The Company intends to continue to develop its intellectual property portfolio and pursue additional patents.

Specialized Skill and Knowledge

Our business and the provision of the services described above require a high level of specialized skill and knowledge in areas such as machine learning, computer vision and artificial intelligence.

As of the date of this Prospectus, VSBLTY, Inc. has 20 full-time employees and contractors, which include 3 in sales and marketing; 9 in research and development; 1 in product management; 2 in technical support and marketing; and 5 in management.. The employees are split between locations in Philadelphia, Carlsbad, and Quito, Ecuador. The principal offices are in Philadelphia.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Selected Financial Information of the Company

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of the Company for the period from incorporation (August 1, 2018) to September 30, 2018 and notes thereto included in this prospectus, and should be read in conjunction with such financial statements and the related notes thereto, along with the Management's Discussion and Analysis ("**MD&A**") included in Schedule A of this prospectus. All financial statements of the Company are prepared in accordance with International Financial Reporting Standards.

All amounts referred to as being derived from the financial statements of the Company are denoted in Canadian Dollars.

	As at and for the period from incorporation on August 1, 2018 to September 30, 2018 (audited) ($)
Total Assets	200,491
Total Liabilities	17,049
Total Equity	183,442
Revenue	-
Loss and Comprehensive Loss for the Period	17,177

Selected Financial Information of VSBLTY, Inc.

The following selected financial information has been derived from and is qualified in its entirety by the annual financial statements of VSBLTY, Inc. for the years ended December 31, 2017 and 2016 (audited) and the condensed consolidated interim financial statements of VSBLTY, Inc. for the nine months ended September 30, 2018 (unaudited) and notes thereto included in this prospectus, and should be read in conjunction with such financial statements and the related notes thereto, along with the MD&A included in Schedule B of this prospectus. All financial statements of VSBLTY, Inc. are prepared in accordance with International Financial Reporting Standards.

All amounts referred to as being derived from the financial statements of VSBLTY, Inc. are denoted in US$.

	As at and for the nine months ended September 30, 2018 (unaudited) (US$)	As at and for the year ended December 31, 2017 (audited) (US$)	As at and for the year ended December 31, 2016 (audited) (US$)
Total Assets	593,458	494,027	240,565
Total Liabilities	2,096,324	809,196	331,270
Total Equity	(1,502,866)	(315,169)	(90,705)
Revenue	7,849	468,225	288,388
Gross Profit	(30,834)	133,725	(34,400)
Loss and Comprehensive Loss for the Period	(895,586)	(1,245,777)	(1,751,350)

Selected Pro Forma Financial Information

The following table contains certain unaudited *pro forma* consolidated financial information for the Company as at and for the period from incorporation on August 1, 2018 to September 30, 2018 and of VSBLTY, Inc. as at and for the nine months ended September 30, 2018 and gives effect to the completion of the Acquisition and the Private Placement. This information should be read together with the audited financial statements of the Company as at and for the period from incorporation on August 1, 2018 to September 30, 2018 and the unaudited interim financial statements of VSBLTY, Inc. as at and for the nine months ended September 30 and the *pro forma* financial statements of the Company together with the accompanying notes which are included elsewhere in this prospectus. The *pro forma* financial statements of the Company are prepared in accordance with International Financial Reporting Standards.

All amounts referred to as being derived from the *pro forma* financial statements of the Company are denoted in United States dollars.

	As at September 30, 2018 (unaudited) (US$)
Total Assets	3,800,673
Total Liabilities	319,927
Total Equity	3,480,746

Management's Discussion and Analysis

The MD&A of the Company from the date of incorporation (August 1, 2018) to September 30, 2018 is attached to this prospectus at Schedule A.

The MD&A of VSBLTY, Inc. for the nine months ended September 30, 2018 is attached to this prospectus as Schedule B.

The MD&A for each of the Company and VSBLTY, Inc. should be read in conjunction with the respective financial statements and the accompanying notes thereto included in this prospectus. Certain information contained in the MD&A constitutes forward-looking statements. These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward looking statements. See "*Forward-Looking Statements*" and "*Risk Factors*".

USE OF AVAILABLE FUNDS

Available Funds

The Company received net proceeds of approximately $4,151,872 from the Private Placement, after deducting finders' fees of $228,128. Including the net proceeds of the Private Placement, as of November 30, 2018 the estimated combined working capital of the Company and VSBLTY, Inc. was approximately $4,226,000.

Use of Available Funds

The Company expects to use the funds available to it upon completion of the Acquisition as follows:

Item	Amount
Wages and Benefits	$1,500,000
Market Development	$250,000
Legal and Professional	$400,000
Product Development	$550,000
Research	$75,000
General and Administrative Expenses(1)	$350,000
Unallocated General Working Capital	$1,101,000
TOTAL	$4,226,000

Notes:

(1) General and administrative expenses are expected to include, among other things, consulting fees, rent, legal fees, audit fees, insurance and Exchange listing fees.

The Company anticipates that it will have sufficient cash available, following the completion of the Private Placement and the Acquisition, to execute its business plan and to pay its operating and administrative costs for at least twelve months following completion of the Acquisition.

Unallocated funds will be deposited in the Company's bank account and added to the working capital of the Company. The Chief Financial Officer of the Company is responsible for the supervision of all financial assets of the Company. Based on the Company's cash flow requirements, management will determine the appropriate level of liquidity required for operations and will draw down such funds as necessary.

There may be circumstances, where for business reasons, a reallocation of funds may be necessary in order for the Company to achieve its stated business objectives.

Business Objectives and Milestones

Upon completion of the Acquisition, the business of VSBLTY, Inc. will be the business of the Resulting Issuer. The Resulting Issuer's business objectives will include the following:

Business Objective	Significant Events	Time Period	Costs related to Event
Deployment of multiple digital form factors in retail utilizing Vision Captor and DataCaptor	Pilot with large retailer	Q1 2019	$75,000
	Define platforms and assemble partners		

First DOOH DataCaptor deployment for measurement (at scale)	Working with Intel to secure network operator	Q2 2019	$100,000
	Pilot deployment		
Full suite production deployment in casino vertical	Transition from pilot to production	Q1 2019	$35,000
Full suite production deployment in smart city and/or smart building vertical	Identify pilot opportunities and build deployment plan	Q2 2019	$100,000
First international full suite retail deployment	Working with international partners to define key pilot prospects (Italy, Mexico)	Q3 2019	$50,000

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized capital of the Company consists of an unlimited number of Common Shares without par value, issuable in series. As of the date hereof, there is one Common Share issued and outstanding. The Company expects to issue 61,831,526 Common Shares pursuant to the Acquisition and 14,600,000 Common Shares upon exercise of the Special Warrants pursuant the Private Placement.

Common Shares

The holders of Common Shares are entitled to dividends, if, as and when declared by the Board, to one vote per Common Share at the meetings of the shareholders of the Company and, upon liquidation, to share equally in such assets of the Company as are distributable to the holders of Common Shares. See "*Consolidated Capitalization – Fully Diluted Share Capital*."

Warrants

As at the date of this Prospectus, the Company does not have any Warrants outstanding. The Company expects to issue approximately 7,300,000 Warrants upon deemed exercise of the Special Warrants on the Special Warrants Exercise Date. The Warrants will be represented by Warrant Certificates to be issued by the Company. The following summary of certain provisions of the Warrants does not purport to be complete and is qualified in its entirety by reference to the provisions of the Warrant Certificates.

Each Warrant will be exercisable by the holder to acquire one common share (the "**Warrant Shares**") at a price of $0.40 per Warrant Share for a period equal to the shorter of (a) one year after the Listing Date, and (b) five years after the issue date of the Special Warrants, subject to abridgement on an occurrence of the Trigger Event (defined below). At any time after the Listing Date, the Company may abridge the exercise period of the Warrants if the ten-day volume-weighted average trading price of the Common Shares is greater than $0.50 (the "**Trigger Event**") provided that (a) the Company gives notice of the Trigger Event by way of a news release, and (b) the earlier expiry date is a date which is not less than 30 calendar days after the date of such press release.

The number of Warrant Shares issuable upon exercise of the Warrants will be subject to standard anti-dilution provisions, including an adjustment in certain events including, without limitation, the subdivision or consolidation of the outstanding Common Shares, the issue of Common Shares or securities convertible into Common Shares by way of stock dividend or distribution, a dividend or distribution paid to all or substantially all of the holders of Common Shares, the issue of rights, options or warrants to all or substantially all of the holders of

Common Shares in certain circumstances, and the distribution to all or substantially all of the holders of Common Shares of any other class of shares, rights, options or warrants, evidences of indebtedness or assets. The number of Warrant Shares issuable upon exercise of Warrants will also be subject to standard anti-dilution adjustments upon share consolidations, share splits, spin-off events, rights issues and reorganizations.

PLAN OF DISTRIBUTION

This prospectus qualifies the distribution of the Qualified Securities, consisting of the Common Shares and Warrants issuable upon the deemed exercise of the previously issued Special Warrants. The Special Warrants were sold to subscribers at a price of $0.30 per Special Warrant for aggregate proceeds of $4,380,000.

As at the date of this Propsectus, the Company does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by Plus Market Groups plc).

The Company intends to apply to list its Common Shares on the CSE. Listing will be subject to the Company fulfilling all the listing requirements of the CSE.

The Special Warrants and the underlying Common Shares, Warrants and Warrant Shares have not been and will not be registered under the U.S. Securities Act or under any state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities qualified for distribution hereunder within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act).

Certain of the Special Warrants were offered and sold in the United States to a limited number of “accredited investors,” as defined in Rule 501(a) of Regulation D under the U.S. Securities Act, pursuant to Rule 506 of Regulation D, and were issued as “restricted securities” as defined in Rule 144(a)(3) under the U.S. Securities Act. Any Common Shares and Warrants issued on deemed exercise of the Special Warrants, and the Warrant Shares issued on exercise of the Warrants will also be “restricted securities,” and the certificates representing such Common Shares, Warrants, and Warrant Shares will contain legends to the effect that the Common Shares, Warrants, and Warrant Shares have not been registered under the U.S. Securities Act and may only be offered for sale pursuant to certain exemptions from the registration requirements of the U.S. Securities Act.

The Special Warrants were issued pursuant to the terms of the Special Warrant Certificates representing the Special Warrants. The Special Warrant Certificates provide, among other things, that Special Warrantholders are entitled to receive in respect of each Special Warrant held, without additional consideration and without any further action on the part of the holder thereof, one Common Share and one-half of one Warrant. The Special Warrants will be deemed exercised for Common Shares and Warrants on the Special Warrant Exercise Date.

The Warrants will be represented by Warrant Certificates to be issued by the Company. See “*Description of the Securities Distributed – Warrants*”.

Certificates or DRS advices representing the Common Shares and Warrants to be issued upon deemed exercise of the Special Warrants will be available for delivery upon the deemed exercise of the Special Warrants.

The Company is not currently a reporting issuer in any province or territory of Canada.

CONSOLIDATED CAPITALIZATION

The Company

Consolidated Capitalization

The following table sets forth the share and loan capital of the Company before and after giving effect to the deemed exercise of the Special Warrants, the Acquisition and related transactions. The table should be read in conjunction with the financial statements and the accompanying notes thereto included in this prospectus.

	Amount Authorized or to be Authorized	Outstanding as at September 30, 2018(1)	Outstanding After Giving Effect to the Private Placement and the Acquisition(2)
Common Shares	Unlimited	$0.10 (1 share)	$22,857,487 (84,514,385 shares)

Note:

(1) On an undiluted basis. The Company also has 14,600,000 Special Warrants and 760,426 Common Share purchase warrants which were issued to finders in connection with the Private Placement. See "Plan of Distribution" and "Description of Securities Distributed".

(2) On an undiluted basis. Assumes (a) the issuance of 61,853,958 Common Shares pursuant to the Acquisition, and (b) the issuance of 14,600,000 Common Shares upon deemed exercise of 14,600,000 Special Warrants. The Company will also have 7,300,000 Warrants issued upon deemed exercise of 14,600,000 Special Warrants and 760,426 Common Share purchase warrants which were issued to finders in connection with the Private Placement. See "Plan of Distribution" and "Description of Securities Distributed".

Fully Diluted Share Capital

The following table sets forth the anticipated fully diluted share capital of the Company after giving effect to the deemed exercise of the Special Warrants, the Acquisition and related transactions.

	Number of Common Shares Issued or Reserved for Issuance After Giving Effect to the Private Placement and the Acquisition	Percentage of issued and outstanding Common Shares After Giving Effect to the Private Placement and the Acquisition (fully-diluted)
Common Shares outstanding at the date of this prospectus	1	< 0.1%
Common Shares to be issued pursuant to the Acquisition	61,853,958	73.19%
Common Shares to be issued upon deemed exercise of Special Warrants	14,600,000	17.28%
Common Shares issuable upon exercise of Warrants to be issued upon deemed exercise of Special Warrants	7,300,000	8.64%
Common Shares issuable upon exercise of warrants received by finders	760,426	0.90%
Total:	84,514,385	

OPTIONS TO PURCHASE SECURITIES

The Company

A Stock Option Plan was approved by the Company's Board of Directors effective as of December 17, 2018 (the "**Stock Option Plan**"). The purpose of the Stock Option Plan is to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders.

The Stock Option Plan provides that the aggregate number of securities reserved for issuance will be 10% of the number of common shares of the Company issued and outstanding from time to time.

The Stock Option Plan is administered by the Board of Directors of the Company, which has full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Company and its affiliates, if any, as the Board of Directors may from time to time designate. The exercise prices will be determined by the Board of Directors, but will, in no event, be less than the closing market price of Common Shares on (a) the trading say prior to the date of grant of the stock options; and (b) the date of grant of the stock options. All options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As of the date of this prospectus, the Company does not have any stock options issued and outstanding.

VSBLTY, Inc.

VSBLTY, Inc. does not have any stock options or other securities convertible into equity interests in VSBLTY, Inc. issued and outstanding.

DIVIDENDS OR DISTRIBUTIONS

Neither the Company nor VSBLTY, Inc. have declared or paid any dividends on their shares.

There are no restrictions in the Company's articles or elsewhere, other than customary general solvency requirements, which would prevent the Company from paying dividends following the completion of the Acquisition. All of the Company's shares will be entitled to an equal share in any dividends declared and paid. It is anticipated that all available funds will be invested to finance the growth of the Company's business and accordingly it is not contemplated that any dividends will be paid on the Company's shares in the immediate or foreseeable future. The directors of the Company will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Company's financial position at the relevant time.

PRIOR SALES

The Company

Common Shares

Since the date of incorporation of the Company, one Common Share has been issued by the Company, as set forth below.

Date	Number of Securities	Issue Price Per Security	Aggregate Issue Price
August 1, 2018	1 Common Share	$0.10	$0.10

Special Warrants

Since the date of incorporation, the Company has issued 14,600,000 Special Warrants, as set forth below. Each Special Warrant will be deemed exercised in exchange for one Common Share and one-half of a Warrant on the earlier of the date that is (i) the third business day after a receipt for a final prospectus qualifying the distribution of the Common Shares and Share Purchase Warrants issuable upon the conversion of the Special Warrants and (ii) 4 months and one day after the issue date of the Special Warrants. The Company expects to issue 14,600,000 Common Shares and 7,300,000 Warrants upon conversion of the Special Warrants. See "*Plan of Distribution*" for a description of the terms of the Special Warrants.

Date	Number of Securities	Issue Price Per Security	Aggregate Issue Price
October 17, 2018	14,600,000 Special Warrants	$0.30	$4,380,000

VSBLTY, Inc.

On December 12, 2018, VSBLTY, L.P. was converted into a C corporation, VSBLTY, Inc., under Delaware law, thereby converting all 5,117,612 partnership units in VSBLTY, L.P. to 5,117,612 shares of common stock in VSBLTY, Inc. VSBLTY, Inc. also assumed all obligations of VSBLTY, L.P. pursuant to outstanding warrants and the Debentures in connection with the conversion.

VSBLTY, L.P.

Partnership Units

Since its formation, VSBLTY, L.P. issued the following partnership units:

Date	Number of Securities	Issue Price Per Security	Aggregate Issue Price
July 2, 2018	109,170 Class A units	$2.29	$250,000.00
April 27, 2018	3,846 Class A units	$3.25	$12,500.00
April 27, 2018	3,846 Class A units	$3.25	$12,500.00
March 19, 2018	36,569 Class A units	$2.08	$76,063.68
March 19, 2018	18.272 Class A units	$1.31	$23,936.32
November 29, 2017	12,019 Class A units	$2.08	$25,000.00
November 29, 2017	96,154 Class A units	$2.08	$200,000.00
October 30, 2017	192,308 Class A units	$2.08	$400,000.00
October 25, 2017	12,019 Class A units	$2.08	$25,000.00
October 21, 2017	12,019 Class A units	$2.08	$25,000.00
October 11, 2017	12,019 Class A units	$2.08	$25,000.00
September 22, 2017	50,000 Class A units	$2.08	$104,000.00
July 13, 2017	7,212 Class A units	$2.08	$15,000.00
July 13, 2017	72,155 Class A units	$2.08	$150,000.00
June 30, 2016	381,350 Class A units	$1.31	$500,000.00
June 30, 2016	202,048 Class B units	$ 1.00	$202,048.00
Units expanded/split on a 40,000:1 ratio on June 14, 2016			
January 1, 2016	15.820 Class B Units	$ 50,090	$ 792,423.80

Debentures

In the twelve months prior to the date of this prospectus, VSBLTY, L.P. has issued $1,500,000 principal amount of Debentures, as set forth below.

Date	Aggregate Principal Amount	Aggregate Issue Price
September 17, 2018	$500,000	$500,000
August 24, 2018	$1,000,000	$1,000,000

Note:

(1) For a description of the terms of the Debentures see "*Business of VSBLTY, Inc. – General Development of the Business – Debentures*".

ESCROWED SECURITIES AND RESALE RESTRICTIONS

Escrowed Securities

The following securities are expected to be held in escrow pursuant to Escrow Agreements to be executed in connection with the listing of our common shares on the CSE. Each escrow agreement will provide for a timed escrow release consistent with the escrow provisions of National Policy 46-201 and the restrictions agreed to by each of the applicable parties. Under the timed escrow release: (i) 10% of the escrow securities will be released on the listing date; (ii) 1/6 of the remaining escrow securities will be released six months after the listing date; (ii) 1/5 of the remaining escrow securities will be released 12 months after the listing date; (iii) 1/4 of the remaining escrow securities will be released 18 months after the listing date; (iv) 1/3 of the remaining escrow securities will be released 24 months after the listing date; (v) 1/2 of the remaining escrow securities will be released 30 months after the listing date; and (vi) the remaining escrow securities will be released 36 months after the listing date:

Name	Designation of Class	Securities held in Escrow(1)	Percentage of Class(2)
Guy Lombardo	Common Shares	11,027,795(3)	13.05%
Actus LP(4)	Common Shares	12,538,817	14.83%
Jay Hutton	Common Shares	544,496	0.64%
Fred Potok	Common Shares	4,697,568	5.56%

Note:

(1) It is anticipated that the escrow agent under the escrow agreement will be Odyssey Trust Company.

(2) Percentage is based on 84,491,953 Common Shares expected to be issued and outstanding upon completion of the Private Placement, the Acquisition and the related transactions described in this prospectus.

(3) Consists of 1,682,788 Common Shares held directly by Guy Lombardo and 9,345,008 Common Shares held by a trust controlled by Guy Lombardo.

(4) Actus LP is 33.3% owned by Jay Hutton, a director and proposed CEO and President of the Company and 50% owned by Tim Huckaby, proposed Chief Technology Officer of the Company.

Resale Restrictions

Pursuant to the terms of the Merger Agreement, 40,509,045 of the Common Shares issuable to the VSBLTY, Inc. Shareholders in connection with the Acquisition, excluding Common Shares issuable to former holders of the Debentures, will be subject to a voluntary one year hold period from the date of issuance of such Common Shares, during which period such Common Shares may not be transferred without the consent of the Company. The 20,000,000 Common Shares issued pursuant to the Acquisition to former holders of Debentures will be subject to a voluntary nine month hold period in respect of 50% of such Common Shares and a voluntary six month hold period in respect of 50% of such Common Shares, during which periods such Common Shares may not be transferred without the consent of the Company.

PRINCIPAL SHAREHOLDERS

The Company

As of the date of this prospectus, Alnesh Mohan owns 100% of the Common Shares, carrying 100% of the voting rights attaching to all the outstanding Common Shares.

To the knowledge of the directors and officers of the Company and VSBLTY, Inc., upon completion of the Acquisition and the Private Placement, the following persons are expected to beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attaching to all the outstanding Common Shares:

Name and Residence of Securityholder	Number and Percentage of Common Shares
Guy Lombardo Saunderstown, Rhode Island	11,027,795 Common Shares (13.05%)(1)
Actus LP(2) Carlsbad, California	12,538,817 Common Shares (14.84%)

Note:

(1) Consists of 1,682,788 Common Shares held directly by Guy Lombardo and 9,345,008 Common Shares held by a trust controlled by Guy Lombardo.

(2) Actus LP is 33.3% owned by Jay Hutton and 50% owned by Tim Huckaby.

VSBLTY, Inc.

To the knowledge of directors and officers of VSBLTY, Inc., the followings persons beneficially own, directly or indirectly, or exercise control or direction over, VSBLTY Common Shares carrying more than 10% of the voting rights attaching to all the outstanding VSBLTY Common Shares as at the date of this prospectus:

Name and Residence of Securityholder	Number and Percentage of VSBLTY Common Shares Owned
Guy Lombardo Saunderstown, Rhode Island	1,342,554 VSBLTY Common Shares (24.83%)(1)
Actus LP(2) Carlsbad, California	1,738,536 VSBLTY Common Shares (32.2%)
Fred Potok Huntingdon Valley, Pennsylvia	642,752 VSBLTY Common Shares (11.9%)
Kate Talamo Philadelphia, Pennsylvania	642,563 VSBLTY Common Shares (11.9%)(3)

Note:

(1) Consists of 46,818 VSBLTY Common Shares held directly by Guy Lombardo and 1,295,707 VSBLTY Common Shares held by a trust controlled by Guy Lombardo.

(2) Actus LP is 33.3% owned by Jay Hutton and 50% owned by Tim Huckaby.

(3) This includes the 633,193 VSBLTY Common Shares owned by Traffic Marketing, LLC. Kate Talamo holds a majority ownership interest in Traffic Marketing, LLC.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

The following table sets out the name, age, city of residence, position and the number and percentage of Common Shares which will be beneficially owned or controlled by each of the current and proposed directors and officers of the Company upon completion of the Acquisitiom. The directors of the Company after completion of the Acquisition will consist of Jay Hutton, Alnesh Mohan and Guy Lombardo and the officers of the Company after completion of the Acquisition will consist of Jay Hutton (Chief Executive Officer and President), Laurette Pitts (Chief Financial Officer and Corporate Secretary), Tim Huckaby (Chief Technology Officer), Fred Potok (Chief Sales Officer), Linda Rosanio (Chief Operating Officer) and Jan Talamo (Chief Creative Officer).

Name, Age and City of Residence	Position	Principal Occupations Held During the Last 5 Years	Common Shares Owned After Giving Effect to the Acquisition and the Private Placement	
			Number	Percentage
Alnesh Mohan(2) Age 47 Burnaby, BC	CEO, CFO, President and Director(1)	Partner at Quantum Advisory Partners LLP since September 2005.	1	<0.1%
Jay Hutton(2) Age 53 Langley, BC	Director and Proposed CEO and President (1)	President and CEO of VSBLTY, Inc. since July 2015; President and CEO of Actus LP since July 2011.	544,496(3)	0.64%
Guy Lombardo(2) Age 78 Saunderstown, Rhode Island	Director	Self-employed since 2010.	11,027,795	13.05%

Name, Age and City of Residence	Position	Principal Occupations Held During the Last 5 Years	Common Shares Owned After Giving Effect to the Acquisition and the Private Placement	
			Number	Percentage
Laurette Pitts Age 49 Hammonton, New Jersey	Proposed CFO and Corporate Secretary(1)	CFO of VSBLTY, Inc. since November 2018. Senior Vice President of Finance at Hard Rock Casino from December 2017 to November 2018. COO and CFO of Empire Resorts from December 2010 to December 2017.	Nil	Nil
Tim Huckaby Age 56 Burbank, California	Proposed Chief Technology Officer	Founder and Chairman of InterKnowlogy from September 1999 to Present.	Nil (4)	Nil
Fred Potok Age 63 Huntingdon Valley, Pennsylvania	Proposed Chief Sales Officer	Co-founder and Chief Sales Officer of VSBLTY, Inc. since July 2013.	4,697,568	5.56%
Linda Rosanio Age 63 Voorhees, New Jersey	Proposed Chief Operating Officer	COO of VSBLTY, Inc. since July 2015. Co-Founder and CEO of The Star Group Communications from August 1985 to June 2015.	Nil	Nil
Jan Talamo Age 61 Voorhees, New Jersey	Proposed Chief Creative Officer	CCO of M Partners from July 2015 to Present. CCO of Traffic MRTG from July 2015 to Present. CCO of VSBLTY, Inc. from July 2015 to Present. Co-Founder and CCO of The Star Group Communications from August 1985 to June 2015.	Nil	Nil

Notes:

(1) In connection with the closing of the Acquisition, Alnesh Mohan is expected to resign as CEO, CFO and President and a Director of the Company and will be replaced as CEO and President by Jay Hutton and replaced as CFO by Laurette Pitts.

(2) Proposed member of audit committee.

(3) This does not include the 12,538,817 Common Shares owned by Actus LP. Jay Hutton holds a 33.3% ownership interest in Actus LP.

(4) This does not include the 12,538,817 Common Shares owned by Actus LP. Tim Huckaby holds a 50% ownership interest in Actus LP.

As of the date of this prospectus, the directors and officers of the Company, as a group, own or control or exercise direction over 1 Common Share, representing 100% of the issued and outstanding Common Shares as at such date. Upon completion of the Acquisition and the Private Placement, the proposed directors and officers of the Resulting Issuer, as a group, are expected to own or control or exercise direction over 18,253,604 Common Shares, being 21.60% of the issued Common Shares.

Directors and Officers – Biographies

The following biographies provide information in respect of the directors and officers of the Company upon completion of the Acquisition.

Alnesh Mohan – CEO, President, Director and Proposed Director

Alnesh Mohan is a partner of Quantum Advisory Partners LLP and has over 20 years of accounting, auditing, and tax experience providing advisory services to a wide array of companies. Acting on behalf of several public companies, Mr. Mohan has acquired considerable experience in financial reporting, corporate governance and regulatory compliance. Mr. Mohan is currently CFO of Highbury Projects Inc., Premier Diversified Holdings Inc. and Twyford Ventures Inc., all listed on the TSX Venture Exchange. He is also a director of Premier Diversified Holdings Inc., a TSX Venture Exchange listed company, and American Pacific Mining Inc. and HealthSpace Data Systems Ltd., both listed on the CSE.

Mr. Mohan has not entered into a non-competition or non-disclosure agreement with the Company. It is expected that Mr. Mohan will devote approximately 10% of his time to the business of the Company to effectively fulfill his duties as a Director.

Jay Hutton – Director and Proposed Chief Executive Officer and President

Jay Hutton is one of the founders of VSBLTY, L.P. Mr. Hutton has 25 years of experience as a software executive, having begun his career at Gandalf Technologies, an Ottawa based pioneer of data-communications technology in 1988. He later served as Country Manager (Canada) for Ascend Communications during its growth, public offering and ultimate sale to Lucent Technologies in 1999. Subsequent to that time, Mr. Hutton spent the next decade working for Voice Mobility International Inc. ("**VMII**"), a private equity sponsored start-up, that went on to become listed on the OTCBB and later co-listed on the TSX in 2004. Mr. Hutton occupied either the role of President and CEO or President until 2008. After leaving VMII, Mr. Hutton co-founded Actus LP and was simultaneously the primary executive responsible for introducing in-vehicle media outlets for more than 13,000 taxis in NY, which delivered news and weather while also processing electronic payments. He conducted this assignment on behalf of a Richmond, BC based vehicle dispatch company: Digital Dispatch Systems. In 2010, Mr. Hutton was asked by the board of directors to return to VMII to restructure the company and position it for sale. Mr. Hutton did this and a sale of technology to Applied Voice and Speech Technologies ("**AVST**") was concluded in February of 2011. As part of this agreement Mr. Hutton served as VP, Business Development, Cloud Division for AVST. Mr. Hutton performed this role under contract until the sale of AVST in 2018.

Mr. Hutton has not entered into a non-competition or non-disclosure agreement with the Company. Mr. Hutton will be engaged as a full time employee and will devote approximately 100% of his time to the business of the Company.

Guy Lombardo – Proposed Director

Dr. Guy Lombardo is both an investor and one of the founders of VSBLTY, L.P. Previously, Dr. Lombardo founded Comau Productivity Systems, an American subsidiary of Fiat. The company designed, built, and installed factory automation equipment in the automotive sector. Once the company established itself as a supplier, it accepted General Motors as a minority owner. Dr. Lombardo has also served as a Group Vice President of the Bendix Corporation and for a decade as a senior consultant with the worldwide consulting firm, Arthur D. Little, Inc. Dr. Lombardo trained as a physicist first at Brown University and then at Cornell University, from which he received his PhD. As a visiting professor, he taught MBA students at Boston University and in Teheran, Iran. He has published results of original research in journals of business and physics.

Dr. Lombardo has not entered into a non-competition or non-disclosure agreement with the Company. It is expected that Dr. Lombardo will devote approximately 10% of his time to the business of the Company to effectively fulfill his duties as a Director.

Laurette Pitts – Proposed Chief Financial Officer and Corporate Secretary

Laurette Pitts is a seasoned executive who has held senior finance and operations positions in both public and private gaming companies, including her role as the Senior Vice President of Finance for Boardwalk 1000 (DBA Hard Rock Casino Atlantic City) from December 2017 to November 2018 and Chief Operating Officer and Chief Financial Officer of Empire Resorts (Parent to Monticello Casino & Raceway as well as Resorts World Catskills) from December 2010 to December 2017. Having had a 26-year career in gaming, Ms. Pitts understands working in a highly regulated industry and has been licensed in several gaming jurisdictions. She was responsible for implementing internal controls, processes and procedures at the first casino in Pennsylvania (Mohegan Sun at Pocono Downs).

It is expected that Ms. Pitts will enter into a non-competition or non-disclosure agreement with the Company and devote approximately 100% of her time to the business of the Company.

Tim Huckaby – Proposed Chief Technology Officer

Tim Huckaby is the Chief Technologist and one of the founders of VSBLTY, L.P., responsible for managing the initial development of VSBLTY L.P.'s three products – VisonCaptor, DataCaptor and VSBLTY Vector. He continues to oversee ongoing product refinement and new innovations for use of the technology. Mr. Huckaby has 25 years experience in Microsoft engineering, primarily through his work as founder of Interknowlogy, a 16-year-old software development company responsible for delivering innovation to several Fortune 100 companies across various industries. Mr. Huckaby co-founded Actus LP in 2011 with Jay Hutton and developed the initial intellectual property that eventually became the core capability of VSBLTY, Inc. Technology developed by Mr. Huckaby is used John King's "Magic Wall" on election night for CNN. He has received numerous awards for technical presentations and keynotes for Microsoft and other international technology conferences.

Mr. Huckaby is not party to a written employment agreement with the Company. It is expected that Mr. Huckaby will devote approximately 60% of his time to the business of the Company.

Fred Potok, - Proposed Chief Sales Officer

Fred Protok is one of the founders of VSBLTY, L.P. He has 20 years of retail and consumer-packaged goods experience, and provides many long-term relationships from his role as the head of global sales for VSBLTY, Inc. Mr. Potok founded FloorGraphics, a privately-held in-store advertising company in Princeton, NJ where he was Chairman, CEO and President. He was responsible for inventing and conceiving the "floor decal" as an advertising vehicle used in point-of-purchase advertising. Mr. Potok helped to grow FloorGraphics from $1 million in gross revenue in 1997 to $70 million in gross revenue in 2001, and FloorGraphics was ranked in Forbes Magazine as the #11 fastest growing privately held company in 2003 and #39 on the Inc. 500 list of entrepreneurial firms.

Mr. Potok has not entered into a non-competition or non-disclosure agreement with the Company. It is expected that Mr. Potok will devote approximately 100% of his time to the business of the Company.

Linda Rosanio – Proposed Chief Operating Officer

Linda Rosanio serves as Chief Operating Officer of VSBLTY, Inc. Ms. Rosanio began her early career in the 1970's as a Media Director responsible for her advertising agency's planning and purchasing of various forms of media from radio and television to billboards and point-of-sale advertising. From there she transitioned into client services and started of her own advertising agency in 1985. Linda grew her advertising agency over the next 30 years to 230 people employees with $80 million in sales. Ms. Rosanio's company served as the incubator for FloorGraphics. Ms. Rosanio has considerable experience in client services and operations, including in consumer-packaged goods, retail and casinos. Her advertising agency served as a roster agency for Coca Cola developing and executing national point-of-sale promotions.

Ms. Rosanio has not entered into a non-competition or non-disclosure agreement with the Company. It is expected that Ms. Rosanio will devote approximately 100% of her time to the business of the Company.

Jan Talamo – Proposed Chief Creative Officer

Jan Talamo is VSBLTY, Inc.'s Chief Creative Officer and Head of Brand Strategies. Mr. Talamo has spent 30 years in the marketing business building campaigns and executing brand building ideas for clients in both the consumer-packaged goods and casino/gaming industries. He has served as Chief Creative Officer and Partner for three companies over his career and has experience in the creative integration of digital technology in client engagement and the point of sale landscape. Mr. Talamo will oversee the development of all client and prospective client communications including the imagining and creation of the extensions of their brand campaigns onto the various VSBLTY, Inc. digital screen platforms.

Mr. Talamo has not entered into a non-competition or non-disclosure agreement with the Company. It is expected that Mr. Talamo will devote approximately 60% of his time to the business of the Company.

Committees

The only committee of the Board of Directors of the Company will be the Audit Committee. Upon completion of the Acquisition, the Audit Committee of the Company is expected to consist of Alnesh Mohan, Jay Hutton and Guy Lombardo.

Corporate Cease Trade Orders or Bankruptcies

No current or proposed director or officer of the Company is, or has been within the past ten years, a director or officer of any other issuer that, while such person was acting in that capacity, was:

(a) the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions for a period of more than 30 consecutive days; or

(b) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No current or proposed director or officer of the Company has within the ten years before the date of this prospectus, been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion or management of a publicly traded issuer, theft or fraud.

Individual Bankruptcies

No current or proposed director or officer of the Company is, or, within the ten years before the date of this prospectus, has been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Company also holding positions as directors or officers of other companies. Some of the individuals who will be directors and officers of the Company have been and will continue to be engaged in the identification and evaluation of assets, businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers of the Company will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies provided under British Columbia corporate law. Directors who are in a position of conflict will abstain from voting on any matters relating to the conflicting company.

Tim Huckaby is the majority shareholder of InterKnowlogy. InterKnowlogy is a custom application software developer that has been in business for more than 17 years. With specialized expertise in machine learning, complex architecture and artificial intelligence. VSBLTY, Inc. has purchased development expertise from InterKnowlogy on a project basis. The decision to utilize InterKnowlgy is made exclusively by the development team and by the Jay Hutton with no input from Tim Huckaby.

EXECUTIVE COMPENSATION

In this section "**Named Executive Officer**" or "**NEO**" means each individual who acted as chief executive officer of the Company or VSBLTY, Inc., as applicable, or acted in a similar capacity, for any part of the most recently completed financial year (a "**CEO**"), each individual who acted as chief financial officer of the Company or VSBLTY, Inc., as applicable, or acted in a similar capacity, for any part of the most recently completed financial year (a "**CFO**") and each of the three most highly compensated executive officers, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than CDN$150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company or VSBLTY, Inc., as applicable, at the end of the most recently completed financial year.

The Company

Compensation Discussion and Analysis

Alnesh Mohan (President and Chief Executive Officer) is the only NEO of the Company for the purposes of the following disclosure.

The Company's executive compensation is intended to be consistent with the Company's business plans, strategies and goals, including the preservation of working capital as the Company seeks to complete the Acquisition. The Company's executive compensation program is intended to provide appropriate compensation that permits the Company to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Company. The Company's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results.

The Company has adopted a Stock Option Plan to assist the Company in attracting, retaining and motivating directors, officer, employees, consultants and contractors of the Company and of its affiliates and to closely align the personal interests of such service providers with the interests of the Company and its shareholders. As of the date of this prospectus, the Company has not granted any options. See "Options to Purchase Securities."

During the period from incorporation on August 1, 2018 to September 30, 2018, the Company did not pay any compensation to Alnesh Mohan. During the period from incorporation on August 1, 2018 to September 30, 2018, the Company paid $10,000 to Quantum Advisory Partners LLP, whose incorporated partner is Alnesh Mohan. Subsequent to September 30, 2018, the Company paid an additional $23,478 to Quantum Advisory Partners LLP.

Incentive Plan Awards

The Company has not issued any share-based or option-based awards.

Pension Plan Benefits, Termination of Employment and Change of Control Benefits

The Company has no written contract, agreement, plan or arrangement to provide compensation, monetary or otherwise, to any person who now acts or has previously acted as an executive officer of the Company, in connection with or related to the retirement, termination, resignation of such person, or change of control of the Company.

VSBLTY, Inc.

For the purposes of this section, the only NEO of VSBLTY, Inc. for the year ended December 31, 2017 was Jay Hutton, the CEO of VSBLTY, Inc.

Compensation Discussion and Analysis

For the year ended December 31, 2017, VSBLTY, Inc.'s executive compensation was intended to be consistent with VSBLTY, Inc.'s business plans, strategies and goals while taking into account various factors and criteria, including competitive factors and VSBLTY, Inc.'s performance. VSBLTY, Inc.'s executive compensation program is intended to provide an appropriate overall compensation package that permits VSBLTY, Inc. to attract and retain highly qualified and experienced senior executives and to encourage superior performance by VSBLTY, Inc. VSBLTY, Inc.'s compensation policies were intended to motivate individuals to achieve and to award compensation based on corporate and individual results. Compensation for the Named Executive Officers was intended to reflect a fair evaluation of overall performance.

The Board of Directors of VSBLTY, Inc. considers the following objectives when reviewing annual compensation: (i) retaining individuals critical to the growth and overall success of VSBLTY, Inc.; (ii) rewarding achievements of individuals; (iii) providing fair and competitive compensation; and (iv) compensating individuals based on their performance.

The Board of Directors of VSBLTY, Inc. would consider the foregoing compensation philosophy, as well as the financial performance of VSBLTY, Inc. as a whole, in any review of base salaries. The base salary review for the NEO is based on an assessment of factors such as current market conditions and particular skills, including leadership ability and management effectiveness, experience, responsibility and proven or expected performance.

The Board of Directors of VSBLTY, Inc. has not appointed a compensation committee and the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing VSBLTY, Inc.'s compensation program, recommending compensation of VSBLTY, Inc.'s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board of Directors as a whole. The Board of Directors also assumes responsibility for reviewing and monitoring the long-range compensation strategy for VSBLTY, Inc.'s senior management. The Board of Directors reviews compensation of senior management on an annual basis.

VSBLTY, Inc. is aware that compensation practices can have unintended risk consequences. At the present time, the Board of Managers is satisfied that the current executive compensation program does not encourage the executives to expose the business to inappropriate risk.

Summary Compensation Table

The compensation paid to the NEO during VSBLTY, Inc.'s three most recently completed financial years ended December 31 is set out below and expressed in Canadian dollars unless otherwise noted:

Name and Principal Position	Year	Salary ($)	Share-based Awards $)	Option-based Awards ($)	Non-equity Incentive Plan Compensation ($)		Pension Value ($)	All other Compen-sation ($)	Total Compen-sation ($)
					Annual Incentive Plans	Long-term Incentive Plans			
Jay Hutton, Chief Executive Officer	2017	6,500	Nil	Nil	Nil	Nil	Nil	Nil	6,5000
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Incentive Plan Awards

VSBLTY, Inc. has not adopted a stock incentive plan and has not issued any share-based or option-based awards.

Pension Plan Benefits, Termination of Employment and Change of Control Benefits

VSBLTY, Inc. has no written contract, agreement, plan or arrangement to provide compensation, monetary or otherwise, to any person who now acts or has previously acted as an executive officer of VSBLTY, Inc., in connection with or related to the retirement, termination, resignation of such person, or change of control of VSBLTY, Inc.

Director Compensation

There are no arrangements under which directors were compensated by VSBLTY, Inc. during the most recently completed financial year for their services in their capacity as directors or consultants. No compensation was paid to directors who were not NEOs for the years ended December 31, 2017 and 2016.

The Resulting Issuer

This section sets forth the proposed compensation to be paid by the Resulting Issuer upon completion of the Acquisition to Jay Hutton (Proposed President and CEO) and Laurette Pitts (Proposed CFO and Corporate Secretary), who are anticipated to be the Resulting Issuer's only Named Executive Officers.

Compensation Discussion and Analysis

Upon completion of the Acquisition, it is expected that the Resulting Issuer will generally follow the same approach to executive compensation as VSBLTY, Inc., as described above under the heading "*VSBLTY, Inc. – Compensation Discussion and Analysis*." When determining individual compensation levels for the Resulting Issuer's NEOs, a variety of factors will be considered including: the overall financial and operating performance of the Resulting Issuer, each NEO's individual performance and contribution towards meeting corporate objectives and each NEO's level of responsibility and length of service.

It is not currently intended that VSBLTY, Inc. will appoint a compensation committee and the responsibilities relating to executive compensation will be performed by the Board of Directors of the Resulting Issuer as a whole. The Board of Directors of the Resulting Issuer may establish a compensation committee in the future to assist the Board in reviewing and providing recommendations regarding executive compensation, succession plans for executive officers, and the Company's overall compensation and benefits policies, plans and programs.

Summary Compensation Table

The following table sets out the anticipated compensation to be paid by the Resulting Issuer to the NEOs for the 12 months period following completion of the Acquisition:

Name and Principal Position	Salary (US$)	Share-based Awards (US$)	Option-based Awards (US$)	Non-equity Incentive Plan Compensation (US$)		Pension Value (US$)	All other Compen-sation (US$)[(1)]	Total Compen-sation (US$)
				Annual Incentive Plans	Long-term Incentive Plans			
Jay Hutton, President and CEO	120,000	Nil	Nil[(1)]	Nil	Nil	Nil	Nil	Nil
Laurette Pitts, CFO and Corporate Secretary	138,000	Nil	Nil[(1)]	Nil	Nil	Nil	Nil	Nil

Notes:

(1) It is anticipated that the NEOs of the Resulting Issuer will be entitled to receive stock option awards at the discretion of the Board of Directors of the Resulting Issuer.

Incentive Plan Awards

Option grants will be used to align executive interests with those of the shareholders of the Resulting Issuer and will be based on the executive's performance, level of responsibility, as well as the number and exercise price of Options previously issued to the executive as part of the overall aggregate total compensation package. Options may be granted on an annual basis in connection with the review of executives' compensation packages, or upon hire or promotion and as special recognition for extraordinary performance.

Pension Plan Benefits

The Resulting Issuer does not anticipate that it will have a pension, retirement or similar plan.

Termination of Employment and Change of Control Benefits

None of the proposed NEOs currently has any agreement in place with the Resulting Issuer pursuant to which such NEO would be entitled to receive payments in the event of any termination of employment or a change of control.

Director Compensation

Non-executive directors of the Resulting Issuer are not expected to be paid fees for the year ending December 31, 2018. Directors will be entitled to receive options in accordance with the terms of the Stock Option Plan. The timing, amounts, exercise price of those future option-based awards are not yet determined. Directors of the Resulting Issuer will be reimbursed for any out-of-pocket travel expenses incurred in order to attend meetings of the Board of Directors, committees of the Board of Directors or meetings of the shareholders of the Resulting Issuer. It is anticipated that the Resulting Issuer will obtain customary insurance for the benefit of its directors and that the Resulting Issuer will enter into indemnification agreements with each director and officer.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

The Company

As of the date of this prospectus, no director or executive officer, and no proposed director of the Company or any associate thereof, is indebted to the Company or any of its subsidiaries, or has been at any time during the preceding financial year.

VSBLTY, Inc.

As of the date of this prospectus, no director or executive officer of VSBLTY, Inc. or any associate thereof, is indebted to VSBLTY, Inc. or any of its subsidiaries or has been at any time during the preceding financial year.

AUDIT COMMITTEE

The Audit Committee's Mandate

The mandate of the Audit Committee is to ensure the Company effectively maintains the necessary management systems and controls to allow for timely and accurate reporting of financial information to safeguard shareholder value, to meet all relevant regulatory requirements and to provide recommendations to the Board of Directors in the areas of management systems and controls. The charter of the Audit Committee is attached to this Prospectus as Exhibit "D".

Composition of the Audit Committee

The current Audit Committee of the Company consists of Alnesh Mohan (Chair), Jay Hutton and Guy Lombardo.

The Audit Committee of the Company following completion of the Acquisition is expected to consist of Alnesh Mohan (Chair), Jay Hutton and Guy Lombardo. Of the proposed members of the Audit Committee, Guy Lombardo will be independent. Jay Hutton (proposed President and CEO) and Alnesh Mohan (former CEO and CFO) will be non-independent members of the Audit Committee. In accordance with section 6.1.1(3) NI 52-110 relating to the composition of the audit committee for venture issuers, a majority of the members of the Audit Committee will not be executive officers, employees or control persons of the Resulting Issuer.

All the current and proposed members of the Audit Committee are considered to be financially literate as required by section 1.6 of NI 52-110. For a summary of the experience and education of the Audit Committee members see “Directors and Officers – Biographies”.

Reliance on Certain Exemptions

Following completion of the Acquisition, the Company will rely on the exemptions provided for “venture issuers” in section 6.1 of NI 52-110 with respect to Part 3 – *Composition of the Audit Committee* and Part 5 – *Reporting Obligations*.

External Auditor Service Fees

The following table discloses the fees billed to the Company by its external auditor for the period from incorporation to September 30, 2018:

Period Ended	Audit Fees	Audited-Related Fees(1)	Tax Fees(2)	All Other Fees(3)
September 30, 2018	$65,000	-	-	-

Notes:

(1) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not disclosed in the “Audit Fees” column.

(2) The aggregate fees billed for tax compliance, tax advice and tax planning services.

(3) The aggregate fees billed for professional services other than those listed in the other three columns.

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a corporation, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The board of directors is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the opinion of the board of directors, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The board of directors facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board of Directors requires management to provide complete and accurate information with respect to the Company’s activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Board of Directors is responsible for monitoring the Company’s senior officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The current Board of Directors of the Company consists of Alnesh Mohan, Jay Hutton and Guy Lombardo. Upon completion of the Acquisition, the directors will be Alnesh Mohan, Jay Hutton and Guy Lombardo. Following completion of the Acquisition, Guy Lombardo will be an independent director of the Company. The non-independent directors will be Jay Hutton, the President and CEO of the Resulting Issuer, and Alnesh Mohan, former CEO and CFO of the Company.

Directorships

The following directors or proposed directors of the Company are currently directors of other reporting issuers (or equivalent in a foreign jurisdiction):

Name	Name of Reporting Issuer
Alnesh Mohan	Premier Diversified Holdings Inc. HealthSpace Data Systems Inc. American Pacific Mining Inc.
Jay Hutton	Voice Mobility International Inc.

Orientation and Continuing Education

When new directors are appointed to the Board of Directors, they receive an orientation, commensurate with their previous experience on the Company's business and on the responsibilities of directors.

Meetings of the Board of Directors may also include presentations by the Company's management to give the directors additional insight into the Company's business.

Ethical Business Conduct

The Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board of Directors operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

Nomination of Directors

The Board of Directors will consider its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board of Directors' duties effectively and to maintain a diversity of views and experience.

The Board of Directors does not have a nominating committee, and these functions are currently performed by the Board of Directors as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

Compensation

The Board of Directors is responsible for determining compensation for the officers, employees and non-executive directors of the Company. The Board of Directors annually reviews all forms of compensation paid to officers, employees and non-executive directors, both with regards to the expertise and experience of each individual and in relation to industry peers. See "*Executive Compensation*".

Other Committees of the Board of Directors

The Board of Directors has no committees other than the Audit Committee.

Assessments

The Board of Directors monitors the adequacy of information given to directors, communication between the Board of Directors and management, and the strategic direction and processes of the Board of Directors and Audit Committee.

RISK FACTORS

The following risk factors assume the completion of the Acquisition and the Private Placement. However, there can be no assurance that the Acquisition will be completed.

Assuming completion of the Acquisition, the business of the Company will be the business of VSBLTY, Inc. Due to the nature of VSBLTY, Inc.'s business, the Company may be subject to significant risks. Readers should carefully consider all such risks, including those set out in the discussion below. The Company's actual performance and operating results may be very different from those expected as at the date of this prospectus.

Risks Related to the Acquisition

The Merger Agreement may be terminated in certain circumstances

Each of the Company and VSBLTY, Inc. have the right to terminate the Merger Agreement and the Acquisition in certain circumstances. Accordingly, there is no certainty, nor can the Company provide any assurance, that the Merger Agreement will not be terminated by either the Company or VSBLTY, Inc. before the completion of the Acquisition.

There can be no certainty that all conditions precedent to the Acquisition with VSBLTY, Inc. will be satisfied

The completion of the Acquisition is subject to a number of conditions precedent, certain of which are outside the control of the Company. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If, for any reason, the conditions to the Acquisition are not satisfied or waived and the Acquisition is not completed, the market price of the Common Shares may be adversely affected.

The Resulting Issuer may not meet key estimates

Actual results for the Resulting Issuer's operations could differ from current estimates and assumptions, and these differences may be material. In addition, development or operating activities may identify new or unexpected conditions which could reduce production below, or increase capital or operating costs above, current estimates. If actual results are less favourable than currently estimated, the results of operations, profitability and financial results of the Resulting Issuer could be materially adversely affected.

The Resulting Issuer will be subject to significant capital requirements associated with its expanded operations

The Resulting Issuer must generate sufficient internal cash flow or be able to utilize available financing sources to finance its growth and sustain capital requirements. If the Resulting Issuer does not realize sufficient revenue, it could be required to raise significant additional capital through equity financings in the capital markets or to incur significant borrowings through debt financings to meet its capital requirements. If these financings are required, the Resulting Issuer's cost of raising capital in the future may be adversely affected. In addition, if the Resulting Issuer is required to make significant interest and principal payments resulting from a debt financing, the Resulting Issuer's financial condition and ability to raise additional funds may be adversely impacted. Any significant delay in achieving commercial production on a consistent basis or the incurring of capital costs that are significantly higher than estimated, could have a material adverse effect on the Resulting Issuer's results of operations, cash flow from operations and financial condition.

Risks Related to Business and Technologies

The Resulting Issuer's results of operations may fluctuate in the future. As a result, the Resulting Issuer may fail to meet or exceed the expectations of securities analysts or investors, which could cause its stock price to decline.

The Resulting Issuer's results of operations may fluctuate as a result of a variety of factors, many of which are outside of its control. If the Resulting Issuer's revenues or results of operations do not meet or exceed the expectations of securities analysts or investors, the price of the Common Shares could decline substantially. In addition to the other risk factors set forth in this "*Risk Factors*" section, factors that may cause fluctuations in the Resulting Issuer's revenues or results of operations include:

- failure to increase sales or attract new customers;
- failure to accurately estimate or control costs;

- the amount and timing of capital expenditures and operating costs related to the maintenance and expansion of operations and infrastructure;
- the timing and success of new product introductions by the Resulting Issuer or competitors;
- variations in the demand for the Resulting Issuer's products;
- maintenance of appropriate staffing levels and capabilities relative to projected growth;
- adverse judgments or settlements in legal disputes;
- the timing of costs related to the development or acquisition of technologies, services or businesses to support its existing customer base and potential growth opportunities; and,
- general economic, industry and market conditions.

The Resulting Issuer's revenues and results of operations on a year-over-year and sequential quarter-over-quarter basis may vary significantly in the future and that period-to-period comparison of its operating results may not be meaningful. One should not rely on the results of prior quarters, and annual growth, as an indication of future performance.

VSBLTY, Inc. has a limited operating history and may not be able to achieve financial or operational success.

VSBLTY, Inc. has only a limited operating history upon which the Resulting Issuer's business can be evaluated. You should evaluate the Reporting Issuer's likelihood of financial and operational success in light of the risks, uncertainties, expenses, delays and difficulties associated with an early-stage business in an evolving market, some of which may be beyond its control, including:

- the ability to successfully manage any growth it may achieve in the future; and
- the ability to successfully integrate acquired businesses, technologies or services.

VSBLTY, Inc. has a history of negative cash flow from operations. The losses and negative operating cash flow are expected to continue for the foreseeable future as funds are expended on development and on administrative costs. The Company anticipates that it may be a few years to achieve consistent positive cash flow from operations. There is no assurance that it will be successful in achieving a return on shareholders' investment.

The Reporting Issuer may lose customers if it provides poor service or if its products do not meet its customers expectations.

Errors in the Reporting Issuer's systems resulting from the large amount of data that it collects, stores and manages could cause the information that it collects to be incomplete or to contain inaccuracies that customers regard as significant. The failure or inability of the Reporting Issuer's systems, networks and processes to adequately handle the data in a high quality and consistent manner could result in the loss of customers. In addition, the Reporting Issuer may be liable to certain of its customers for damages they may incur resulting from these events, such as loss of business, loss of future revenues, breach of contract or loss of goodwill to their business.

Concern over spyware and privacy, including any actual or perceived violations of privacy laws or perceived misuse of personal information, could cause public relations problems and could impair the Reporting Issuer's ability to obtain user responses of sufficient size and scope, which, in turn could adversely affect its ability to provide products.

Any perception of the Reporting Issuer's practices as an invasion of privacy, whether legal or illegal, may subject it to public criticism. Existing and future privacy laws and increasing sensitivity of consumers to unauthorized disclosures and use of personal information may create negative public reaction related to the Reporting Issuer's business practices. Any resulting reputational harm, potential claims asserted against the Reporting Issuer or decrease in user response could reduce the demand for its products, increase the cost of obtaining user responses, our own need for public relations and communications, and adversely affect our ability to provide products to its customers. Any of these effects could harm the Reporting Issuer's business.

Any unauthorized disclosure or theft of private information of the Reporting Issuer may gather could harm its business.

Unauthorized disclosure of personally identifiable information in the possesssion of the Resulting Issuer whether through breach of the Reporting Issuer's secure network by an unauthorized party, employee theft or misuse, or otherwise, could harm its business. If there were an inadvertent disclosure of personally identifiable information that the Reporting Issuer gathers, or, if a third party were to gain unauthorized access to the personally identifiable information the Reporting Issuer may possess, the Reporting Issuer's operations could be seriously disrupted and it could be subject to claims or litigation arising from damages to affected parties or pursuant to the agreements with its customers. In addition, the Reporting Issuer could incur significant costs in complying with the multitude of provincial, U.S. state, federal and international laws regarding the unauthorized disclosure of personal information. Finally, any perceived or actual unauthorized disclosure of the information the Reporting Issuer collects could harm its reputation and have an adverse impact on its business.

Currently, all of the revenue generating operations of VSBLTY, Inc. are conducted outside of Canada, resulting in the general risk of foreign operations by the Resulting Issuer.

The only revenue generated by VSBLTY, Inc. is from the United States. The Resulting Issuer's operations may be adversely affected by changes in United States policies, legislation, or social instability and other factors that are not within the control of the Resulting Issuer. The Resulting Issuer's operations may also be adversely affected by laws and policies of such jurisdictions affecting foreign trade, taxation and investment. If the Resulting Issuer's operations are disrupted, its business may be harmed.

In the event of a dispute arising in connection with the Resulting Issuer's operations in a foreign jurisdiction where the Resulting Issuer conducts its business, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions.

If the Reporting Issuer fails to develop its brand, its business may suffer.

Building and maintaining awareness of the Reporting Issuer and its portfolio of products in a cost-effective manner is important to achieving widespread acceptance of its current and future products and is an important element in attracting new customers. Brand recognition will become more important for the Reporting Issuer as competition in the market increases. The Reporting Issuer's brand success will depend on the effectiveness of its marketing efforts and on its ability to provide reliable and valuable products to its customers at competitive prices. The Reporting Issuer's brand marketing activities may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses the Reporting Issuer may incur in attempting to build its brand. If the Reporting Issuer fails to successfully market its brand, the Reporting Issuer may fail to attract new customers, retain existing customers or attract media coverage to the extent necessary to realize a sufficient return on its brand-building efforts, and its business and results of operations could suffer.

Failure to effectively expand the Reporting Issuer's sales and marketing capabilities could harm its ability to increase its customer base and achieve broader market acceptance.

Increasing the Reporting Issuer's customer base and achieving broader market acceptance of its products will depend to a significant extent on the Reporting Issuer's ability to expand its sales and marketing operations. The Reporting Issuer's business will be seriously harmed if the efforts to expand its sales and marketing capabilities are not successful or if they do not generate a sufficient increase in revenue.

If the Reporting Issuer is unable to sell additional products to its existing customers or attract new customers, its revenue growth will be adversely affected.

To increase revenue, the Reporting Issuer must sell additional products to existing customers and regularly add new customers. If the Reporting Issuer's existing and prospective customers do not perceive its products to be of sufficient value and quality, the Reporting Issuer may not be able to increase sales to existing customers and attract new customers, and its operating results will be adversely affected.

System failures or delays in the operation of the Reporting Issuer's computer and communications systems may harm its business.

The Reporting Issuer's ability to collect and report accurate data may be interrupted by a number of factors, including inability to access the Web, failure of the Reporting Issuer's network or software systems, computer viruses, security breaches or variability in user volume on customer Websites. A failure of network or data gathering procedures could impede the processing of data, cause the corruption or loss of data or prevent the timely delivery of products.

In the future, the Reporting Issuer may need to expand its network and systems at a more rapid pace than it has in the past. The Reporting Issuer's network or systems may not be capable of meeting the demand for increased capacity, or it may incur additional unanticipated expenses to accommodate these capacity demands. In addition, the Reporting Issuer may lose valuable data, be unable to obtain or provide data on a timely basis or its network may temporarily shut down if it fails to adequately expand or maintain its network capabilities to meet future requirements. Any lapse in the Reporting Issuer's ability to collect or transmit data may decrease the value of its products and prevent it from providing data requested by customers. Any disruption in the Reporting Issuer's network processing or loss of Web user data may damage its reputation and result in the loss of customers, business, and results of operations could be adversely affected.

If the Reporting Issuer fails to respond to technological developments, its products may become less competitive.

The Reporting Issuer's future success will depend in part on its ability to modify or enhance its products to meet customer needs, to add functionality and to address technological advancements. To remain competitive, the Reporting Issuer will need to continue to develop new products that address these evolving technologies and standards. However, the Reporting Issuer may be unsuccessful in identifying new product opportunities or in developing or marketing new products in a timely or cost-effective manner. In addition, the Reporting Issuer's product innovations may not achieve the market penetration or price levels necessary for profitability. If the Reporting Issuer is unable to develop enhancements to, and new features for, our existing products or if the Reporting Issuer is unable to develop new products that keep pace with rapid technological developments or changing industry standards, its products may become obsolete, less marketable and less competitive, and its business will be harmed.

An assertion from a third party that the Resulting Issuer is infringing its intellectual property, whether such assertions are valid or not, could subject the Resulting Issuer to costly and time-consuming litigation or expensive licenses.

The Web, software and technology industries are characterized by the existence of a large number of patents, copyrights, trademarks and trade secrets and by frequent litigation based on allegations of infringement or other violations of intellectual property rights, domestically or internationally. As the Resulting Issuer grows and faces increasing competition in the data acquisition and management sectors, the probability that one or more third parties will make intellectual property rights claims against it increases. In such cases, the Resulting Issuer's technologies may be found to infringe on the intellectual property rights of others. With respect to any intellectual property rights claim against the Resulting Issuer, the Resulting Issuer may have to pay damages or stop using technology found to be in violation of a third party's rights. The Resulting Issuer may have to seek a license for the technology, which may not be available on reasonable terms or at all, may significantly increase its operating expenses or may significantly restrict its business activities in one or more respects. The Resulting Issuer may also be required to develop alternative non-infringing technology, which could require significant effort and expense. Any of these outcomes could adversely affect the business or results of operations of the Resulting Issuer.

The Resulting Issuer relies on its management team and needs additional personnel to grow its business, and the loss of one or more key employees, human error, or the inability to attract and retain qualified personnel could harm its business.

The Resulting Issuer's success and future growth depends, to a significant degree, on the skills and continued services of its management team. The Resulting Issuer's future success also depends on its ability to retain, attract and motivate highly skilled technical, managerial, statistical, analytical, marketing and customer service personnel, including members of its management team. The Resulting Issuer plans to hire additional personnel in all areas of its business, particularly for the sales, marketing and technology development areas, both domestically and internationally, which will likely increase its recruiting and hiring costs. The Resulting Issuer's inability to retain and attract the necessary personnel could adversely affect its business.

The Resulting Issuer will require additional capital to support business growth, and this capital may not be available on acceptable terms or at all.

The Resulting Issuer intends to continue to make investments to support its business growth and will require additional funds to respond to business challenges, including the expansion of its offerings into other jurisdictions, enhance operating infrastructure and acquire complementary businesses and technologies.

Accordingly, the Resulting Issuer may need to engage in equity or debt financings to secure additional funds. If the Resulting Issuer raises additional funds through further issuances of equity or convertible debt securities, its existing shareholders could suffer significant dilution, and any new equity securities the Resulting Issuer issues could have rights, preferences and privileges superior to those of holders of its Common Shares. Any debt financing secured by the Resulting Issuer in the future could include restrictive covenants relating to its capital raising activities and other financial and operational matters, which may make it more difficult for the Resulting Issuer to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, the Resulting Issuer may not be able to obtain additional financing on terms favorable to it or at all. If the Resulting Issuer is unable to obtain adequate financing or financing on terms satisfactory to it when the Resulting Issuer requires it, the Resulting Issuer's ability to continue to support business growth and respond to business challenges could be significantly limited. In addition, the terms of any additional equity or debt issuances may adversely affect the value and price of the Resulting Issuer's Common Shares.

If the Resulting Issuer's security measures or those of our third-party data center hosting facilities, cloud computing platform providers, or third-party service partners, are breached, and unauthorized access is obtained to a customer's data, the Resulting Issuer's data or the Resulting Issuer's IT systems, the Resulting Issuer's services may be perceived as not being secure, customers may curtail or stop using the Resulting Issuer's services, and the Resulting Issuer may incur significant legal and financial exposure and liabilities.

VSBLTY, Inc.'s services involve the storage, analysis and transmission of customers' proprietary information, and security breaches could expose the Resulting Issuer to a risk of loss of this information, litigation and possible liability. While VSBLTY, Inc. has security measures in place, they may be breached as a result of third-party action, including intentional misconduct by computer hackers, employee error, malfeasance or otherwise and result in someone obtaining unauthorized access to the Resulting Issuer's IT data, the Resulting Issuer's customers' data or the Resulting Issuer's data, including the Resulting Issuer's intellectual property and other confidential business information. Additionally, third parties may attempt to fraudulently induce employees or customers into disclosing sensitive information such as user names, passwords or other information in order to gain access to the Resulting Issuer's customers' data, the Resulting Issuer's data or the Resulting Issuer's IT systems. Because the techniques used to obtain unauthorized access, or to sabotage systems, change frequently and generally are not recognized until launched against a target, the Resulting Issuer may be unable to anticipate these techniques or to implement adequate preventative measures. Because the Resulting Issuer does not control the Resulting Issuer's customers or third-party technology providers, or the processing of such data by third-party technology providers, the Resulting Issuer cannot ensure the integrity or security of such transmissions or processing. Malicious third parties may also conduct attacks designed to temporarily deny customers access to the Resulting Issuer's services. Any security breach could result in a loss of confidence in the security of the Resulting Issuer's services, damage the Resulting Issuer's reputation, negatively impact the Resulting Issuer's future sales, disrupt the Resulting Issuer's business and lead to legal liability.

Defects or disruptions in the Resulting Issuer's services could diminish demand for the Resulting Issuer's services and subject the Resulting Issuer to substantial liability.

Because the Resulting Issuer's services are complex and incorporate a variety of hardware and proprietary and third-party software, the Resulting Issuer's services may have errors or defects that could result in unanticipated downtime for the Resulting Issuer's subscribers and harm to the Resulting Issuer's reputation and the Resulting Issuer's business. Cloud services frequently contain undetected errors when first introduced or when new versions or enhancements are released. VSBLTY, Inc. has from time to time found defects in, and experienced disruptions to, VSBLTY, Inc.'s services and new defects or disruptions may occur in the future. Since VSBLTY, Inc.'s customers use the VSBLTY, Inc.'s services for important aspects of their business, any errors, defects, disruptions in service or other performance problems could hurt the Resulting Issuer's reputation and may damage the Resulting Issuer's customers' businesses. As a result, customers could elect to not renew our services or delay or withhold payment to the Resulting Issuer. The Resulting Issuer could also lose future sales or customers may make warranty or other claims against the Resulting Issuer, which could result in an increase in the Resulting Issuer's provision for doubtful accounts, an increase in collection cycles for accounts receivable or the expense and risk of litigation.

Interruptions or delays in services from our third-party data center hosting facilities or cloud computing platform providers could impair the delivery of the Resulting Issuer's services and harm the Resulting Issuer's business.

VSBLTY, Inc. currently serves customers from third-party data center hosting facilities and cloud computing platform providers. Any damage to, or failure of, our systems generally could result in interruptions in the Resulting Issuer's services. VSBLTY, Inc. has from time to time experienced interruptions in VSBLTY, Inc.'s services and such interruptions may occur in the future. Interruptions in the Resulting Issuer's services may reduce the Resulting Issuer's revenue, cause the Resulting Issuer's to issue credits or pay penalties, cause customers to terminate their subscriptions and adversely affect the Resulting Issuer's attrition rates and our ability to attract new customers, all of which would reduce the Resulting Issuer's revenue. The Resulting Issuer's business would also be harmed if our customers and potential customers believe the Resulting Issuer's services are unreliable. VSBLTY, Inc. does not control the operation of any of these facilities, and they may be vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunications failures and similar events. They may also be subject to break-ins, sabotage, intentional acts of vandalism and similar misconduct, as well as local administrative actions, changes to legal or permitting requirements and litigation to stop, limit or delay operation. Despite precautions taken at these facilities, the occurrence of a natural disaster or an act of terrorism, a decision to close the facilities without adequate notice or other unanticipated problems at these facilities could result in lengthy interruptions in the Resulting Issuer's services. Even with disaster recovery and business continuity arrangements, the Resulting Issuer's services could be interrupted. When the Resulting Issuer adds data centers and adds capacity, the Resulting Issuer may move or transfer the Resulting Issuer's data and the Resulting Issuer's customers' data. Despite precautions taken during this process, any unsuccessful data transfers may impair the delivery of the Resulting Issuer's services, which may damage the Resulting Issuer's business.

Privacy concerns and laws, evolving regulation of cloud computing, cross-border data transfer restrictions and other domestic or foreign regulations may limit the use and adoption of the Resulting Issuer's services and adversely affect the Resulting Issuer's business.

Regulation related to the provision of services on the Internet is increasing, as federal, state and foreign governments continue to adopt new laws and regulations addressing data privacy and the collection, processing, storage and use of personal information; this is particularly the case in Illinois and Texas, where prior written consent is required of the subject whose facial data is captured. In some cases, foreign data privacy laws and regulations, such as the European Union's Data Protection Directive, and the country-specific laws and regulations that implement that directive, also govern the processing of personal information. Although foreign laws currently do not apply to VSBLTY, Inc.'s business in a material way, several of VSBLTY, Inc.'s existing customers, and VSBLTY, Inc.'s targeted customer base, are large multi-national organizations and so VSBLTY, Inc. maintains awareness of the adoption of new foreign regulations. Certain of these laws are increasingly aimed at the use of personal information for marketing purposes, such as the European Union's e-Privacy Directive, and the country-specific regulations that implement that directive. Such laws and regulations are subject to new and differing interpretations and may be inconsistent among jurisdictions. These and other requirements could reduce demand for the Resulting Issuer's services or restrict the Resulting Issuer's ability to store and process data or, in some cases, impact the Resulting Issuer's ability to offer the Resulting Issuer's services in certain locations or the Resulting Issuer's customers' ability to deploy the Resulting Issuer's solutions globally. For example, in October 2015, the European Court of Justice invalidated the U.S.-EU Safe Harbor framework that had been in place since 2000, which allowed companies to meet certain European legal requirements for the transfer of personal data from the European Economic Area to the United States. While other adequate legal mechanisms to lawfully transfer such data remain, the invalidation of the U.S.-EU Safe Harbor framework may result in different European data protection regulators applying differing standards for the transfer of personal data, which could result in increased regulation, cost of compliance and limitations on data transfer for the Resulting Issuer and its customers. The costs of compliance with and other burdens imposed by laws, regulations and standards may limit the use and adoption of our services, reduce overall demand for the Resulting Issuer's services, lead to significant fines, penalties or liabilities for noncompliance, or slow the pace at which we close sales transactions, any of which could harm the Resulting Issuer's business.

In addition to government activity, privacy advocacy and other industry groups have established or may establish new self-regulatory standards that may place additional burdens on us. Our customers expect us to meet voluntary certification or other standards established by third parties, such as TRUSTe. If we are unable to maintain these certifications or meet these standards, it could adversely affect our ability to provide our solutions to certain customers and could harm our business. Furthermore, concerns regarding data privacy may cause our customers' customers to resist providing the data necessary to allow our customers to use our services effectively. Even the perception that the privacy of personal information is not satisfactorily protected or does not meet regulatory requirements could inhibit sales of our products or services, and could limit adoption of our cloud-based solutions.

Industry-specific regulation and other requirements and standards are evolving and unfavorable industry-specific laws, regulations, interpretive positions or standards could harm the Resulting Issuer's business.

VSBLTY, Inc.'s customers and potential customers conduct business in a variety of industries. Regulators in certain industries have adopted and may in the future adopt regulations or interpretive positions regarding the use of cloud computing and other outsourced services. The costs of compliance with, and other burdens imposed by, industry-specific laws, regulations and interpretive positions may limit the Resulting Issuer's customers' use and adoption of the Resulting Issuer's services and reduce overall demand for the Resulting Issuer's services. Compliance with these regulations may also require the Resulting Issuer to devote greater resources to support certain customers, which may increase costs and lengthen sales cycles. If the Resulting Issuer is unable to comply with these guidelines or controls, or if our customers are unable to obtain regulatory approval to use our services where required, the Resulting Issuer's business may be harmed. In some cases, industry-specific laws, regulations or interpretive positions may also apply directly to the Resulting Issuer as a service provider. Any failure or perceived failure by the Resulting Issuer to comply with such requirements could have an adverse impact on the Resulting Issuer's business.

VSBLTY, Inc. relies on third-party computer hardware, software and cloud computing platforms that could cause errors in, or failures of, the Resulting Issuer's services and may be difficult to replace.

VSBLTY, Inc. relies on computer hardware purchased or leased from, software licensed from, and cloud computing platforms provided by, third parties in order to offer our services, including database software and hardware from a variety of vendors. Any errors or defects in third-party hardware, software or cloud computing platforms could result in errors in, or a failure of, the Resulting Issuer's services, which could harm the Resulting Issuer's business. These hardware, software and cloud computing platforms may not continue to be available at reasonable prices, on commercially reasonable terms or at all. Any loss of the right to use any of these hardware, software or cloud computing platforms could significantly increase the Resulting Issuer's expenses and otherwise result in delays in the provisioning of the Resulting Issuer's services until equivalent technology is either developed by the Resulting Issuer, or, if available, is identified, obtained through purchase or license and integrated into the Resulting Issuer's services.

Weakened global economic conditions may adversely affect the Resulting Issuer's industry, business and results of operations.

The Resulting Issuer's overall performance depends in part on worldwide economic conditions. The United States and other key international economies have experienced cyclical downturns from time to time in which economic activity was impacted by falling demand for a variety of goods and services, restricted credit, poor liquidity, reduced corporate profitability, volatility in credit, equity and foreign exchange markets, bankruptcies and overall uncertainty with respect to the economy. These conditions affect the rate of information technology spending and could adversely affect our customers' ability or willingness to purchase our cloud computing services, delay prospective customers' purchasing decisions, reduce the value or duration of their subscription contracts, or affect attrition rates, all of which could adversely affect the Resulting Issuer's operating results.

Risks Relating to Competition

The market in which VSBLTY, Inc. participates is intensely competitive, and if the Resulting Issuer does not compete effectively, the Resulting Issuer's operating results could be harmed.

There are multiple advertising and marketing solutions available to consumer-packaged conglomerates and retail-based customers in every channel encompassing all conceivable media delivery methodologies (the "**Historical Media Business**"). Management of VSBLTY, Inc. is aware, however, of no competitor offering a SaaS Digital-Glass Messaging Solution that includes (i) point of decision real-time switchable on-screen digital interactive media, and (ii) the Company's ability to capture any of the multiple key performance indicators and process them, while providing instant analysis and delivery to the client so that it could be utilized to affect the purchase decision before it's made. Management therefore believes that its primary competition is the Historical Media Business (and, more specifically, the in-store trade options of the Historical Media Business as they manifest themselves today), which is vast, entrenched and enjoys substantial competitive advantages, such as greater name recognition, longer operating histories and larger budgets, as well as substantially greater financial, technical and other resources. In addition, many of our competitors have established contractual relationships and access to the largest customer bases, and have major distribution agreements with consultants, system integrators and resellers; as a result, our competitors are likely to be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards or customer requirements. Furthermore, because of these advantages, even if our services are more effective than the products and services that the Historical Media Business offers, potential customers might select competitive products and services in lieu of purchasing our services. For all these reasons, we may not be able to compete successfully against our current and future competitors.

If the Resulting Issuer is unable to compete successfully against its current and future competitors, it may not be able to retain and acquire customers, and may consequently experience a decline in revenues, reduced operating margins, loss of market share and diminished value from its products.

Risks Related to the Securities Market and Ownership of the Company's Common Shares

The Company cannot assure that a market will continue to develop or exist for its Common Shares or what the market price of its Common Shares will be.

There is currently no public trading market for the Company's Common Shares, and the Company cannot assure that after listing a public trading market will continue to develop or be sustained. If a market does not continue to develop or is not sustained, it may be difficult to sell shares of Common Shares at an attractive price or at all. The Company cannot predict the prices at which its Common Shares will trade.

The Company's management will have broad discretion over the use of available funds and may not apply the available funds in ways that increase the value of investors' investment.

The Company's management will have broad discretion to use the net proceeds received from an offering, and the investor will be relying on management's judgment regarding the application of these proceeds. The Company expects to use the net proceeds from an offering for general corporate purposes, which may include working capital, capital expenditures, other corporate expenses and potential acquisitions of complementary products, technologies or businesses. Management may not apply the net proceeds of an offering in ways that increase the value of an investors' investment.

The Company will incur increased costs and demands upon management as a result of complying with the laws and regulations affecting a public company, which could adversely affect its operating results.

The Company has incurred and will continue, as a public company, to incur significant legal, accounting and other expenses that we did not incur as a private company. In addition, regulatory rules require certain corporate governance practices for public companies. Management and other personnel will be required to devote a substantial amount of time to public reporting requirements and corporate governance. These rules and regulations have significantly increased the Company's legal and financial compliance costs and made some activities more time-consuming and costly. The Company has also incurred additional costs associated with public company reporting requirements. If these costs do not continue to be offset by increased revenues and improved financial performance and a lower cost of capital as a result of being a publicly listed company, the Company's operating results would be adversely affected. These rules and regulations also make it more difficult and more expensive for the Company to obtain director and officer liability insurance. The Company does not currently have directors and officers insurance however it is planning to obtain this insurance, and the Company may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage if these costs continue to rise. As a result, it may be more difficult for the Company to attract and retain qualified people to serve on its Board of Directors or as executive officers.

The Company does not anticipate paying dividends to shareholders in the foreseeable future, which makes investment in the Company's stock speculative and risky.

The Company has not paid dividends on its Common Shares and does not anticipate paying dividends on its Common Shares in the foreseeable future. The Company's Board has sole authority to declare dividends payable to its shareholders. The fact that the Company has not, and does not plan to pay dividends indicates that the Company uses its funds generated by operations for reinvestment in its operating activities. Investors also must evaluate an investment in the Company solely on the basis of anticipated capital gains.

PROMOTERS

Alnesh Mohan is a promoter of the Company. Jay Hutton and Tim Huckaby are each promoters of VSBLTY, Inc. For information on the securityholdings and consideration received by each of the promoters see "Directors and Officers" and "Executive Compensation."

LEGAL PROCEEDINGS

Except as disclosed herein, neither of the Company or VSBLTY, Inc. is a party to any material legal proceedings and neither the Company nor VSBLTY, Inc. know of any such proceedings that are contemplated.

VSBLTY, Inc. is a party in two separate pending actions (one in New Jersey state court and the second in the US District Court in Connecticut) relating to a single dispute with its former attorney, Wyckoff, LLP. The dispute arises out of a contract with Wyckoff, LLP whereby the parties disagree on the amounts owed thereunder. The amount in controversy is disputed and maximum exposure to VSBLTY, Inc. is $120,000, plus legal costs. VSBLTY, Inc. believes it has valid defenses to the claims made by Wyckoff, LLP.

REGULATORY ACTIONS

Neither the Company nor VSBLTY, Inc. know of any:

(a) penalties or sanctions imposed against the Company or VSBLTY, Inc. by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years preceding the date of this prospectus;

(b) any other penalties or sanctions imposed by a court or regulatory body against the Company or VSBLTY, Inc. necessary for the prospectus to contain full, true and plain disclosure of all material facts relating to the securities being distributed; and

(c) settlement agreements the Company or VSBLTY, Inc. entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years preceding the date of this prospectus.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as disclosed above under the heading "*Executive Compensation*", no insider, director or executive officer of the Company and no associate or affiliate of any director, executive officer or insider has any material interest, direct or indirect, in any transaction within the three years before the date of the prospectus that has materially affected or is reasonably expected to materially affect the Company.

Except as set forth below and disclosed under the heading "*Executive Compensation*", no insider, director or executive officer of VSBLTY, Inc. and no associate or affiliate of any director, executive officer or insider has any material interest, direct or indirect, in any transaction within the three years before the date of the prospectus that has materially affected or is reasonably expected to materially affect VSBLTY, Inc.

Jay Hutton, the CEO of VSBLTY, Inc., has advanced funds to support operations pursuant to promissory notes dated January 23, 2017 and May 7, 2018. As of November 30, 2018, a balance of US$82,642 (including interest) is due to Jay Hutton in respect of such loans. In connection with the Acquisition, Mr. Hutton has entered into a debt settlement agreement with VSBTLY, Inc. pursuant to which Mr. Hutton will receive 48,414 VSBLTY Common Shares and a cash payment for all interest accrued on the loans after October 31, 2018 in settlement of all amounts owing to Mr. Hutton by VSBLTY, Inc. pursuant to such loans.

Guy Lombardo, a board member of VSBLTY, Inc., has advanced funds to support operations pursuant to promissory notes dated February 28, 2017. The loan is currently in default, with a balance as of November 28, 2018 of US$314,485.38 (including interest) being due to Guy Lombardo. In connection with the Acquisition, Mr. Lombardo has entered into a debt settlement agreement with VSBTLY, Inc. pursuant to which Mr. Lombardo will receive 186,475 VSBLTY Common Shares and a cash payment for all interest accrued on the loans after October 31, 2018 in settlement of all amounts owing to Mr. Lombardo by VSBLTY, Inc. pursuant to such loan.

AUDITORS

The current auditor of the Company and VSBLTY, Inc. is Dale Matheson Carr-Hilton LaBonte LLP, with offices at 1500 - 1140 West Pender St., Vancouver, BC V6E 4G1, Vancouver, British Columbia. It is anticipated that following completion of the Acquisition, Dale Matheson Carr-Hilton LaBonte LLP will continue as the auditor of the Resulting Issuer.

REGISTRAR AND TRANSFER AGENT

Prior to filing the final prospectus, the Company intends to appoint Odyssey Trust Company as the transfer agent and registrar for the Company's common shares at its office located at 323 - 409 Granville Street, Vancouver BC V6C 1T2.

MATERIAL CONTRACTS

There are no contracts of the Company or VSBLTY, Inc., other than contracts entered into in the ordinary course of business, that are material to the Company or VSBLTY, Inc., other than the Merger Agreement between the Company, U.S. Subco and VSBLTY, Inc., dated December 12, 2018, as described under "*Acquisition and Related Transactions*".

EXPERTS AND INTERESTS OF EXPERTS

Dale Matheson Carr-Hilton LaBonte LLP prepared an auditors' report on the financial statements of the Company for the period from incorporation on August 1, 2018 to September 30, 2018 and an auditor's report on the financial statements of VSBLTY, Inc. for the years ended December 31, 2017 and December 31, 2016. As of the date of this prospectus, Dale Matheson Carr-Hilton LaBonte LLP have reported that they are independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

OTHER MATERIAL FACTS

There are no material facts about the Company, VSBLTY, Inc., the Private Placement or the Acquisition which are not otherwise disclosed in this prospectus.

PURCHASERS' STATUTORY RIGHT OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CONTRACTUAL RIGHT OF ACTION FOR RESCISSION

The Company has granted to each holder of Special Warrants a contractual right of recession of the prospectus-exempt transaction under which the Special Warrants were initially acquired. The contractual right of rescission provides that if a holder of Special Warrants who acquires Common Shares on exercise of the Special Warrants as provided for in this prospectus is, and becomes, entitled under the securities legislation of a jurisdiction to the remedy of rescission because of this prospectus or an amendment to this prospectus containing a misrepresentation: (a) the holder is entitled to rescission of both the holder's exercise of its Special Warrant and the Private Placement under which the Special Warrant was initially acquired, (b) the holder is entitled in connection with the rescission to a full refund of all consideration paid to the Company and on the acquisition of the Special

Warrants, and (c) if the holder is a permitted assignee of the interest of the original Special Warrant subscriber, the holder is entitled to exercise the rights of rescission and a refund as if the holder was the original subscriber.

The contractual rights of action described above are in addition to and without derogation from any other right or remedy that a purchaser of Special Warrants may have at law.

EXHIBIT A

FINANCIAL STATEMENTS OF THE COMPANY
AND MANAGEMENT'S DISCUSSION ANALYSIS

VSBLTY Groupe Technologies Corp.

(formerly 1174237 B.C. Ltd.)

FINANCIAL STATEMENTS

September 30, 2018

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Director of VSBLTY Groupe Technologies Corp.

We have audited the accompanying financial statements of VSBLTY Groupe Technologies Corp., which comprise the statement of financial position as at September 30, 2018 and the statement of loss and comprehensive loss, changes in shareholder's equity and cash flows for the period from incorporation on August 1, 2018 to September 30, 2018, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of VSBLTY Groupe Technologies Corp. as at September 30, 2018, and its financial performance and its cash flows for the period from incorporation on August 1, 2018 to September 30, 2018 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which describes certain conditions that indicate the existence of a material uncertainty that may cast significant doubt about VSBLTY Groupe Technologies Corp.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
December 21, 2018

VSBLTY Groupe Technologies Corp. (formerly 1174237 B.C. Ltd.)
Statement of Financial Position
(Expressed in Canadian Dollars)

	Note		As at September 30, 2018
Assets			
Current assets			
Cash		$	200,491
Total assets		**$**	**200,491**
Liabilities and Shareholder's Equity			
Current liabilities			
Accounts payable		$	3,049
Accrued liabilities			14,000
			17,049
Shareholder's equity			
Subscriptions for special warrants	8	$	200,619
Accumulated deficit			(17,177)
Total stockholders' equity			**183,442**
Total liabilities and shareholder's equity		**$**	**200,491**

Corporate information and continuance of operations (note 1)
Subsequent events (note 8)

These financial statements were approved for issue by the Board of Director and signed on its behalf by:

/s/ Alnesh Mohan

Director

The accompanying notes are an integral part of these financial statements.

VSBLTY Groupe Technologies Corp. (formerly 1174237 B.C. Ltd.)
Statement of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

		From the date of incorporation on August 1, 2018 to September 30, 2018
Expenses		
Accounting and audit	$	14,000
Bank charges		129
Legal		3,048
Loss and comprehensive loss for the period	**$**	**17,177**
Basic and diluted loss per share for the period attributable to common shareholders	**$**	**17,177**
Weighted average number of common shares outstanding - basic and diluted		**1**

The accompanying notes are an integral part of these financial statements.

VSBLTY Groupe Technologies Corp. (formerly 1174237 B.C. Ltd.)
Statement of Changes in Shareholder's Equity
(Expressed in Canadian Dollars)

	Common Stock				
	Shares	**Amount**	**Subscriptions for special warrants**	**Accumulated Deficit**	**Total**
Incorporator shares, August 1, 2018	1	$ -	$ -	$ -	$ -
Subscriptions received in advance	-	-	200,619	-	200,619
Loss	-	-	-	(17,177)	(17,177)
Balance, September 30, 2018	**1**	**$ -**	**$ 200,619**	**$ (17,177)**	**$ 183,442**

The accompanying notes are an integral part of these financial statements.

VSBLTY Groupe Technologies Corp. (formerly 1174237 B.C. Ltd.)
Statement of Cash Flows
(Expressed in Canadian Dollars)

		From the date of incorporation on August 1, 2018 to September 30, 2018
Cash flows from operating activities		
Loss for the period	$	(17,177)
Net changes in non-cash working capital items:		
Accounts payable		3,049
Accrued liabilities		14,000
Net cash used by operating activities		**(128)**
Cash flows from financing activities		
Subscriptions received in advance		200,619
Net cash provided by financing activities		**200,619**
Increase in cash		**200,491**
Cash, beginning of period		**-**
Cash, end of period	**$**	**200,491**

The accompanying notes are an integral part of these financial statements.

1. CORPORATE INFORMATION AND CONTINUANCE OF OPERATIONS

VSBLTY Groupe Technologies Corp. (formerly 1174237 B.C. Ltd.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on August 1, 2018.

On November 15, 2018, VSBLTY Merger Co. ("Merger Co."), a wholly-owned subsidiary of the Company, was incorporated in Delaware, US.

On December 12, 2018, the Company, Merger Co., and VSBLTY, Inc. entered into a Merger Agreement (the "Agreement") in which the Company will acquire all of the issued and outstanding common shares of VSBLTY, Inc. and VSBLTY, Inc. will become a wholly-owned subsidiary of the Company (Note 8).

The Company's head office, principal address and registered address and records office is 1240 – 1140 West Pender Street, Vancouver BC Canada V6E 4G1.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has no sources of income and the continuing operations of the Company are dependent upon its ability to raise adequate financing to acquire and develop its business interests in the future. Subsequent to September 30, 2018, the Company issued 14,600,000 special warrants for proceeds of $4,380,000 (Note 8). These items may cast a significant doubt on the Company's ability to continue as a going concern. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The financial statements were authorized for issue by the sole director on December 21, 2018.

Basis of preparation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to the period presented in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares, stock options and share purchase warrants are classified as equity instruments. The Company has no stock options or warrants outstanding.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; nor differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates. The functional currency for the Company is the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange on the statement of financial position date while nonmonetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit and loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Loss per share

Basic loss per share is calculated using the weighted-average number of shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. For the period presented, the calculation proved to be anti-dilutive.

Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and at amortized costs. All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities. Financial instruments comprise cash and accounts payable and accrued liabilities.

a) Financial assets

Classification and measurement

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The classification of debt instruments is driven by the business model for managing the financial assets and their contractual cash flow characteristics. Debt instruments are measured at amortized cost if the business model is to hold the instrument for collection of contractual cash flows and those cash flows are solely principal and interest. If the business model is not to hold the debt instrument, it is classified as FVTPL. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVTPL, for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument by-instrument basis) to designate them as at FVTOCI.

Financial assets at FVTPL

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

Financial assets at FVTOCI

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (CONTINUED)

Financial instruments (continued)

a) Financial assets (continued)

Financial assets at amortized cost

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. For trade receivables the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision.

Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

Derecognition of financial assets

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the income statement. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

b) Financial liabilities

The Company classifies its financial liabilities into one of two categories as follows:

Fair value through profit or loss (FVTPL) - This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities - This category consists of liabilities carried at amortized cost using the effective interest method. Accounts payable and accrued liabilities, and convertible debentures, are included in this category. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Refer to Note 6 for the required disclosures.

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 16 – Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

The Company does not expect a significant impact from adopting all the above new standards.

4. SHARE CAPITAL

a) Authorized share capital

Unlimited number of common shares without par value.

b) Issued share capital

At September 30, 2018, the Company had 1 common share issued and outstanding.

During the period ended September 30, 2018

- The Company issued 1 share at nominal value to the incorporator.

c) Subscriptions received in advance

As at September 30, 2018, the Company received $200,619 in deposits to issue special warrants.

5. CAPITAL MANAGEMENT

The Company defines its components of equity as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue business opportunities and to maintain a flexible capital structure that optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust capital structure, the Company may consider issuing new shares, and/or issue debt, acquire or dispose of assets, or adjust the amount of cash on hand.

The Company's investment policy is to keep its cash on deposit in an interest-bearing Canadian chartered bank account. There have been no changes to the Company's approach to capital management at any time from the date of incorporation to September 30, 2018. The Company is not subject to externally imposed capital requirements.

6. FINANCIAL INSTRUMENTS

a) Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's accounts payable and accrued liabilities approximates their carrying value, which is the amount recorded on the statement of financial position. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

6. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and GST receivable.

The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's GST receivable balance does not represent significant credit exposure as it is primarily comprises input tax credits due from the Government of Canada.

The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk related to its cash and GST receivable, is negligible.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

At September 30, 2018, the Company had cash of $200,491 and accounts payable and accrued liabilities of $16,342. All accounts payable and accrued liabilities are current. The Company will need to obtain additional financing through the issuance of equity or other means to meet current liabilities as they come due.

Market Risk

The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As at September 30, 2018, the Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

The Company's convertible debentures are not subject to interest rate risk as it is not subject to a variable interest rate.

6. FINANCIAL INSTRUMENTS (CONTINUED)

b) Financial risk management (continued)

Market Risk (continued)

Foreign Currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at September 30, 2018, the Company is not exposed to currency risk as all transactions and balances are denominated in Canadian dollars.

Price risk

Price risk relates to fluctuations in equity prices. The Company is not exposed to price risk as its common shares are not publicly traded at this time.

7. INCOME TAXES

A reconciliation of the Company's expected income tax recovery to actual income tax recovery is as follows:

		September 30, 2018
Net loss for the period	$	(17,177)
Statutory income tax rate		26%
Income tax benefit computed at the statutory tax rate		(4,466)
Unrecognized benefit from income tax losses		4,466
Income tax recovery	$	-

As at September 30, 2018, the Company has approximately $17,000 in non-capital losses. These losses expire in 2038.

8. SUBSEQUENT EVENTS

Subsequent to September 30, 2018:

- The Company issued 14,600,000 special warrants for proceeds of $4,380,000. Each special warrant will automatically convert into one common share of the Company and a one-half of a transferable share purchase warrant on the date that is the earlier of (i) the third business day after a receipt for a final prospectus qualifying the distributions of the share and warrants issuable upon the conversion of the special warrants, and (ii) 4 months and one day after the issue date of the special warrants. Each whole share purchase warrant is exercisable into one share at a price of $0.40 per share for a period equal to the shorter of (i) one year after the date that the share are listed on the Canadian Stock Exchange, and (ii) five years after the issue date of the special warrants. In connection with the issuance, the Company paid, or will pay upon the escrow release, aggregate finders' fees of $228,128 and issued 760,426 finders' warrants on the same terms of the other warrants issued.

8. SUBSEQUENT EVENTS (CONTINUED)

- On December 12, 2018, the Company, Merger Co., a wholly-owned subsidiary of the Company, and VSBLTY, Inc. entered into a Merger Agreement (the "Agreement") in which the Company will acquire all of the issued and outstanding common shares of VSBLTY, Inc. ("Acquisition") and VSBLTY, Inc. will become a wholly-owned subsidiary of the Company.

  Pursuant to the Agreement, each VSBLTY, Inc. issued and outstanding common share prior to the Acquisition will be exchanged for 7.21228396 fully paid and non-assessable of the Company's common shares at a deemed value of $0.30 per common share ("Exchanged Share"). Each VSBLTY, Inc. common share exchanged for one Exchanged Share will be cancelled. In addition, each VSBLTY Merger Co. issued and outstanding common shares immediately prior to the Acquisition will be exchanged for one common share of VSBLTY, Inc. The Acquisition will result in a reverse acquisition and VSBLTY, Inc. will be the surviving corporation.

- On December 12, 2018, VSBLTY, Inc. issued a 2-year non-interest-bearing unsecured promissory note with a principal amount of US$1,000,000 to the Company. On December 12, 2018 and December 13, 2018, the Company advanced US$600,000 and US$400,000, respectively, to VSBLTY, Inc. Pursuant to promissory note agreement, no interest will be payable on the outstanding principal amount, except that after termination of the Agreement ("Termination"). In the event of Termination, interest of 10% per annum will be charged to the principal amount and the promissory note will be due 3 months from the date of Termination.

VSBLTY Groupe Technologies Corp.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FROM THE DATE OF INCORPORATION ON AUGUST 1, 2018 TO SEPTEMBER 30, 2018

(Expressed in Canadian Dollars)

BACKGROUND

This management discussion and analysis ("MD&A") of the financial position of VSBLTY Groupe Technologies Corp. (the "Company") and results of its operations for the period ended September 30, 2018 is prepared as at December 13, 2018. This MD&A should be read in conjunction with the audited financial statements from the date of incorporation on August 1, 2018 to September 30, 2018 and the supporting notes. Those audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar figures included therein and in the following M&DA are quoted in Canadian dollars. Additional information relevant to the Company can be found on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Company's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made.

This MD&A may contain forward-looking statements that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein.

Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

COMPANY OVERVIEW

The Company was incorporated under the Business Corporations Act (British Columbia) on August 1, 2018. The Company is currently in the process of identifying, evaluating and negotiating business opportunities.

BUSINESS COMBINATION

On December 12, 2018, the Company, VSBLTY Merger Co., a wholly-owned subsidiary of the Company, and VSBLTY, Inc. entered into a Merger Agreement (the "Agreement") in which the Company will acquire all of the issued and outstanding common shares of VSBLTY, Inc. ("Acquisition") and VSBLTY, Inc. will become a wholly-owned subsidiary of the Company.

(Expressed in Canadian Dollars)

Pursuant to the Agreement, each VSBLTY, Inc. issued and outstanding common share prior to the Acquisition will be exchanged for 7.21228396 fully paid and non-assessable of the Company's common shares at a deemed value of $0.30 per common share ("Exchanged Share"). Each VSBLTY, Inc. common share exchanged for one Exchanged Share will be cancelled. In addition, each VSBLTY Merger Co. issued and outstanding common shares immediately prior to the Acquisition will be exchanged for one common share of VSBLTY, Inc. The Acquisition will result in a reverse acquisition and VSBLTY, Inc. will be the surviving corporation.

RESULTS OF OPERATIONS

From the date of incorporation on August 1, 2018 to September 30, 2018

From the date of incorporation on August 1, 2018 to September 30, 2018, the Company recorded a net loss of $17,177.

Operating expenses incurred from the date of incorporation on August 1, 2018 to September 30, 2018 was $17,177. From the date of incorporation on August 1, 2018 to September 30, 2018, the Company incurred the following expenditures:

- Accounting and audit fees of $14,000; and
- Legal fees of $3,048.

SUMMARY OF QUARTERLY INFORMATION

The quarterly results for the last eight quarters are summarized below:

		September 30, 2018	June 30, 2018	March 31, 2018	December 31, 2017
Operating expenses	$	(17,177)	N/A	N/A	N/A
Net loss	$	(17,177)	N/A	N/A	N/A
Basic and diluted loss per share	$	(17,177)	N/A	N/A	N/A

	September 30, 2017	June 30, 2017	March 31, 2017	December 31, 2016
Operating expenses	N/A	N/A	N/A	N/A
Net loss	N/A	N/A	N/A	N/A
Basic and diluted loss per share	N/A	N/A	N/A	N/A

LIQUIDITY / CAPITAL RESOURCES

The Company's activities have been funded through equity financings and the Company expects it will continue to be able to utilize this source of financing until it develops cash flow from future operations.

There can be no assurances the Company will be successful in its endeavors. If such funds are not available or other sources of finance cannot be obtained then Company will be forced to curtail its activities to a level for which funding is available or can be obtained.

The Company does not derive any revenues from operations and has no material income from operations.

As at September 30, 2018, the Company had working capital of $183,442.

From the date of incorporation on August 1, 2018 to September 30, 2018, the Company experienced cash outflows of $128 from operating activities.

The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Management believes the Company has sufficient working capital at this time to meet its ongoing financial obligations.

OUTSTANDING SHARE DATA AS SEPTEMBER 30, 2018 AND THE DATE OF THIS MD&A

Authorized share capital: Unlimited number of common shares without par value.

Issued share capital as at September 30, 2018 and the date of this MD&A: 1 common share issued and outstanding.

During the period ended September 30, 2018

- The Company issued 1 share at nominal value to the incorporator.

As at September 30, 2018, the Company received $200,619 in deposits to issue special warrants.

SUBSEQUENT EVENTS

- The Company issued 14,600,000 special warrants for proceeds of $4,380,000. Each special warrant will automatically convert, into one common share of the Company and a one-half of a transferable share purchase warrant on the date that is the earlier of (i) the third business day after a receipt for a final prospectus qualifying the distributions of the share and warrants issuable upon the conversion of the special warrants, and (ii) 4 months and one day after the issue date of the special warrants. Each whole share purchase warrant is exercisable into one share at a price of $0.40 per share for a period equal to the shorter of (i) one year after the date that the share are listed on the Canadian Stock Exchange, and (ii) five years after the issue date of the special warrants. In connection with the issuance, the Company paid, or will pay upon the escrow release, aggregate finder's fees of $228,128 and issued 760,426 finder's warrants on the same terms of the warrants issued.

- The Company, VSBLTY Merger Co., a wholly-owned subsidiary of the Company, and VSBLTY, Inc. entered into a Merger Agreement (the "Agreement") in which the Company will acquire all of the issued and outstanding common shares of VSBLTY, Inc. ("Acquisition") and VSBLTY, Inc. will become a wholly-owned subsidiary of the Company.

  Pursuant to the Agreement, each VSBLTY, Inc. issued and outstanding common share prior to the Acquisition will be exchanged for 7.21228396 fully paid and non-assessable of the Company's common shares at a deemed value of $0.30 per common share ("Exchanged Share"). Each VSBLTY, Inc. common share exchanged for one Exchanged Share will be cancelled. In addition, each VSBLTY Merger Co. issued and outstanding common shares immediately prior to the Acquisition will be exchanged for one common share of VSBLTY, Inc. The Acquisition will result in a reverse acquisition and VSBLTY, Inc. will be the surviving corporation.

- On December 12, 2018, VSBLTY, Inc. issued a 2-year non-interest-bearing promissory note with a principal amount of US$1,000,000 to the Company. On December 12, 2018 and December 13, 2018, the Company advanced USD $600,000 and USD $400,000, respectively, to VSBLTY, Inc. Pursuant to promissory note agreement, no interest will be payable on the outstanding principal amount, except that after termination of the Agreement ("Termination"). In the event of Termination, interest rate of 10% per annum will be charged to the principal amount and the promissory note will be due 3 months from the date of Termination.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined its key management personnel to be executive and non-executive officers and directors of the Company.

During the period ended September 30, 2018, the Company paid $10,000 for accounting services to Quantum Advisory Partners LLP whose incorporated partner is the shareholder of the Company.

The balances due to the related party was $10,000 as at September 30, 2018 and included in accounts payable and accrued liabilities. These amounts are unsecured, non-interest-bearing and payable on demand.

CONTRACTUAL OBLIGATIONS

There are no significant contractual obligations.

OFF-BALANCE SHEET ARRANGEMENT

The Company has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

These financial statements, including comparatives, have been prepared using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. In addition, these Financial Statements have been prepared using the accrual basis of accounting except for cash flow information. Refer to Note 2 of the audited financial statements for the period ended September 30, 2018 for details on critical accounting estimates and judgments.

NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 16 – Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

The Company does not expect a significant impact from adopting all the above new standards.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's accounts payable and accrued liabilities approximates their carrying value, which is the amount recorded on the statement of financial position. The Company's other financial instrument, cash, under the fair value hierarchy is based on level one quoted prices in active markets for identical assets or liabilities.

b) Financial risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk includes cash and GST receivable.

The Company's cash is held at a large Canadian financial institution in interest bearing accounts. The Company has no investments in asset-backed commercial paper.

The Company's GST receivable balance does not represent significant credit exposure as it is primarily comprises input tax credits due from the Government of Canada.

The Company's maximum exposure to credit risk is the carrying value of its financial assets.

Management believes that the credit risk related to its cash and GST receivable, is negligible.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company manages liquidity by maintaining adequate cash balances to meet liabilities as they become due.

At September 30, 2018, the Company had cash of $200,491 and accounts payable and accrued liabilities of $16,342. All accounts payable and accrued liabilities are current. The Company will need to obtain additional financing through the issuance of equity or other means to meet current liabilities as they come due.

Market Risk

The significant market risks to which the Company is exposed are interest rate risk, foreign currency risk, and price risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As at September 30, 2018, the Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

RISKS AND UNCERTAINTIES

The Company is subject to a number of risk factors due to the nature of its business. These risks and uncertainties may impact the Company's ability to successfully execute its key strategies and may affect future events, performance or results. Certain of these risks and uncertainties are described in this MD&A. However, the risks and uncertainties set out in this MD&A are not exhaustive. New risk factors may emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on the Company's business performance, condition, operations or strategies and plans.

Ongoing Need for Financing

It is intended that the Company will continue to make investments to support business growth and may require additional funds to respond to business challenges. Accordingly, the Company may need to engage in equity or debt financings to secure additional funds. If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences and privileges superior to those of holders of the Company's shares. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, additional financing may not be available on favourable terms, if at all. If the Company is unable to obtain adequate financing or financing on terms satisfactory to them, when they require it, their ability to continue to support business growth and to respond to business challenges could be significantly limited.

Business plan is new and contains inherent risks

Our business plan is innovative and non-traditional. As such, we cannot be certain of commercial or any other kind of success for us and cannot guarantee same.

Limited operating history

The Company has a very limited operating history upon which an evaluation of its prospects can be based. The prospects must be evaluated with a view to the risks encountered by a business in an early stage of development. The Company has not been profitable and has incurred net operating losses during its recent operating history. The Company cannot guarantee it will ever be profitable, have a positive cash flow, or be able to continue in business.

Reliance on Others and Key Personnel

The success of the Company will be largely dependent upon the performance of its management and key employees, as well as the talents of its outside consultants and suppliers. The Company may not have any "key man" insurance policies, and therefore there is a risk that the death or departure of any one or more members of management or any key employee could have a material adverse effect on the Company. The Company also faces intense competition for qualified personnel and there can be no assurance that the Company will be able to attract and retain the employees, personnel and/or consultants necessary to successfully carry out its activities.

Litigation

All industries are subject to legal claims, with and without merit. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material effect on the Company's operations and financial position.

Dividends

To date, the Company has not paid any dividends on its outstanding securities and the Company does not expect to do so in the foreseeable future. Any decision to pay dividends on Company's shares will be made by the Board of Directors.

Changes in Laws

Changes to any of the laws, rules, regulations or policies to which the Company is subject could have a significant impact on the Company's business. There can be no assurance that the Company will be able to comply with any future laws, rules, regulations and policies. Failure by the Company to comply with applicable laws, rules, regulations and policies may subject it to civil or regulatory proceedings, including fines or injunctions, which may have a material adverse effect on the Company's business, financial condition, liquidity and results of operations. In addition, compliance with any future laws, rules, regulations and policies could negatively impact the Company's profitability and have a material adverse effect on its business, financial condition, liquidity and results of operations.

Speculative investment

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described above and the other information filed with the Canadian securities regulators before investing in the Company's common shares. The risks described are not the only ones faced. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business. If any of these risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and investors may lose all of their investment.

EXHIBIT B

FINANCIAL STATEMENTS OF VSBLTY, INC.
AND MANAGEMENT'S DISCUSSION AND ANALYSIS

VSBLTY, INC. (formerly VSBLTY, L.P.)

FINANCIAL STATEMENTS

For the years ended December 31, 2017 and 2016

(Expressed in United States Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Directors of VSBLTY Inc. (formerly VSBLTY, L.P.)

We have audited the accompanying financial statements of VSBLTY Inc., which comprise the statements of financial position as at December 31, 2017 and 2016, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of VSBLTY Inc. as at December 31, 2017 and 2016, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1 to the financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about VSBLTY Inc.'s ability to continue as a going concern.

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
December 21, 2018

An independent firm associated with Moore Stephens International Limited
MOORE STEPHENS

VSBLTY, INC. (formerly VSBLTY, L.P.)
STATEMENTS OF FINANCIAL POSITION
(Expressed in United States Dollars)

	Notes	December 31, 2017	December 31, 2016
ASSETS			
Current assets			
Cash		$ 334,303	$ 94,972
Trade receivables		34,093	1,515
Prepaid expenses		3,000	42,019
Due from related parties	10	9,068	90,476
		380,464	228,982
Equipment	5	38,869	8,498
Deposits		3,085	3,085
Total assets		$ 422,418	$ 240,565
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	6	$ 218,334	$ 112,453
Deferred revenue		10,932	47,836
Due to related parties	10	61,474	45,053
		290,740	205,342
Notes payable	7	446,847	125,928
Total liabilities		737,587	331,270
PARTNERS' EQUITY			
Partners' capital	8	3,964,972	2,995,972
Additional paid in capital	8	76,734	24,421
Accumulated deficit		(4,356,875)	(3,111,098)
Total partners' equity		(315,169)	(90,705)
Total liabilities and partners' equity		$ 422,418	$ 240,565

Nature of operations and going concern	1
Commitments	11
Subsequent events	1, 15

APPROVED BY THE BOARD OF DIRECTORS:

"Jay Hutton" Director *"Tim Huckaby"* Director

The accompanying notes are an integral part of these financial statements.

VSBLTY, INC. (formerly VSBLTY, L.P.)
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in United States Dollars)

	Notes		Year ended December 31, 2017		2016
Revenue		$	468,228	$	288,388
Cost of sales	10		(334,503)		(322,788)
Gross profit			133,725		(34,400)
Sales and marketing expenses	9, 10		(107,961)		(874,333)
General and administrative expenses	9, 10		(924,164)		(735,568)
Research and development expenses	9		(274,079)		(106,054)
Operating loss			(1,172,479)		(1,750,355)
Interest expense	7 ,10		(73,298)		(995)
Loss and comprehensive loss for the year		$	(1,245,777)	$	(1,751,350)
Loss per unit – Basic and diluted		$	(0. 27)	$	(0.41)
Weighted average units outstanding			4,676,488		4,286,897

The accompanying notes are an integral part of these financial statements.

VSBLTY, INC. (formerly VSBLTY, L.P.)
STATEMENTS OF CHANGES IN EQUITY
(Expressed in United States Dollars)

	Notes	Number of Limited Partner Units	Limited Partner capital	Number of General Partner Units	General Partner capital	Partners' capital	Additional paid in capital	Accumulated deficit	Total partners' equity
Balance, December 31, 2015		3,356,640	$ 1,500,000	3,360	$ 1,500	$ 1,501,500	$ -	$ (1,359,749)	$ 141,751
Issuance of partnership units	8(a)	1,216,198	1,494,472	-	-	1,494,472	-	-	1,494,472
Warrants issued	8(b)	-	-	-	-	-	24,421	-	24,421
Loss for the year		-	-	-	-	-	-	(1,751,350)	(1,751,350)
Balance, December 31, 2016		4,572,838	2,994,472	3,360	1,500	2,995,972	24,421	(3,111,098)	(90,705)
Issuance of partnership units	8(a)	465,865	969,000	-	-	969,000	-	-	969,000
Warrants issued	8(b)	-	-	-	-	-	52,313	-	52,313
Loss for the year		-	-	-	-	-	-	(1,245,777)	(1,245,777)
Balance, December 31, 2017		5,038,703	$ 3,963,472	3,360	$ 1,500	$ 3,964,972	$ 76,734	$ (4,356,875)	$ (315,169)

The accompanying notes are an integral part of these financial statements

VSBLTY, INC. (formerly VSBLTY, L.P.)
STATEMENTS OF CASH FLOWS
(Expressed in United States Dollars)

	Year ended December 31 2017	2016
Cash flows from operating activities		
Loss for the year	$ (1,245,777)	$ (1,751,349)
Adjustments for non-cash items:		
Depreciation	5,295	1,500
Non-cash interest expense	23,232	349
Bad debt expense	2,151	-
Partnership units issued for services	-	994,472
Changes in non-cash working capital items:		
Trade receivables	(34,729)	65,906
Due from related parties	81,408	111,024
Prepaid expenses	39,019	(45,104)
Accounts payable and accrued liabilities	105,881	(48,806)
Deferred revenue	(53,154)	47,836
Due to related parties	16,421	(86,834)
Net cash used in operating activities	(1,044,003)	(710,709)
Cash flows from investing activities		
Acquisition of equipment	(35,666)	(9,998)
Net cash used in investing activities	(35,666)	(9,998)
Cash flows from financing activities		
Proceeds from issuance of notes	350,000	150,000
Proceeds from issuance of partnership units	969,000	500,000
Net cash from financing activities	1,319,000	650,000
Net increase (decrease) in cash	239,331	(70,707)
Cash, beginning of year	94,972	165,679
Cash, end of year	$ 334,303	$ 94,972
Supplemental cash flow disclosures:		
Discount on notes payable allocated to additional paid in capital	$ 52,313	$ 24,421

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

VSBLTY, L.P. ("VLP"), was formed under the laws in the State of Delaware as a limited partnership July 28, 2015. On December 12, 2018, VLP was converted into a C Corporation, VSBLTY, Inc. (the "Entity"), under Delaware law which was accomplished through the formless conversion statute (DE conversion from unincorporated entity to DE Corp – DGCL 265), thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. on a 1 for 1 basis to the other common stock holders of VSBLTY, Inc. so that ownership interests remained substantially intact after such distribution.

The Entity is a retail technology and marketing company with a variety of applications to drive brand engagement and puts insights in motion to drive sales. The Entity's head office is located at 417 North 8th Street, Suite 300, Philadelphia, Pennsylvania 19123 and its registered office is located at The Corporation Service Company, 251 Little Falls Drive, City of Wilmington, New Castle County, DE 19808.

These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at December 31, 2017, the Entity had working capital of $89,724, had not yet achieved profitable operations and has an accumulated deficit of $4,356,875 since its inception. The continuing operations of the Entity are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Entity's ability to continue as a going concern. Management intends to finance operating costs with financings and a proposed going public transaction. If the Entity is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

2. BASIS OF PRESENTATION

a) 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").

These financial statements were authorized for issue by the Board of Directors on December 20, 2018.

b) Basis of measurement

These financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The financial statements are presented in United States dollars, unless otherwise noted.

The preparation of these financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates.

These financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout these financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

a) Foreign currency transactions

The functional currency of the Entity is determined using the currency of the primary economic environment in which the Entity operates. The functional and presentation currency, as determined by management, of the Entity is the United States dollar.

Foreign currency accounts are translated into United States dollars, as follows:

At the transaction date, each asset, liability, revenue and expense denominated in a foreign currency is translated into United States dollars using the exchange rate in effect at that date. At the reporting period end date, monetary assets and liabilities are translated into United States dollars using the exchange rate in effect at that date and the related translation differences are recognized in profit or loss. Exchange gains and losses arising on the translation of monetary available-for-sale financial assets are treated as a separate component of the change in fair value and in other comprehensive income or loss. Exchange gains and losses on non-monetary available-for-sale financial assets form part of the overall gain or loss recognized in respect of that financial instrument.

Non-monetary assets and liabilities that are measured at historical cost are translated into United States dollars by using the exchange rate in effect at the date of the initial transaction and are not subsequently restated.

b) Accounts receivable

Accounts receivable, net of allowances, are stated at the amount the Entity expects to collect. When required, an allowance for doubtful accounts is recorded based on information on the collectability of specific accounts. Accounts are considered past due or delinquent based on contractual terms and how recently payments have been received and the Entity's judgment of collectability. Account balances are charged against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

c) Equipment

Property, plant and equipment are recorded at cost and carried net of accumulated depreciation, amortization and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset to the location and condition necessary for operation. Subsequent expenditures are capitalized only if it is probably that he future economic benefits associated with the expenditures will flow to the Entity. Repairs and maintenance costs are expensed as incurred. Depreciation is provided over the related assets' estimated useful lives using the straight-line method at the following rates:

- Computer equipment – 3 years
- Equipment – 3-5 years

The Entity reviews the estimated useful lives, residual values and depreciation method at the end of each reporting period, accounting for the effect of any changes in estimate on a prospective basis.

d) Impairment of tangible and intangible assets

Tangible and intangible assets with finite useful lives are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the cash-generating unit, which is the lowest group of assets which generates separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to profit or loss except to the extent it reverses gains previously recognized in other comprehensive income. Where impairment losses subsequently reverse, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimated recoverable amount to the extent that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior periods. A reversal of an impairment loss is recognized in profit or loss.

e) Loss per unit

Basic loss per Unit is calculated by dividing the Entity’s net income by the weighted average number of Units outstanding and reduced by any Units held in escrow during the reporting period. Diluted loss per Unit is calculated by dividing the Entity’s net loss by the sum of the weighted average number of Units issued and outstanding assuming all additional Units that would have been outstanding if potentially dilutive instruments were converted and reduced by any Units held in escrow.

f) Revenue recognition

Revenue is derived from service contracts executed with their customers, and consist of equipment sales and installation, equipment rental, development fees, and license fees.

Revenue is recognized when the risks and rewards of ownership pass to the customer, the amount of revenue can be measured reliably, and the ability to collect is reasonably assured, which typically arises when the product is delivered. Development fees are recognized as the services are provided. Any license revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement.

g) Deferred revenue

Deferred revenue represents the excess of revenue earned on service contracts. As at December 31, 2017, the Company recognized $10,932 (December 31, 2016: 47,836) in deferred revenue for the service contracts.

h) Leases

Leases are classified as either finance or operating leases. Finance leases are those that substantially transfer the benefits and risks of ownership of an asset to the lessee. All leases other than finance leases are operating leases.

At the inception of a finance lease, an asset and an obligation is recorded at the lesser of the present value of the minimum lease payments and the asset's fair value.

Total payments under operating leases are expensed on a straight line basis over the term of the relevant lease. Any incentives received upon entry into an operating lease are recognized on a straight line basis over the term of the lease.

i) Financial instruments

Financial assets are classified into one of the following categories based on the purpose for which the asset was acquired. All transactions related to financial instruments are recorded on a trade date basis. The Entity's accounting policy for each category is as follows:

Financial assets at fair value through profit or loss ("FVTPL")
A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated as FVTPL if the Entity manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Entity's risk management strategy.

Attributable transaction costs are recognized in profit or loss when incurred. FVTPL are measured at fair value, and changes are recognized in profit or loss. The Entity does not currently have any financial assets at fair value through profit or loss.

Held-to-maturity ("HTM")
These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Entity's management has the positive intention and ability to hold to maturity.

These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the asset is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss. The Entity does not currently have any held to maturity financial assets.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted on an active market. Such assets are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less any impairment losses. The Entity has designated its cash, trade receivables and due from related parties as loans and receivables.

Available-for-sale ("AFS")
Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in profit or loss. The Entity does not currently have any available-for-sale financial assets or investments in equity instruments.

Financial liabilities - Fair value though profit or loss
This category comprises derivatives, or liabilities, acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss. The Entity does not currently have any financial liabilities classified as fair value through profit or loss.

Other financial liabilities
This category consists of non-derivative financial liabilities (excluding financial guarantees) which are subsequently measured at amortized cost. The Entity's accounts payable and accrued liabilities, due to related parties and notes payable are classified as other financial liabilities

Impairment of financial assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investments have been impacted.

For all financial assets objective evidence of impairment could include:
- significant financial difficulty of the issuer or counterparty;
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization.

For certain categories of financial assets, such as receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. The carrying amount of financial assets is reduced by impairment loss directly for all financial assets with the exception of receivables, where the carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date of the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

j) Income taxes

Prior to its conversion to a C-Corporation on December 12, 2018 (see note 1), VLP was not directly subject to federal income taxes. Instead, its taxable income or loss is allocated to its individual partners.

k) Accounting standards adopted effective January 1, 2017

Effective January 1, 2017, the following standards were adopted without any material impact on the financial statements.

IAS 7 Statement of Cash Flows: Disclosure Initiative ("IAS 7")
Issued in January 2016 and effective for periods beginning on or after January 1, 2017. This disclosure is intended to enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

IAS 12 Income Taxes ("IAS 12")
Issued in January 2016 and effective for periods beginning on or after January 1, 2017. This standard sets out amendments to the recognition of deferred tax assets for unrealized losses.

l) Accounting standards issued but not yet effective

The Entity has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Entity has not early adopted any new standards and is currently evaluating the impact, if any, that the following new standard might have on its financial statements.

IFRS 9 – Financial Instruments ("IFRS 9")
In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018. The Entity plans to adopt this standard on January 1, 2018 and does not expect it to have a material impact on the financial statements.

IFRS 15 - Revenue from Contracts with Customers (“IFRS 15”)
In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The amended standard is effective for annual periods beginning on or after January 1, 2018. The Entity plans to adopt this standard on January 1, 2018 and is currently evaluating its impact on the financial statements.

IFRS 2 – Share-based Payments (“IFRS 2”)
In June 2016 the Board issued the final amendments to IFRS 2 which amended (a) the effects that vesting conditions have on the measurement of a cash-settled share-based payment; (b) the accounting for modification of the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled; and (c) classification of share-based payment transactions with net settlement features. The amended standard is effective for annual periods beginning on or after January 1, 2018. The Entity plans to adopt this standard on January 1, 2018 and does not expect it to have a material impact on the financial statements.

IFRS 16 Leases (“IFRS 16”)
IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Entity has adopted IFRS 15. This standard sets out a new model for lease accounting. The Entity plans to adopt this standard on January 1, 2018 and is currently evaluating its impact on the financial statements.

4. USE OF JUDGMENTS AND ESTIMATES

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the applicable of the Entity’s accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Entity’s management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

a) Judgments

Judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements are outlined below.

Going concern

(Expressed in United States Dollars)

The Entity's ability to execute its strategy by funding future working capital requirements requires significant judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, such as expectations of future events that are believed to be reasonable under the circumstances.

b) Estimates

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods are outlined below.

Recoverability of accounts receivable and allowance for doubtful accounts
The Entity monitors its exposure for credit losses on its customer and related party receivable balances and the creditworthiness of the customers and related parties on an ongoing basis and records related allowances for doubtful accounts. Allowances are estimated based upon specific customer and related parties balances, where a risk of default has been identified and also include a provision for noncustomer specific defaults based upon historical experience and aging of accounts. If circumstances related to specific customers and related parties change, estimates of the recoverability of receivables could also change.

5. EQUIPMENT

	Computer equipment	Equipment	Total
Cost			
Balance at January 1, 2016	$ -	$ -	$ -
Additions	9,998	-	9,998
Balance at December 31, 2016	9,998	-	9,998
Additions	-	35,666	35,666
Balance at December 31, 2017	$ 9,998	$ 35,666	$ 45,664

	Computer equipment	Equipment	Total
Accumulated depreciation			
Balance at January 1, 2016	$ -	$ -	$ -
Additions	1,500	-	1,500
Balance at December 31, 2016	1,500	-	1,500
Additions	3,332	1,963	5,295
Balance at December 31, 2017	$ 4,832	1,963	$ 6,795

	Computer equipment	Equipment	Total
Net book value			
Balance at January 1, 2016	$ -	$ -	$ -
Balance at December 31, 2016	8,498	-	8,498
Balance at December 31, 2017	$ 5,166	$ 33,703	$ 38,869

(Expressed in United States Dollars)

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2017		December 31, 2016	
Accounts payables	$	139,739	$	97,619
Sales tax payable		-		5,927
Accrued expenses		30,000		8,261
Accrued interest		50,368		646
	$	220,107	$	112,453

7. NOTES PAYABLE

	December 31, 2017		December 31, 2016	
Notes payable	$	500,000	$	150,000
Discount on notes		(53,153)		(24,072)
	$	446,847	$	125,928

During the year ended December 31, 2017, the Entity issued $350,000 (2016 - $150,000) in promissory notes (the "Notes") with attached warrants to related parties (see note 10). Subscribers received 0.187272 warrants per dollar principal of Notes (see note 8(b)). The Notes bear interest at prime rate plus 550 basis points and mature three years after issuance. The Notes are secured by the accounts receivable of the Entity and have no financial covenants.

The Notes are presented net of discounts and will be accreted at an effective interest rate such that the carrying amount of the Notes will equal the principal amount at maturity. The Notes were initially recognized at fair value based on similar debt securities without attached warrants and are carried at amortized cost. At initial recognition, the principal amount of the Notes less the initial fair value has been allocated to the warrants (see note 8(b)). Interest expense for the year ended December 31, 2017 includes $23,232 in non-cash accretion expense (2016 - $349).

The following is a schedule of future minimum repayments of notes payable as of December 31, 2017:

2018	$	-
2019		150,000
2020		350,000
	$	500,000

(Expressed in United States Dollars)

8. PARTNERS' EQUITY

a) Partners' capital

Authorized partners' capital of the Entity consists of an unlimited number of Class A and Class B partnership units with no par value (collectively, the "Units"). Each class of authorized and outstanding Units have the same rights.

Upon formation, VI-GP was granted 3,360 Units and designated as the general partner of the Entity.

On June 14, 2016, the Entity effected a 40,000:1 split of the Entity's issued and outstanding Units. Accordingly, every one Unit was split into 40,000 Units. All of the Unit numbers and prices in these financial statements have been adjusted, on a retroactive basis, to reflect this 40,000:1 Unit split.

During the year ended December 31, 2017, the Entity issued an aggregate of:

- 465,865 Units for cash proceeds of $969,000.

During the year ended December 31, 2016, the Entity issued an aggregate of:

- 381,350 Units for cash proceeds of $500,000.
- 834,848 Units with a fair value of $994,472 for sales and marketing and general and administrative services.

b) Warrants

	Year ended December 31, 2017		Year ended December 31, 2016	
	Number	**Amount**	**Number**	**Amount**
Balance, beginning of year	28,091	$ 24,421	-	$ -
Issued with Notes	65,545	52,313	28,091	24,421
Balance, end of year	93,636	$ 76,734	28,091	$ 24,421

During the years ended December 31, 2017 and 2016, the Entity issued Notes with attached warrants (see note 7). Each warrant entitles the holder to acquire one Unit of the Entity and one share of common stock of VI-GP (the "Shares" and, together with the Units, the "Interests") and is exercisable at a price of $1.31 per Interest for a period of three years.

For the Notes issued during the year ended December 31, 2017, a value of $52,313 (2016 - $24,421) has been attributed to the warrants and was determined based on the Notes principal value less the fair value attributed to the Notes. The weighted average remaining contractual life of outstanding warrants is 2.10 years.

(Expressed in United States Dollars)

9. EXPENSES BY NATURE

	Year ended December 31, 2017	Year ended December 31, 2016
Marketing expenses	$ 39,811	$ 34,342
Meals and entertainment	33,657	28,620
Tradeshow expenses	34,493	15,793
General and administrative expenses	48,693	28,979
Bad debt expense	2,151	-
Professional fees	619,705	355,142
Rent	18,510	3,085
Salaries and wages	355,724	169,798
Share-based payments	-	994,472
Travel	133,940	78,196
Depreciation	5,295	1,500
Utilities	14,225	6,028
Total sales and marketing, general and administrative expense, and research and development expenses	$ 1,306,204	$ 1,715,955

10. RELATED PARTY TRANSACTIONS

All expenses and year end balances with related parties are at exchange amounts established and agreed to by the related parties. All transactions with related parties are in the normal course of operations and have been carried out on the same terms as those accorded to unrelated parties.

Key management compensation
During the year ended December 31, 2017, remuneration of the Entity's key management consisted of management fees in the amount of $195,000 (2016 - $91,500). These fees are included in general and administrative expenses.

Other related party transactions
During the years ended December 31, 2017 and 2016, other related party transactions consisted of the following:

	Year ended December 31, 2017	Year ended December 31, 2016
Creative services paid to a partner included in cost of sales	$ 83,235	$ 53,600
Installation and support services paid to a partner included in cost of sales	12,227	-
Marketing expenses paid to a partner included in sales and marketing expenses	1,875	600
Accounting and administrative fees paid to a partner included in general and administrative expenses	222,061	120,000
Interest expense for notes payable to related parties, excluding discount accretion	$ 49,740	$ 646

Related party balances
At December 31, 2017, $9,068 (2016 - $90,476) was due from a related parties with common directors. The amounts were non-interest bearing and due on demand.

At December 31, 2017, $61,474 (2016 - $45,053) was due to related parties with common directors for reimbursements. The amounts were non-interest bearing and due on demand.

11. COMMITMENTS

The Entity leases an office, shared with a related party. The Entity's share of annual lease payments are $18,510. A security deposit of $3,085 was paid and will be refunded at the end of the lease. Total future minimum lease payments due within one year for this lease are $13,883.

12. CAPITAL MANAGEMENT

The Entity's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue its operations and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Entity considers its capital for this purpose to be its equity.

The Entity's primary source of capital is through the issuance of partnership units and promissory notes. The Entity manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Entity may seek additional funding. The Entity may require additional capital resources to meet its administrative overhead expenses in the long term. The Entity believes it will be able to raise capital as required in the long term, but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital.

13. FINANCIAL RISK MANAGEMENT

The Entity is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk
Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. Foreign exchange risks are closely monitored and attempts are made to match foreign cash inflows and outflows. As at December 31, 2017, the Entity is not exposed to any significant foreign exchange risk.

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Entity's cash and receivables are exposed to credit risk. The Entity reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness and mitigate its credit risk on receivables by actively managing and monitoring its receivables. It has been determined that no allowance is required, as all amounts outstanding are considered collectible. During the year ended December 31, 2017, the Entity incurred $2,151 in bad debt expense (2016 - $nil). The Entity mitigates credit risk by screening the creditworthiness of customers prior to conducting business with them and monitoring its exposure for credit losses with existing customers.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at December 31, 2017, the Entity is exposed to interest rate risk through its outstanding Notes which bear interest at prime plus 550 basis points. The Entity mitigates interest rate risk by monitoring interest rate trends and evaluating refinancing opportunities when possible.

Liquidity Risk
Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with financial liabilities. The Entity manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Entity addresses its liquidity through equity financing obtained through the issuance of equity and partnership units. While the Entity has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

14. BASIS OF FAIR VALUE

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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 marker data (unobservable inputs).

The Entity’s financial instruments consist of cash, trade receivables, due from related parties, accounts payable and accrued liabilities, due to related parties and notes payable. With the exception of notes payable, the carrying value of the Entity’s financial instruments approximate their fair values due to their short-term maturities. The fair value of notes payable approximates its carrying value, excluding discount, due to minimal changes in interest rates and the Entity’s credit risk since issuance of the Notes.

15. SUBSEQUENT EVENTS

Subsequent to year-end, the Entity issued 153,431 Units for cash proceeds of $351,064, pursuant to subscription agreements.

Subsequent to year-end, the Entity issued 18,272 Units for cash proceeds of $23,936, pursuant to the exercise of warrants.

On August 24, 2018, the Entity closed tranche 1 of a private placement of convertible debt, issuing USD$383,550 in debentures (CAD$500,000).

On September 17, 2018, the Entity closed tranche 2 of a private placement of convertible debt, issuing USD$768,100 in debentures (CAD$1,000,000).

On December 12, 2018 and December 13, 2018, the Entity received $600,000 and $400,000, respectively, pursuant to a promissory note agreement with VSBLTY Groupe Technologies Corp.

On December 12, 2018, VSBLTY, L.P. was converted into a C corporation, VSBLTY, Inc., under Delaware law, thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. proportionately to the other common stock holders of VSBLTY, Inc.

On December 12, 2018, VSBLTY, Inc. entered into a Merger Agreement with VSBLTY Groupe Technologies Corp., pursuant to which VSBLTY Groupe Technologies Corp. will acquire all of the outstanding securities of VSBLTY, Inc. Pursuant to the Merger Agreement, the VSBLTY, Inc. shareholders will receive common shares of VSBLTY Groupe Technologies Corp. in exchange for their VSBLTY, Inc. common shares, on the basis that each VSBLTY common share will be exchanged for 7.21228396 common shares VSBLTY Groupe Technologies Corp.

VSBLTY, INC. (formerly VSBLTY, L.P.)

CONDENSED INTERIM FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2018 and 2017

(Expressed in United States Dollars)
(Unaudited)

VSBLTY, INC. (formerly VSBLTY, L.P.)
CONDENSED STATEMENTS OF FINANCIAL POSITION
(Expressed in United States Dollars)
(Unaudited)

	Notes		September 30 2018		December 31 2017
ASSETS					
Current assets					
Cash		$	497,988	$	334,303
Trade receivables			23,492		34,093
Prepaid expenses			32,063		3,000
Due from related parties			-		9,068
			553,543		380,464
Equipment	5		32,166		38,869
Deposits	11		7,749		3,085
Total assets		$	593,458	$	422,418
LIABILITIES					
Current liabilities					
Accounts payable and accrued liabilities	6	$	389,833	$	218,334
Deferred revenue			10,880		10,932
Due to related parties	10		28,507		61,474
Convertible debentures	7		1,107,959		-
Embedded derivatives	7		68,451		-
			1,605,630		290,740
Notes payable	8		509,036		446,847
Total liabilities			2,114,666		737,587
PARTNERS' EQUITY					
Partners' capital	9		4,339,972		3,964,972
Additional paid in capital	9		83,938		76,734
Accumulated deficit			(5,945,118)		(4,356,875)
Total partners' equity			(1,521,208)		(276,169)
Total liabilities and partners' equity		$	593,458	$	422,418

Nature of operations and going concern	1
Commitments	11
Subsequent events	1, 15

APPROVED BY THE BOARD OF DIRECTORS:

"Jay Hutton" Director *"Tim Huckaby"* Director

The accompanying notes are an integral part of these condensed interim financial statements.

VSBLTY, INC. (formerly VSBLTY, L.P.)
CONDENSED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in United States Dollars)
(Unaudited)

		Three months ended September 30		Nine months ended September 30	
	Notes	**2018**	**2017**	**2018**	**2017**
Revenue		$ 13,289	$ 108,149	$ 65,595	$ 299,764
Cost of sales	10	(29,683)	(93,803)	(53,647)	(266,470)
Gross profit		(16,394)	14,346	11,948	33,294
Sales and marketing expenses	10	(35,073)	(34,074)	(89,874)	(64,678)
General and administrative expenses	10	(622,591)	(252,975)	(1,145,057)	(648,723)
Research and development expenses		(130,333)	(61,877)	(267,504)	(209,123)
Operating loss		(804,391)	(334,580)	(1,490,487)	(889,230)
Interest expense	7, 8, 10	(51,116)	(31,999)	(82,335)	(53,437)
Change in fair value of derivative liability	7	(15,421)	-	(15,421)	-
Loss and comprehensive loss for the period		$ (870,928)	$ (366,579)	$ (1,588,243)	$ (942,667)
Loss per unit – Basic and diluted		$ (0.17)	$ (0.08)	$ (0.31)	$ (0.21)
Weighted average units outstanding		5,129,421	4,594,463	5,099,369	4,594,463

The accompanying notes are an integral part of these condensed interim financial statements.

VSBLTY, INC. (formerly VSBLTY, L.P.)
CONDENSED STATEMENTS OF CHANGES IN EQUITY
(Expressed in United States Dollars)
(Unaudited)

	Notes	Number of Limited Partner Units	Limited Partner capital	Number of General Partner Units	General Partner capital	Partners' capital	Additional paid in capital	Accumulated deficit	Total partners' equity
Balance, December 31, 2016		4,572,838	$ 2,994,472	3,360	$ 1,500	$ 2,995,972	$ 24,421	$ (3,111,098)	$ (90,705)
Issuance of partnership units	9(a)	465,865	969,000	-	-	969,000	-	-	969,000
Warrants issued	9(b)	-	-	-	-	-	52,313	-	52,313
Loss for the period		-	-	-	-	-	-	(1,245,777)	(1,245,777)
Balance, December 31, 2017		5,038,703	3,963,472	3,360	1,500	3,964,972	76,734	(4,356,875)	(315,169)
Issuance of partnership units	9(a)	153,431	351,064	-	-	351,064	-	-	351,064
Warrants issued	9(b)	-	-	-	-	-	7,204	-	7,204
Exercise of warrants	9(b)	18,272	23,936	-	-	23,936	-	-	23,936
Loss for the period		-	-	-	-	-	-	(1,588,243)	(1,588,243)
Balance, September 30, 2018		5,210,406	$ 4,338,472	3,360	$ 1,500	$ 4,339,972	$ 83,938	$ (5,945,118)	$ (1,521,208)

The accompanying notes are an integral part of these condensed interim financial statements

VSBLTY, INC. (formerly VSBLTY, L.P.)
CONDENSED STATEMENTS OF CASH FLOWS
(Expressed in United States Dollars)
(Unaudited)

	Nine months ended September 30 2018	2017
Cash flows from operating activities		
Loss for the period	$ (1,588,243)	$ (942,667)
Adjustments for non-cash items:		
Depreciation	8,251	2,700
Non-cash interest expense	28,732	17,229
Change in fair value of derivative liability	15,421	-
Changes in non-cash working capital items:		
Trade receivables	10,601	(72,725)
Due from related parties	9,068	90,476
Prepaid expenses	(29,064)	41,771
Accounts payable and accrued liabilities	171,500	269,671
Deferred revenue	(52)	2,250
Due to related parties	(32,967)	(35,487)
Net cash used in operating activities	(1,406,753)	(626,782)
Cash flows from investing activities		
Acquisition of equipment	(1,548)	(30,000)
Lease deposit	(4,664)	-
Net cash used in investing activities	(6,212)	(30,000)
Cash flows from financing activities		
Proceeds from issuance of notes	50,000	350,000
Proceeds from issuance of partnership units	351,064	269,000
Proceeds from exercise of warrants	23,936	-
Proceeds from issuance of convertible debentures	1,151,650	-
Net cash from financing activities	1,576,650	619,000
Net increase (decrease) in cash	163,685	(37,782)
Cash, beginning of year	334,303	94,972
Cash, end of year	$ 497,988	$ 57,190
Supplemental cash flow disclosures:		
Discount on notes payable allocated to additional paid in capital	$ 7,204	$ 52,313
Discount on convertible debentures allocated to embedded derivatives	$ 53,030	$ -

The accompanying notes are an integral part of these condensed interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

VSBLTY, L.P. ("VLP"), was formed under the laws in the State of Delaware as a limited partnership July 28, 2015. On December 12, 2018, VLP was converted into a C Corporation, VSBLTY, Inc. (the "Entity"), under Delaware law which was accomplished through the formless conversion statute (DE conversion from unincorporated entity to DE Corp – DGCL 265), thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. on a 1 for 1 basis to the other common stock holders of VSBLTY, Inc. so that ownership interests remained substantially intact after such distribution.

The Entity is a retail technology and marketing company with a variety of applications to drive brand engagement and puts insights in motion to drive sales. The Entity's head office is located at 417 North 8th Street, Suite 300, Philadelphia, Pennsylvania 19123 and its registered office is located at The Corporation Service Company, 251 Little Falls Drive, City of Wilmington, New Castle County, DE 19808.

These condensed interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at September 30, 2018, the Entity had working capital deficiency of $1,052,086, had not yet achieved profitable operations and has an accumulated deficit of $5,945,118 since its inception. The continuing operations of the Entity are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Entity's ability to continue as a going concern. Management intends to finance operating costs with financings and a proposed going public transaction. If the Entity is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standards ("IAS") 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed interim financial statements were authorized for issue by the Board of Directors on December 20, 2018.

b) Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. The condensed interim financial statements are presented in United States dollars, unless otherwise noted. The functional currency of the Entity and all its subsidiaries is the United States dollar.

The preparation of these condensed interim financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed interim financial statements and the reported amount of expenses during the period. Actual results could differ from these estimates.

These condensed interim financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout these condensed interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed financial interim statements are consistent with the accounting policies disclosed in Note 3 of the audited financial statements for the year ended December 31, 2017, except for those summarized below. These condensed interim statements should be read in conjunction with the Entity's audited financial statements for the year ended December 31, 2017.

a) Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If a hybrid contract contains a host that is not an asset, embedded derivatives are recorded at fair value separately from the host contract when their economic characteristics and risks are not clearly and closely related to those of the host contract. Subsequent changes in fair value are recorded in the statements of loss and comprehensive loss.

The convertible debentures issued by the Entity are a hybrid financial instrument that can be converted into Units of the Entity upon an automatic conversion event, where there is an obligation to issue a fixed number of Units to settle an instrument whose book value is variable. The hybrid financial instrument is recognized as a liability, with the initial carrying value of the convertible debentures (host) being the residual amount of the proceeds after separating the derivative component, which is recognized at fair value. Any directly attributable transaction costs are allocated to the host and derivative components in proportion to their initial carrying amounts. Subsequent to initial recognition, the host component of the hybrid financial instrument is measured at amortized cost using the effective interest method.

The derivative component of the hybrid financial instrument is measured at fair value through profit and loss. Subsequent changes in fair value are recorded in the statements of loss and comprehensive loss.

b) IFRS 15 - Revenue from Contracts with Customers ("IFRS 15")

IFRS 15 provides a single, five-step model to be applied to all contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The standard requires an entity to recognize revenue that reflects the transfer of goods and services for the amount it expects to receive when control is transferred to the customer.

Effective January 1, 2018, the Entity adopted IFRS 15 which supersedes IAS 18 - Revenue, IAS 11 – Construction Contracts, and other revenue-related interpretations. The Entity used the cumulative effect method to adopt the new standard and has applied transitional relief to contracts completed before January 1, 2018. As a result of the practical expedient, no changes are made to the revenue recognized under the previous revenue standard as the Entity has transferred all of the goods or services identified during the comparative period. The recognition and measurement of the sale of products in all contracts is consistent with the previous recognition practice and therefore there were no transitional adjustments upon adoption.

c) IFRS 9 – "Financial Instruments" ("IFRS 9")

Effective January 1, 2018, the Entity adopted IFRS 9 which replaced IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). The Entity applied the new standard retrospectively. The adoption of IFRS 9 did not have an impact on the Entity's financial statements. The nature and effects of the key changes to the Entity's accounting policies resulting from the adoption of IFRS 9 are summarized below.

Classification of financial assets and financial liabilities
IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income and fair value through profit or loss. The previous IAS 39 categories are eliminated. IFRS 9 bases the classification of financial assets on the contractual cash flow characteristics and the company's business model for managing the financial asset. The differences between the two standards did not impact the Entity at the time of transition.

Impairment of financial assets
IFRS 9 replaces the incurred loss model in IAS 39 with an expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Entity's receivables.

(Expressed in United States Dollars, unless otherwise noted)

Transition
The following table shows the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 as at January 1, 2018 for each class of the Entity's financial assets and liabilities. There were no adjustments to the carrying amounts of financial instruments as a result of the change in classification from IAS 39 to IFRS 9.

	Measurement category	
	IAS 39	**IFRS 9**
Cash	Loans and receivables	Amortized cost
Trade receivables	Loans and receivables	Amortized cost
Due from related parties	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost
Convertible debentures	Other financial liabilities	Amortized cost
Embedded derivatives	FVTPL	FVTPL
Notes payable	Other financial liabilities	Amortized cost

d) Accounting standards issued but not yet effective

The Entity has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Entity has not early adopted any new standards and is currently evaluating the impact, if any, that the following new standard might have on its financial statements.

IFRS 16 Leases ("IFRS 16")
IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Entity has adopted IFRS 15. This standard sets out a new model for lease accounting. The Entity plans to adopt this standard on January 1, 2019 and is currently evaluating its impact on the financial statements.

4. USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed interim financial statements, management has made judgments, estimates and assumptions that affect the applicable of the Entity's accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. The Entity's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

In preparing these condensed interim financial statements, the significant estimates and critical judgments were the same as those applied to the financial statements as at and for the year ended December 31, 2017, except for those summarized below:

(Expressed in United States Dollars, unless otherwise noted)

Embedded derivatives
The convertible debentures issued by the Entity include conversion features, which are considered as Level 3 financial instruments. The derivatives are measured at fair value through profit and loss and its fair value must be measured at each reporting period with subsequent changes in fair value recorded in the statement of loss and comprehensive loss. The Black-Scholes option pricing model is used and includes management's assumptions to estimate the fair value. Detailed assumptions used in the model to determine the fair value of the embedded derivative are provided in Note 7.

5. EQUIPMENT

	Computer equipment	Equipment	Total
Cost			
Balance at January 1, 2017	$ 9,998	$ -	$ 9,998
Additions	-	35,666	35,666
Balance at December 31, 2017	9,998	35,666	45,664
Additions	-	1,548	1,548
Balance at September 30, 2018	$ 9,998	$ 37,214	$ 47,212

	Computer equipment	Equipment	Total
Accumulated depreciation			
Balance at January 1, 2017	$ 1,500	$ -	$ 1,500
Additions	3,332	1,963	5,295
Balance at December 31, 2017	4,832	1,963	6,795
Additions	2,492	5,759	8,251
Balance at September 30, 2018	7,324	$ 7,722	$ 15,046

	Computer equipment	Equipment	Total
Net book value			
Balance at January 1, 2017	$ 8,498	$ -	$ 8,498
Balance at December 31, 2017	5,166	33,703	38,869
Balance at September 30, 2018	$ 2,674	$ 29,492	$ 32,166

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2018	December 31, 2017
Accounts payables	$ 268,712	$ 137,966
Accrued expenses	17,000	30,000
Accrued interest	104,121	50,368
	$ 389,833	218,334

7. CONVERTIBLE DEBENTURES

On August 24, 2018, the Entity closed tranche 1 of a private placement of convertible debt (the "Tranche 1 Debentures"), issuing $383,550 in debentures (CAD$500,000).

The Tranche 1 Debentures are denominated in Canadian Dollars, mature on August 24, 2019, bear interest at a rate of 10% per annum, payable at maturity and are secured by all the assets of the Entity. The Tranche 1 Debentures automatically convert upon closing of a contemplated transaction where the Entity intends to become publicly traded (the "Transaction"). The Tranche 1 Debentures convert into one share of the Entity's publicly traded entity for each CAD$0.05 principal amount outstanding of the Tranche 1 Debentures. and the Holders shall forfeit any and all accrued and unpaid interest on the Holders of the Tranche 1 Debentures.

On September 17, 2018, the Entity closed tranche 2 of a private placement of convertible debt (the "Tranche 2 Debentures" and collectively with the Tranche 1 Debentures, the "Debentures"), issuing $768,100 in debentures (CAD$1,000,000).

The Tranche 2 Debentures are denominated in Canadian Dollars, mature on September 17, 2019, bear interest at a rate of 10% per annum, payable at maturity and are secured by all the assets of the Entity. The Tranche 2 Debentures automatically convert upon closing of the Transaction. The Tranche 1 Debentures convert into one share of the Entity's publicly traded entity for each CAD$0.10 principal amount outstanding of the Tranche 2 Debentures. and the Holders shall forfeit any and all accrued and unpaid interest on the Holders of the Tranche 2 Debentures.

In the event the Transaction is terminated, the Entity has the right to prepay the Debentures by repaying the principal amount outstanding, paying a 10% administration fee and by issuing 350 warrants for each $1,000 principal amount outstanding of the Debentures. In the event that, prior to maturity, the Entity completes a change of control other than in connection with the Transaction, then the Entity must, prior to completion of the change of control, repay the principal amount outstanding, pay a 10% administration fee and issue 350 warrants for each $1,000 principal amount outstanding of the Debentures. In the event that the Debentures are not prepaid or converted prior to maturity, the Entity must issue 350 warrants for each $1,000 principal amount outstanding of the Debentures. Each aforementioned warrant would entitle the holder to acquire one partnership unit of the Entity and is exercisable at a price of U$2.18 per partnership unit for a period of three years.

As the debentures and embedded conversion feature are denominated in Canadian dollars, they were determined to be a compound financial instrument comprising an embedded derivative representing the conversion feature with a residual host debt component. On initial recognition, the Entity used the residual value method to allocate the principal amount of the Debentures between the embedded derivative conversion feature and host debt components. The conversion feature was valued first with the residual allocated to the host debt component.

(Expressed in United States Dollars, unless otherwise noted)

The fair value of the conversion features were determined based on the Black-Scholes option pricing model using the assumptions set out as follows:

Assumptions	
CAD/USD exchange rate	1.3019 - 1.3036
Risk-free interest rate	2.44 - 2.57%
Expected volatility	150%
Dividend yield	0%
Expected life	1 year

The carrying value of the host or liability component of the debentures is accreted using the effective interest rate method over the term of the debenture, such that the carrying amount will equal the total face value of the debenture at maturity.

The conversion feature embedded derivative is carried in the statement of financial position at its fair value with movements therein recognized in net loss for the period. The fair value of the conversion feature embedded derivatives as at September 30, 2018 was determined based on the Black-Scholes option pricing model using the assumptions set out as follows:

Assumptions	
CAD/USD exchange rate	1.2945
Risk-free interest rate	2.59%
Expected volatility	150%
Dividend yield	0%
Expected life	0.90 – 0.96 years

A breakdown of convertible debt and embedded derivative conversion feature as at September 30, 2018 is as follows:

	Host debt component	**Conversion feature**	**Total**
Balance, January 1, 2018	$ -	$ -	$ -
Issued during the period	1,098,620	53,030	1,151,650
Accretion	9,339	-	9,339
Change in fair value of derivatives	-	15,421	15,421
Balance, September 30, 2018	**$ 1,107,959**	**$ 68,451**	**$ 1,176,410**

During the three and nine month periods ended September 30, 2018, interest expense for the Debentures, net of accretion, was $6,667 and $6,667 respectively (2017 - $nil and $nil). Interest expense for the nine months ended September 30, 2018 includes $9,339 in non-cash accretion expense (2017 - $nil) from the Debentures.

(Expressed in United States Dollars, unless otherwise noted)

8. NOTES PAYABLE

	September 30, 2018	December 31, 2016
Notes payable	$ 550,000	$ 500,000
Discount on notes	(40,964)	(53,153)
	$ 509,036	$ 446,847

During the period ended September 30, 2018, the Entity issued $50,000 (year ended December 31, 2017 - $350,000) in promissory notes (the "Notes") with attached warrants to related parties (see note 10). Subscribers received 0.187272 warrants per dollar principal of Notes (see note 9(b)). The Notes bear interest at prime rate plus 550 basis points and mature three years after issuance. The Notes are secured by the accounts receivable of the Entity and have no financial covenants.

The Notes are presented net of discounts and will be accreted at an effective interest rate such that the carrying amount of the Notes will equal the principal amount at maturity. The Notes were initially recognized at fair value based on similar debt securities without attached warrants and are carried at amortized cost. At initial recognition, the principal amount of the Notes less the initial fair value has been allocated to the warrants (see note 9(b)). Interest expense for the nine months ended September 30, 2018 includes $19,393 in non-cash accretion expense (2017 - $17,229) from the Notes.

The following is a schedule of future minimum repayments of notes payable as of September 30, 2018:

Remainder of 2018	$ -
2019	150,000
2020	350,000
2021	50,000
	$ 500,000

9. PARTNERS' EQUITY

a) Partners' capital

Authorized partners' capital of the Entity consists of an unlimited number of Class A and Class B partnership units with no par value (collectively, the "Units"). Each class of authorized and outstanding Units have the same rights.

During the nine months ended September 30, 2018, the Entity issued an aggregate of:

- 153,431 Units for cash proceeds of $351,064.
- 18,272 Units for cash proceeds of $23,936, pursuant to the exercise of warrants.

During the year ended December 31, 2017, the Entity issued an aggregate of:

- 465,865 Units for cash proceeds of $969,000.

(Expressed in United States Dollars, unless otherwise noted)

b) Warrants

	Period ended September 30, 2018		Year ended December 31, 2017	
	Number	**Amount**	**Number**	**Amount**
Balance, beginning of year	93,636	$ 76,734	28,091	$ 24,421
Issued with Notes	9,364	7,204	65,545	52,313
Exercised	(18,272)	-	-	-
Balance, end of period	84,728	$ 83,938	93,636	$ 76,734

During the period ended September 30, 2018 and year ended December 31, 2017, the Entity issued Notes with attached warrants (see note 8). Each warrant entitles the holder to acquire one Unit of the Entity and one share of common stock of the VI-GP (the "Shares" and, together with the Units, the "Interests") and is exercisable at a price of $1.31 per Interest for a period of three years.

For the Notes issued during the period ended September 30, 2018, a value of $7,204 (year ended December 2017 - $52,313) has been attributed to the warrants and was determined based on the Notes principal value less the fair value attributed to the Notes.

On March 19, 2018, 18,272 warrants were exercised for cash proceeds of $23,936 to acquire 18,272 Interests.

The weighted average remaining contractual life of outstanding warrants is 1.52 years.

10. RELATED PARTY TRANSACTIONS

All expenses and year end balances with related parties are at exchange amounts established and agreed to by the related parties. All transactions with related parties are in the normal course of operations and have been carried out on the same terms as those accorded to unrelated parties.

Key management compensation
During the three and nine months ended September 30, 2018, remuneration of the Entity's key management consisted of management fees in the amount of $60,000 and $180,000, respectively (2017 - $45,000 and $135,000). These fees are included in general and administrative expenses.

(Expressed in United States Dollars, unless otherwise noted)

Other related party transactions
During the three and nine months ended September 30, 2018 and 2017, other related party transactions consisted of the following:

	Three months ended September 30		Nine months ended September 30	
	2018	**2017**	**2018**	**2017**
Creative services paid to a partner included in cost of sales	$ -	$ 41,275	$ 2,919	$ 70,685
Installation and support services paid to a partner included in cost of sales	-	2,322	-	4,104
Marketing expenses paid to a partner included in sales and marketing expenses	6,425	-	10,565	900
Accounting and administrative fees paid to a partner included in general and administrative expenses	88,443	54,000	227,438	154,174
Interest expense for loans from related parties, excluding discount accretion	$ 28,440	$ 25,996	$ 47,067	$ 36,208

Related party balances
At September 30, 2018, $nil (December, 31 2017 - $9,068) was due from a related party with common directors. The amounts were non-interest bearing and due on demand.

At September 30, 2018, $nil (December, 31 2017 - $18,465) was due to related parties with common directors. The amounts were non-interest bearing and due on demand.

11. COMMITMENTS

The Entity leased an office, shared with a related party. The Entity's share of annual lease payments are $18,510. A security deposit of $3,085 was paid and will be refunded at the end of the lease. The lease expired on September 30, 2018 and the deposit was received subsequent to period end.

The Entity agreed to the terms of a lease for a shared office space, commencing December 2018 for a term of five years.

As September 30, 2018, total commitments under the Entity's office space leases are:

Remainder of 2018	$ -
2019	24,610
2020	27,514
2021	28,201
2022	28,906
Thereafter	32,154
	$ 141,385

12. CAPITAL MANAGEMENT

The Entity's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue its operations and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Entity considers its capital for this purpose to be its equity.

The Entity's primary source of capital is through the issuance of partnership units, promissory notes and convertible debt. The Entity manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Entity may seek additional funding. The Entity may require additional capital resources to meet its administrative overhead expenses in the long term. The Entity believes it will be able to raise capital as required in the long term, but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of capital.

13. FINANCIAL RISK MANAGEMENT

The Entity is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk
Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. Foreign exchange risks are closely monitored and attempts are made to match foreign cash inflows and outflows. As at September 30, 2018, the Entity is exposed to foreign exchange risk through its outstanding convertible debentures which are denominated in Canadian Dollars. The Entity mitigates foreign exchange risk by monitoring foreign exchange rate trends and evaluating refinancing opportunities when possible. Based on current exposures as at September 30, 2018 and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian Dollar against the United States Dollar would result in an gain or loss of approximately $110,796 in the Entity's statements of loss and comprehensive loss.

Credit Risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Entity's cash and receivables are exposed to credit risk. The Entity reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness and mitigate its credit risk on receivables by actively managing and monitoring its receivables. It has been determined that no allowance is required, as all amounts outstanding are considered collectible. The Entity incurred no bad debts during the three and nine months ended September 30, 2018 and 2017. The Entity mitigates credit risk by screening the creditworthiness of customers prior to conducting business with them and monitoring its exposure for credit losses with existing customers.

Interest Rate Risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at September 30, 2018, the Entity is exposed to interest rate risk through its outstanding Notes which bear interest at prime plus 550 basis points. The Entity mitigates interest rate risk by monitoring interest rate trends and evaluating refinancing opportunities when possible.

Liquidity Risk
Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with financial liabilities. The Entity manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Entity addresses its liquidity through equity financing obtained through the issuance of equity and partnership units. While the Entity has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

14. BASIS OF FAIR VALUE

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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 marker data (unobservable inputs).

The Entity's financial instruments consist of cash, trade receivables, due from related parties, accounts payable and accrued liabilities, due to related parties, convertible debentures, embedded derivatives and notes payable. With the exception of convertible debentures, embedded derivatives and notes payable, the carrying value of the Entity's financial instruments approximate their fair values due to their short-term maturities. The fair value of convertible debentures and notes payable approximate their carrying value, excluding discounts, due to minimal changes in interest rates and the Entity's credit risk since issuance of the instruments. Embedded derivatives are classified as level 3 financial instruments and are remeasured at fair value every reporting period.

15. SUBSEQUENT EVENTS

On December 12, 2018 and December 13, 2018, the Entity received $600,000 and $400,000, respectively, pursuant to a promissory note agreement with VSBLTY Groupe Technologies Corp.

On December 12, 2018, VSBLTY, L.P. was converted into a C corporation, VSBLTY, Inc., under Delaware law, thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. proportionately to the other common stock holders of VSBLTY, Inc.

On December 12, 2018, VSBLTY, Inc. entered into a Merger Agreement with VSBLTY Groupe Technologies Corp., pursuant to which VSBLTY Groupe Technologies Corp. will acquire all of the outstanding securities of VSBLTY, Inc. Pursuant to the Merger Agreement, the VSBLTY, Inc.

shareholders will receive common shares of VSBLTY Groupe Technologies Corp. in exchange for their VSBLTY, Inc. common shares, on the basis that each VSBLTY common share will be exchanged for 7.21228396 common shares VSBLTY Groupe Technologies Corp.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the period ending December 31, 2017

Background

This management discussion and analysis ("**MD&A**") of the financial position of VSBLTY, Inc. (formerly VSBLTY, L.P.) (the "**Entity**" and "**us**," "**our**" or "**we**") and results of its operations for the year ended December 31, 2017 is prepared as at December 20, 2018. This MD&A should be read in conjunction with the audited annual financial statements for the years ended December 31, 2017 and 2016 and the related notes thereto. Those audited financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"). All currency amounts are expressed in United States dollars, unless otherwise noted.

Forward-Looking Information

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Entity's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. This MD&A may contain forward-looking statements that reflect the Entity's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Entity's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Entity's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Entity disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Such statements reflect our management's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Entity, are inherently subject to significant business, economic, competitive, political and social uncertainties and known or unknown risks and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Please see the risk factors discussed under the heading "Risk Factors" in this Prospectus.

Company Overview

VSBLTY, L.P. ("VLP"), was formed under the laws in the State of Delaware as a limited partnership July 28, 2015. On December 12, 2018, VLP was converted into a C Corporation, VSBLTY, Inc. (the "Entity" and "us," "our" or "we"), under Delaware law which was accomplished through the formless conversion statute (DE conversion from unincorporated entity to DE Corp – DGCL 265), thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. on a 1 for 1 basis to the other common stock holders of VSBLTY, Inc. so that ownership interests remained substantially intact after such distribution.

The Entity is a retail technology and marketing company with a variety of applications to drive brand engagement and puts insights in motion to drive sales. The Entity's head office and principal business address is 417 North 8th Street, Suite 300, Philadelphia, Pennsylvania, 19123 and its registered office is located at The Corporation Service Company, 251 Little Falls Drive City of Wilmington, New Castle County, DE 19808.

Overall Performance

As a participant in retail solutions, VSBLTY, Inc. assists retailers in defining a digital growth and marketing strategy. While VSBLTY, Inc. brings specific solutions that help retailers take advantage of digital trends in retail often the team is called upon to provide comprehensive expertise and consulting to educate its customers on how to take advantage of the VSBLTY, Inc. solutions. This can position VSBLTY, Inc. as a trusted resource, but also slows the selling process and lengthens the selling cycle. Over time, management of VSBLTY, Inc. believes that the pace of deployment will increase and sales cycles will shorten as retailers develop an understanding of the technology. However, this creates uncertainly for the management of the business and with respect to accurate projections and forecasting. VSBLTY, Inc.'s goal is to established a brand that is trusted by retailers and brands alike to guide them through the digital revolution in retail. The Entity will focus its resources on leveraging this trust to generate revenue and continue to build its brand.

The digital-out-of-home ("**DOOH**") market refers to digital advertising that is targeted to consumers outside their homes. Management of VSBLTY, Inc. believes that as advertisers continue to look for alternative markets they will continue to seek media and channels that can deliver the same kind of measurability that the Internet can offer. DOOH is expected to grow to the extent that it can provide this measurability to major brands. Brands will pay for impressions delivered that have attribution, accountability and addressability. To date, DOOH has not been able to deliver this to the same extent as the Internet. VSBLTY, Inc. provides a platform and capability that is intended to deliver this measurability.

In the security category, VSBLTY, Inc. has a similar issue. Most camera and sensor systems have a human dependency. The guiding philosophy of machine vision with machine learning is that computers and software can be leveraged to interpret live video. Dissecting, understanding and contextualizing live video is an important capability of VSBLTY, Inc. One of the goals of VSBLTY, Inc., and others pioneering the category, is to augment human operators interpreting video and flagging security operators to anomalous or extraordinary activity.

Since inception, VSBLTY, Inc. has delivered software solutions that rely heavily upon cloud computing. However, there are many applications, particularly in DOOH and security, which will perform better and more reliably with edge processing. The consumption of algorithms in cloud computing is subject to licensing but VSBLTY, Inc. believes that it has developed technology that runs with equal reliability on the edge. This model also consumes less third party licensed algorithms. This migration from cloud to edge will allow VSBLTY, Inc. to provide solutions in both categories. VSBLTY, Inc. will support both consumption models and will have different pricing models for each. VSBLTY, Inc. expects that edge-based solutions will have an enormous impact within the next 12 months as this market further defines itself.

Management views past company performance of net operating losses and negative cash flow as a stage in the process of developing the product lines and obtaining market share for the various business segments. Field trials of products at little to no cost are necessary to develop products. VSBLTY, Inc. has conducted several field trials of the various product lines and in the coming 12 months will market those products to clients at retail pricing models.

Off-Balance Sheet Arrangements

None.

Partners' capital

Authorized partners' capital of the Entity consists of an unlimited number of Class A and Class B partnership units with no par value (collectively, the "Units"). Each class of authorized and outstanding Units have the same rights.

Upon formation, VI-GP was granted 3,360 Units and designated as the general partner of the Entity.

On June 14, 2016, the Entity effected a 40,000:1 split of the Entity's issued and outstanding Units. Accordingly, every one Unit was split into 40,000 Units. All of the Unit numbers and prices in the financial statements have been adjusted, on a retroactive basis, to reflect this 40,000:1 Unit split.

Results of Operations – For the year ended December 31, 2017

The results of operations for the years ended December 31, 2017 and 2016 are summarized below:

	Year ended December 31 2017	2016
Revenue	$ 468,228	$ 288,388
Cost of sales	(334,501)	(322,788)
Gross profit	133,725	(34,400)
Sales and marketing expenses	(107,961)	(874,333)
General and administrative expenses	(924,164)	(735,568)
Research and development expenses	(274,079)	(106,054)
Operating loss	(1,172,479)	(1,750,355)
Interest expense	(73,298)	(995)
Loss and comprehensive loss for the year	$ (1,245,777)	$ (1,751,350)
Loss per unit – Basic and diluted	$ (0.27)	$ (0.41)
Weighted average units outstanding	4,676,488	4,286,897

Total assets as at December 31, 2017 and 2016 were $422,418 and $240,565, respectively. The increase in total assets was primarily a result of cash received as proceeds from issuance of promissory notes and partnership units during the year.

Total non-current financial liabilities as at December 31, 2017 and 2016 were $446,847 and $125,928, respectively. The increase in total non-current financial liabilities was primarily a result of issuance of promissory notes during the year.

Revenue

During the years ended December 31, 2017 and 2016, the Entity generated revenue of $468,228 and $288,388, respectively. Revenue for these years was generated from clients involved in trials of products and who paid lower than market value for the products to participate in the testing. The decrease in revenue was the result of test products being put into client operations at no cost.

Cost of sales

Cost of sales for the years ended December 31, 2017 and 2016 of $334,503 and $322,788, respectively. The increase in cost of sales was the result of increase hardware purchases to support test programs.

Expenses

	Year ended December 31, 2017	Year ended December 31, 2016
Marketing expenses	$ 39,811	$ 34,342
Meals and entertainment	33,657	28,620
Tradeshow expenses	34,493	15,793
General and administrative expenses	48,693	28,979
Bad debt expense	2,151	-
Professional fees	619,705	355,142
Rent	18,510	3,085
Salaries and wages	355,724	169,798
Share-based payments	-	994,472
Travel	133,940	78,196
Depreciation	5,295	1,500
Utilities	14,225	6,028
Total sales and marketing, general and administrative expense, and research and development expenses	$ 1,306,204	$ 1,715,955

The above table provides a breakdown of the various expense categories, by nature, for the year ended December 31, 2017 and 2016. The primary driver for increased expenses is the additional products going to market and being available for sale.

Total operating expenses for the years ended December 31, 2017 and 2016 were $1,306,204 and $1,715,955, respectively. The decrease of $409,751was primarily the result of partnership units issued for sales and marketing and general and administrative services of $994,472 in 2016 which did not occur in 2017. This was partially offset by an increase in professional fees of $264,563 due to additional resources needed for legal and accounting as well as information technology and an increase of $185,926 in salaries and wages was due to additional staff working on development.

Interest expense

Interest expense for the years ended December 31, 2017 and 2016 were $73,298 and $995, respectively. The increase in interest expense was a result of issuing $350,000 in promissory notes during the year and from the prior year promissory notes being outstanding for the full year.

Liquidity and Capital Resources

The accompanying financial statements have been prepared on a basis that contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Entity anticipates that it will have sufficient resources to meet the working capital requirements of the Entity for at least the next 12 months. This assessment is based on the Entity's current cash and cash equivalents, as well as the net proceeds of the debt financings the Entity intends to consummate in fiscal 2018 and 2019.

Cash Flows

Historically and prospectively, our primary sources of liquidity and capital resources have been and will continue to be cash flow from operations, borrowings from banks and proceeds from the issuance of debt and partnership units. Based on our current level of operations and our expected results of operations over the next 12 months, we believe that cash generated from operations and cash on hand, together with amounts available under our debt instruments and anticipated future capital raises, will be adequate to meet our anticipated debt service requirements, capital expenditures and working capital needs for the next 12 months. However, we cannot be certain that our business will generate sufficient cash flow from operations, that our anticipated earnings from operations will be realized, or that future borrowings will be available or otherwise to enable us to service our indebtedness or to make anticipated capital expenditures. Our future operating performance and our ability to service our debt will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control. See "Financial Risk Management" of this MD&A for a discussion of the risks related to our liquidity and capital structure.

As at December 31, 2017, the Entity had cash of $334,303 (2016 - $94,972). The increase in cash compared to the year ended December 31, 2016 was primarily due to the issuance of promissory notes and partnership units, partially offset by cash used in operating activities.

Net cash used in operating activities for the year ended December 31, 2017 was $1,044,003 (2016 - $707,625). We continue to generate net losses and negative cash flows from operating activities due to the expenses we are incurring related to the development as well as general and administrative expenses. During the year ended December 31, 2017, we incurred $1,198,243 (2016 - $841,622) of general and administrative and research and development expenses. Operating activity for fiscal 2017 was significantly affected by increases in these expense categories. We have had continuing net losses and negative cash flow from operating activities, including a loss from operations of $1,172,479 for the year ended December 31, 2017 (2016 – $1,750,355). The net loss in fiscal 2017 was inclusive of development as well as general and administrative costs as discussed previously.

Net cash used in investing activities for the year ended December 31, 2017 was $35,666 (2016 - $9,998). The increase was a result of an increase in equipment purchases.

Net cash provided by financing activities for the year ended December 31, 2017 was $1,319,000 (2016 - $650,000). The increase was primarily a result of an increase in proceeds from issuance of partnership units and issuance of promissory notes.

Principal Debt Arrangements

During the year ended December 31, 2017, the Entity completed or arranged the following financings:

Notes payable

During the year ended December 31, 2017, the Entity issued $350,000 (2016 - $150,000) in promissory notes (the "Notes") with attached warrants to related parties. Subscribers received 0.187272 warrants per dollar principal of Notes. The Notes bear interest at prime rate plus 550 basis points and mature three years after issuance. The Notes are secured by the accounts receivable of the Entity and have no financial covenants.

Other Factors Affecting Liquidity

The Entity may also raise additional equity or debt capital or enter into arrangements to secure necessary financing to fund the completion of development projects, to meet obligations under the Notes or for the general corporate purposes of the Entity. Such arrangements may take the form of loans, strategic agreements, joint ventures or other agreements. The sale of additional equity could result in additional dilution to the Entity's existing stockholders, and financing arrangements may not be available to us, or may not be available in sufficient amounts or on acceptable terms.

From time to time, we may pursue various strategic business opportunities. These opportunities may include proposed development and/or management of, investment in or ownership of additional businesses through direct investments, acquisitions, joint venture arrangements and other transactions. We are not currently exploring such opportunities. We can provide no assurance that we will successfully identify such opportunities or that, if we identify and pursue any of these opportunities, any of them will be consummated.

Financial Risk Management

The Entity is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. Foreign Exchange risks are closely monitored, and attempts are made to match foreign cash inflows and outflows. As at December 31, 2017, the Entity is not exposed to any significant foreign exchange risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Entity's cash and receivables are exposed to credit risk. The Entity reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness and mitigate its credit risk on receivables by actively managing and monitoring its receivables. It has been determined that no allowance is required, as all amounts outstanding are considered collectible. During the year ended December 31, 2017, the Entity incurred $2,151 in bad debt expense (2016 - $nil). The Entity mitigates credit risk by screening the creditworthiness of customers prior to conducting business with them and monitoring its exposure for credit losses with existing customers.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at December 31, 2017, the Entity is exposed to interest rate risk through its outstanding Notes which bear interest at prime plus 550 basis points. The Entity mitigates interest rate risk by monitoring interest rate trends and evaluating refinancing opportunities when possible.

Liquidity Risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with financial liabilities. The Entity manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Entity addresses its liquidity through equity financing obtained through the issuance of equity and partnership units. While the Entity has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Guy Lombardo, a board member of the Entity, has advanced funds to support operations pursuant to promissory notes dated February 28, 2017. The loan is currently in default, with a balance as of November 28, 2018 of $314,485.38 (including interest) being due to Guy Lombardo. Mr. Lombardo has entered into a debt settlement agreement with the Entity pursuant to which Mr. Lombardo will receive 186,475 common shares of the Entity and a cash payment for all interest accrued on the loans after October 31, 2018 in settlement of all amounts owing to Mr. Lombardo by the Entity pursuant to such loan.

Changes in Accounting Policy and Initial Adoption

Accounting standards adopted effective January 1, 2017

Effective July 1, 2017, the following standards were adopted without any material impact on the financial statements.

IAS 7 Statement of Cash Flows: Disclosure Initiative ("IAS 7")

Issued in January 2016 and effective for periods beginning on or after January 1, 2017. This disclosure is intended to enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

IAS 12 Income Taxes ("IAS 12")

Issued in January 2016 and effective for periods beginning on or after January 1, 2017. This standard sets out amendments to the recognition of deferred tax assets for unrealized losses.

Accounting standards issued but not yet effective

The Entity has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Entity has not early adopted any new standards and is currently evaluating the impact, if any, that the following new standard might have on its financial statements.

IFRS 9 – Financial Instruments ("IFRS 9")

In November 2009, the IASB issued IFRS 9 Financial Instruments as the first step in its project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on an entity's business model and the contractual cash flow of the financial asset. Classification is made at the time the financial asset is initially recognized, namely when the entity becomes a party to the contractual provisions of the instrument.

IFRS 9 amends some of the requirements of IFRS 7 Financial Instruments: Disclosures, including added disclosures about investments in equity instruments measured at fair value in other comprehensive income, and guidance on financial liabilities and derecognition of financial instruments. The amended standard is effective for annual periods beginning on or after January 1, 2018. The Entity plans to adopt this standard on January 1, 2018 and does not expect it to have a material impact on the financial statements.

IFRS 15 - Revenue from Contracts with Customers ("IFRS 15")

In May 2014, the IASB issued IFRS 15 – Revenue from Contracts with Customers ("IFRS 15") which supersedes IAS 11 – Construction Contracts, IAS 18 – Revenue, IFRIC 13 – Customer Loyalty Programmes, IFRIC 15 – Agreements for the Construction of Real Estate, IFRIC 18 – Transfers of Assets from Customers, and SIC 31 – Revenue – Barter Transactions Involving Advertising Services. IFRS 15 establishes a comprehensive five-step framework for the timing and measurement of revenue recognition. The amended standard is effective for annual periods beginning on or after January 1, 2018. The Entity plans to adopt this standard on January 1, 2018 and is currently evaluating its impact on the financial statements.

IFRS 2 – Share-based Payments ("IFRS 2")

In June 2016 the Board issued the final amendments to IFRS 2 which amended (a) the effects that vesting conditions have on the measurement of a cash-settled share-based payment; (b) the accounting for modification of the terms of a share-based payment that changes the classification of the transaction from cash-settled to equity settled; and (c) classification of share-based payment transactions with net settlement features. The amended standard is effective for annual periods beginning on or after January 1, 2018. The Entity plans to adopt this standard on January 1, 2018 and does not expect it to have a material impact on the financial statements.

IFRS 16 Leases ("IFRS 16")

IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Entity has adopted IFRS 15. This standard sets out a new model for lease accounting. The Entity plans to adopt this standard on January 1, 2018 and is currently evaluating its impact on the financial statements.

Related party transactions

All expenses and year end balances with related parties are at exchange amounts established and agreed to by the related parties. All transactions with related parties are in the normal course of operations and have been carried out on the same terms as those accorded to unrelated parties.

Key management compensation

During the year ended December 31, 2017, remuneration of the Entity's key management[1] consisted of management fees in the amount of $195,000 (2016 - $91,500). These fees are included in general and administrative expenses.

Other related party transactions

During the year ended December 31, 2017 and 2016, related party transactions and key management compensation consisted of the following:

	Year ended December 31, 2017		Year ended December 31, 2016	
Creative services paid to a partner[2] included in cost of sales	$	83,235	$	53,600
Installation and support services paid to a partner[2] included in cost of sales		12,227		-
Marketing expenses paid to a partner[2] included in sales and marketing expenses		1,875		600
Accounting and administrative fees paid to a partner[2] included in general and administrative expenses		222,061		120,000
Interest expense for notes payable to related parties[3], excluding discount accretion	$	49,740	$	646

Related party balances

At December 31, 2017, $9,068 (2016 - $90,476) was due from a related parties with common directors. The amounts were non-interest bearing and due on demand.

At December 31, 2017, $61,474 (2016 - $45,053) was due to related parties with common directors for reimbursements. The amounts were non-interest bearing and due on demand.

Additional Disclosure for IPO Venture Issuers Without Significant Revenue

During the years ended December 31, 2017 and 2016, the Company incurred the following research and development and general and administrative expenses:

	Year ended December 31, 2017		Year ended December 31, 2016	
General and administrative expenses	$	48,694	$	28,979
Bad debt expense		2,151		-
Professional fees		619,706		355,142
Rent		18,510		3,085
Salaries and wages		355,724		169,798
Share-based payments		-		198,894
Travel		133,940		78,196
Depreciation		5,295		1,500
Utilities		14,224		6,028
Total general and administrative expense, and research and development expenses	$	1,198,244	$	841,622

Upon the closing of the filing of the prospectus, management anticipates the funds raised will provide the cash infusion

[1] Key management personnel include Jay Hutton, Chief Executive Officer; Fred Potok, Chief Sales Officer; Jan Talamo, Chief Creative Officer; Linda Rosanio, Chief Operating Officer; and Tim Huckaby, Chief Technology Officer.

[2] Traffic Marketing LLC, a partner and entity controlled by Kate Talamo, who beneficially owns more than 10% of the shares of VSBLTY, Inc.

[3] Related parties holding promissory notes include VSBLTY, Inc. shareholders or immediate family members of shareholders Jerald Greenspan, Kate Talamo, Jay Hutton, Nicholas Potok, Guy Lombardo, Martha Seidner, Jack Potok and Fred Potok.

necessary to continue operations through year end 2019. Management anticipates products to be complete with research and development which allows the Entity to sell the products on the open market world wide resulting in cash revenue to fund anticipated operating expenses.

Management anticipates operating expenses for the year ending December 31, 2019 to be approximately $4,000,000. Capital expenditures during this time period are limited to hardware and other materials needed to build the products that have been sold. These expenses total approximately $900,000 million for the year ending December 31, 2019.

The Entity does not anticipate paying dividends during this time period.

Management's Discussion and Analysis of Financial Condition and Results of Operations for the period ending September 30, 2018.

Background

This management discussion and analysis ("**MD&A**") of the financial position of VSBLTY, Inc. (formerly VSBLTY, L.P.) (the "**Entity**" and "**us**," "**our**" or "**we**") and results of its operations for the three and nine months ended September 30, 2018 is prepared as at December 20, 2018. This MD&A should be read in conjunction with the condensed interim financial statements and related notes thereto. Those condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**"). All currency amounts are expressed in United States dollars, unless otherwise noted.

Forward-Looking Information

This discussion contains "forward-looking statements" that involve risks and uncertainties. Such information, although considered to be reasonable by the Entity's management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. This MD&A may contain forward-looking statements that reflect the Entity's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Entity's future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Entity's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Entity disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Such statements reflect our management's current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Entity, are inherently subject to significant business, economic, competitive, political and social uncertainties and known or unknown risks and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Please see the risk factors discussed under the heading "Risk Factors" in this Prospectus.

Overview

VSBLTY, L.P. ("VLP"), was formed under the laws in the State of Delaware as a limited partnership July 28, 2015. On December 12, 2018, VLP was converted into a C Corporation, VSBLTY, Inc. (the "Entity" and "us," "our" or "we"), under Delaware law which was accomplished through the formless conversion statute (DE conversion from unincorporated entity to DE Corp – DGCL 265), thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. on a 1 for 1 basis to the other common stock holders of VSBLTY, Inc. so that ownership interests remained substantially intact after such distribution.

The Entity is a retail technology and marketing company with a variety of applications to drive brand engagement and puts insights in motion to drive sales. The Entity's head office and principal business address is 417 North 8th Street Suite 300 Philadelphia, PAN 19123 and its registered office is located at The Corporation Service Company, 251 Little Falls Drive City of Wilmington, New Castle County, DE 19808.

Overall Performance

As a participant in retail solutions, VSBLTY, Inc. assists retailers in defining a digital growth and marketing strategy. While VSBLTY, Inc. brings specific solutions that help retailers take advantage of digital trends in retail often the team is called upon to provide comprehensive expertise and consulting to educate its customers on how to take advantage of the VSBLTY, Inc. solutions. This can position VSBLTY, Inc. as a trusted resource, but also slows the selling process and lengthens the selling cycle. Over time, management of VSBLTY, Inc. believes that the pace of deployment will increase and sales cycles will shorten as retailers develop an understanding of the technology. However, this creates uncertainly for the management of the business and with respect to accurate projections and forecasting. VSBLTY, Inc.'s goal is to establish a brand that is trusted by retailers and brands alike to guide them through the digital revolution in retail. The Entity will focus its resources on leveraging this trust to generate revenue and continue to build its brand.

The digital-out-of-home ("**DOOH**") market refers to digital advertising that is targeted to consumers outside their homes. Management of VSBLTY, Inc. believes that as advertisers continue to look for alternative markets they will continue to seek media and channels that can deliver the same kind of measurability that the Internet can offer. DOOH is expected to grow to the extent that it can provide this measurability to major brands. Brands will pay for impressions delivered that have attribution, accountability and addressability. To date, DOOH has not been able to deliver this to the same extent as the Internet. VSBLTY, Inc. provides a platform and capability that is intended to deliver this measurability.

In the security category, VSBLTY, Inc. has a similar issue. Most camera and sensor systems have a human dependency. The guiding philosophy of machine vision with machine learning is that computers and software can be leveraged to interpret live video. Dissecting, understanding and contextualizing live video is an important capability of VSBLTY, Inc. One of the goals of VSBLTY, Inc., and others pioneering the category, is to augment human operators interpreting video and flagging security operators to anomalous or extraordinary activity.

Since inception, VSBLTY, Inc. has delivered software solutions that rely heavily upon cloud computing. However, there are many applications, particularly in DOOH and security, which will perform better and more reliably with edge processing. The consumption of algorithms in cloud computing is subject to licensing but VSBLTY, Inc. believes that it has developed technology that runs with equal reliability on the edge. This model also consumes less third party licensed algorithms. This migration from cloud to edge will allow VSBLTY, Inc. to provide solutions in both categories. VSBLTY, Inc. will support both consumption models and will have different pricing models for each. VSBLTY, Inc. expects that edge-based solutions will have an enormous impact within the next 12 months as this market further defines itself.

Management views past company performance of net operating losses and negative cash flow as a stage in the process of developing the product lines and obtaining market share for the various business segments. Field trials of products at little to no cost are necessary to develop products. VSBLTY, Inc. has conducted several field trials of the various product lines and in the coming 12 months will market those products to clients at retail pricing models.

Off-Balance Sheet Arrangements

None.

Critical Accounting Policies

The preparation of financial statements in conformity 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**").

The consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. The consolidated financial statements are presented in United States dollars, unless otherwise noted.

The condensed interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at September 30, 2018, the Entity had working capital deficiency of $1,033,744, had not yet achieved profitable operations and has an accumulated deficit of $5,926,776 since its inception. The continuing operations of the Entity are dependent upon its ability to develop a viable business and to attain profitable operations and generate funds there from. This indicates the existence of a material uncertainty that may cast significant doubt about the Entity's ability to continue as a going concern. Management intends to finance operating costs with financings and a proposed going public transaction. If the Entity is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

The significant accounting policies applied in the preparation of these condensed financial interim statements are consistent with the accounting policies disclosed in Note 3 of the audited financial statements for the year ended December 31, 2017, except for those summarized below. The condensed interim statements should be read in conjunction with the Entity's audited financial statements for the year ended December 31, 2017.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host, with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

If a hybrid contract contains a host that is not an asset, embedded derivatives are recorded at fair value separately from the host contract when their economic characteristics and risks are not clearly and closely related to those of the host contract. Subsequent changes in fair value are recorded in the statements of loss and comprehensive loss.

The convertible debentures issued by the Entity are a hybrid financial instrument that can be converted into Units of the Entity upon an automatic conversion event, where there is an obligation to issue a fixed number of Units to settle an instrument whose book value is variable. The hybrid financial instrument is recognized as a liability, with the initial carrying value of the convertible debentures (host) being the residual amount of the proceeds after separating the derivative component, which is recognized at fair value. Any directly attributable transaction costs are allocated to the host and derivative components in proportion to their initial carrying amounts. Subsequent to initial recognition, the host component of the hybrid financial instrument is measured at amortized cost using the effective interest method.

The derivative component of the hybrid financial instrument is measured at fair value through profit and loss. Subsequent changes in fair value are recorded in the statements of loss and comprehensive loss.

Changes in Accounting Policy and Initial Adoption

a) IFRS 15 - Revenue from Contracts with Customers ("IFRS 15")

IFRS 15 provides a single, five-step model to be applied to all contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The standard requires an entity to recognize revenue that reflects the transfer of goods and services for the amount it expects to receive when control is transferred to the customer.

Effective January 1, 2018, the Entity adopted IFRS 15 which supersedes IAS 18 - Revenue, IAS 11 – Construction Contracts, and other revenue-related interpretations. The Entity used the cumulative effect method to adopt the new standard and has applied transitional relief to contracts completed before January 1, 2018. As a result of the practical expedient, no changes are made to the revenue recognized under the previous revenue standard as the Entity has transferred all of the goods or services identified during the comparative period. The recognition and measurement of the sale of products in all contracts is consistent with the previous recognition practice and therefore there were no transitional adjustments upon adoption.

b) IFRS 9 – "Financial Instruments" ("IFRS 9")

Effective January 1, 2018, the Entity adopted IFRS 9 which replaced IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39"). The Entity applied the new standard retrospectively. The adoption of IFRS 9 did not have an impact on the Entity's financial statements. The nature and effects of the key changes to the Entity's accounting policies resulting from the adoption of IFRS 9 are summarized below.

Classification of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income and fair value through profit or loss. The previous IAS 39 categories are eliminated. IFRS 9 bases the classification of financial assets on the contractual cash flow characteristics and the company's business model for managing the financial asset. The differences between the two standards did not impact the Entity at the time of transition.

Impairment of financial assets

IFRS 9 replaces the incurred loss model in IAS 39 with an expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Entity's receivables.

Transition

The following table shows the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 as at January 1, 2018 for each class of the Entity's financial assets and liabilities. There were no adjustments to the carrying amounts of financial instruments as a result of the change in classification from IAS 39 to IFRS 9.

	Measurement category	
	IAS 39	**IFRS 9**
Cash	Loans and receivables	Amortized cost
Trade receivables	Loans and receivables	Amortized cost
Due from related parties	Loans and receivables	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Due to related parties	Other financial liabilities	Amortized cost
Convertible debentures	Other financial liabilities	Amortized cost
Embedded derivatives	FVTPL	FVTPL
Notes payable	Other financial liabilities	Amortized cost

c) Accounting standards issued but not yet effective

The Entity has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Entity has not early adopted any new standards and is currently evaluating the impact, if any, that the following new standard might have on its financial statements.

IFRS 16 Leases ("IFRS 16")

IFRS 16 will be effective for accounting periods beginning on or after January 1, 2019. Early adoption will be permitted, provided the Entity has adopted IFRS 15. This standard sets out a new model for lease accounting. The Entity plans to adopt this standard on January 1, 2019 and is currently evaluating its impact on the financial statements.

Partners' capital

Authorized partners' capital of the Entity consists of an unlimited number of Class A and Class B partnership units with no par value (collectively, the "Units"). Each class of authorized and outstanding Units have the same rights.

Results of Operations – For the three and nine months ended September 30, 2018

The results of operations for the three and nine months ended September 30, 2018 and 2017 are summarized below:

	Three months ended September 30		Nine months ended September 30	
	2018	**2017**	**2018**	**2017**
Revenue	$ 13,289	$ 108,149	$ 65,595	$ 299,764
Cost of sales	(29,683)	(93,803)	(53,647)	(266,470)
Gross profit	(16,394)	14,346	11,948	33,294
Sales and marketing expenses	(35,073)	(34,074)	(89,874)	(64,678)
General and administrative expenses	(622,591)	(252,975)	(1,145,057)	(648,723)
Research and development expenses	(130,333)	(61,877)	(267,504)	(209,123)
Operating loss	(804,391)	(334,580)	(1,490,487)	(889,230)
Interest expense	(51,116)	(31,999)	(82,335)	(53,437)
Change in fair value of derivative liability	(15,421)	-	(15,421)	-
Loss and comprehensive loss for the year	$ (870,928)	$ (366,579)	$ (1,588,243)	$ (942,667)
Loss per unit – Basic and diluted	$ (0.17)	$ (0.08)	$ (0.31)	$ (0.21)
Weighted average units outstanding	5,129,421	4,594,463	5,099,369	4,594,463

Total assets as at September 30, 2018 and December 31, 2017 were $593,438 and $422,418, respectively. The increase in total assets was primarily a result of cash received as proceeds from issuance of convertible debentures and partnership units during the period.

Total non-current financial liabilities as at September 30, 2018 and December 31, 2017 were $509,036 and $446,847, respectively. The increase in total non-current financial liabilities was primarily a result of issuance of promissory notes during the period.

Revenue

During the nine months ended September 30, 2018 and 2017, the Entity generated revenue of $65,595 and $299,764, respectively. Revenue for these periods was generated from field trial and test programs of the various business lines. The decrease in revenue was the result of less revenue generating opportunities due to more field trials of new products.

During the three months ended September 30, 2018 and 2017, the Entity generated revenue of $13,289 and $108,149, respectively. Revenue for these periods was generated from field trial and test programs of the various business lines. The decrease in revenue was the result of less revenue generating opportunities due to more field trials of new products.

Cost of Sales

Cost of sales for the nine months ended September 30, 2018 and 2017 of $53,647 and $266,470, respectively. The decreased in cost of sales was the result of lower revenue and less production.

Cost of sales for the three months ended September 30, 2018 and 2017 of $38,683 and $93,803, respectively. The decrease in cost of sales was the result of lower revenue and less production.

Expenses

	Nine months ended September 30, 2018	Nine months ended September 30, 2017
Marketing expenses	$ 44,139	$ 26,812
Meals and entertainment	20,284	14,447
Tradeshow expenses	25,451	23,419
General and administrative expenses	88,255	34,558
Bad debt expense	-	-
Professional fees	567,497	429,498
Consulting fees	316,697	-
Rent	19,115	13,883
Salaries and wages	315,653	266,672
Travel	84,755	102,622
Depreciation	8,251	2,700
Utilities	12,338	7,913
Total sales and marketing, general and administrative expense, and research and development expenses	$ 1,502,435	$ 922,524

The above table provides a breakdown of the various expense categories, by nature, for the nine months ended September 30, 2018 and 2017. The primary driver for increased expenses is the additional products going through field trial to get to market and being available for sale.

Total operating expenses for the nine months ended September 30, 2018 and 2017 were $1,502,435 and $922,524, respectively. The increase of $579,911 was primarily the result of an increase in consulting fees of $316,697 due to additional contractors engaged to develop products and bring items to market. An increase in professional fees of $137,999 was due to additional resources needed for legal and accounting as well as information technology.

	Three months ended September 30, 2018	Three months ended September 30, 2017
Marketing expenses	20,999	10,871
Meals and entertainment	3,624	2,410
Tradeshow expenses	10,450	20,793
General and administrative expenses	26,561	7,168
Bad debt expense	-	-
Professional fees	211,973	175,440
Consulting fees	316,697	-
Rent	9,860	4,628
Salaries and wages	146,971	77,239
Travel	34,030	47,630
Depreciation	6,451	900
Utilities	4,381	1,847
Total sales and marketing, general and administrative expense, and research and development expenses	791,997	348,926

The above table provides a breakdown of the various expense categories, by nature, for the three months ended September 30, 2018 and 2017. The primary driver for increased expenses is the additional products going through field trial to get to market and being available for sale.

Total operating expenses for the three months ended September 30, 2018 and 2017 were $791,997 and $348,926, respectively. The increase of $443,071 was primarily the result of an increase in consulting fees of $316,697 due to additional contractors engaged to develop products and bring items to market.

Interest expense

Interest expense for the nine months ended September 30, 2018 and 2017 were $82,335 and $53,437, respectively. The increase in interest expense was a result of issuing $1,151,650 (CAD$1,500,000) in convertible debt during the period and from the prior year promissory notes being outstanding for the full period in the current year.

Interest expense for the three months ended September 30, 2018 and 2017 were $51,116 and $31,999, respectively. The increase in interest expense was a result of issuing $1,151,650 (CAD$1,500,000) in convertible debt during the period and from the prior year promissory notes being outstanding for the full period in the current year.

Liquidity and Capital Resources

The accompanying consolidated financial statements have been prepared on a basis that contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Entity anticipates that it will have sufficient resources to meet the working capital requirements of the Entity for at least the next 12 months. This assessment is based on the Entity's current cash and cash equivalents, as well as the net proceeds of the debt financings the Entity intends to consummate in fiscal 2018 and 2019.

Cash Flows

Historically and prospectively, our primary sources of liquidity and capital resources have been and will continue to be cash flow from operations, borrowings from banks and proceeds from the issuance of debt and partnership units. Based on our current level of operations and our expected results of operations over the next 12 months, we believe that cash generated from operations and cash on hand, together with amounts available under our debt instruments and anticipated future capital raises, will be adequate to meet our anticipated debt service requirements, capital expenditures and working capital needs for the next 12 months. However, we cannot be certain that our business will generate sufficient cash flow from operations, that our anticipated earnings from operations will be realized, or that future borrowings will be available or otherwise to enable us to service our indebtedness or to make anticipated capital expenditures. Our future operating performance and our ability to service our debt will be subject to future economic conditions and to financial, business and other factors, many of which are beyond our control. See "Financial Risk Management" of this MD&A for a discussion of the risks related to our liquidity and capital structure.

As at September 30, 2018, the Entity had cash of $497,988 (December 31, 2017 - $334,303). The increase in cash compared to the year ended December 31, 2017 was primarily due to the issuance of convertible debentures, partnership units and promissory notes, partially offset by cash used in operating activities.

Net cash used in operating activities for the nine months ended September 30, 2018 was $1,406,753 (2017 - $626,782). We continue to generate net losses and negative cash flows from operating activities due to the expenses we are incurring related to the development as well as general and administrative expenses. During the nine months ended September 30, 2018, we incurred $1,412,561 (2017 - $857,846) of general and administrative and research and development expenses. Operating activity for the nine months ended September 30, 2018 was significantly affected by increases in these expense categories. We have had continuing net losses and negative cash flow from operating activities, including a loss from operations of $1,504,927 for the nine months ended September 30, 2018 (2017 – $889,230). The net loss in the nine months ended September 30, 2018 was inclusive of development as well as general and administrative costs as discussed previously.

Net cash used in investing activities for the nine months ended September 30, 2018 was $6,212 (2017 - $30,000). The decrease was primarily a result of an less property, plant and equipment purchases.

Net cash provided by financing activities for the nine months ended September 30, 2018 was $1,576,650 (2017 - $619,000). The increase was primarily a result of an increase in proceeds from issuance of convertible debentures, promissory notes and partnership units.

Principal Debt Arrangements

During the period ended September 30, 2018, the Entity completed or arranged the following financings:

Convertible debentures

On August 24, 2018, the Entity closed tranche 1 of a private placement of convertible debt (the "Tranche 1 Debentures"), issuing $383,550 in debentures (CAD$500,000). The Tranche 1 Debentures are denominated in Canadian Dollars, mature on August 24, 2019, bear interest at a rate of 10% per annum, payable at maturity and are secured by all the assets of the Entity. The Tranche 1 Debentures automatically convert upon closing of a contemplated transaction where the Entity intends to become publicly traded (the "Transaction"). The Tranche 1 Debentures convert into one share of the Entity's publicly traded entity for each CAD$0.05 principal amount outstanding of the Tranche 1 Debentures. and the Holders shall forfeit any and all accrued and unpaid interest on the Holders of the Tranche 1 Debentures.

On September 17, 2018, the Entity closed tranche 2 of a private placement of convertible debt (the "Tranche 2 Debentures" and collectively with the Tranche 1 Debentures, the "Debentures"), issuing $768,100 in debentures (CAD$1,000,000).The Tranche 2 Debentures are denominated in Canadian Dollars, mature on September 17, 2019, bear interest at a rate of 10% per annum, payable at maturity and are secured by all the assets of the Entity. The Tranche 2 Debentures automatically convert upon closing of the Transaction. The Tranche 1 Debentures convert into one share of the Entity's publicly traded entity for each CAD$0.10 principal amount outstanding of the Tranche 2 Debentures. and the Holders shall forfeit any and all accrued and unpaid interest on the Holders of the Tranche 2 Debentures.

In the event the Transaction is terminated, the Entity has the right to prepay the Debentures by repaying the principal amount outstanding, paying a 10% administration fee and by issuing 350 warrants for each $1,000 principal amount outstanding of the Debentures. In the event that, prior to maturity, the Entity completes a change of control other than in connection with the Transaction, then the Entity must, prior to completion of the change of control, repay the principal amount outstanding, pay a 10% administration fee and issue 350 warrants for each $1,000 principal amount outstanding of the Debentures. In the event that the Debentures are not prepaid or converted prior to maturity, the Entity must issue 350 warrants for each $1,000 principal amount outstanding of the Debentures. Each aforementioned warrant would entitle the holder to acquire one Unit of the Entity and is exercisable at a price of $2.18 per Unit for a period of three years.

Notes payable

During the period ended September 30, 2018, the Entity issued $50,000 (year ended December 31, 2017 - $350,000) in promissory notes (the "Notes") with attached warrants to related parties. Subscribers received 0.187272 warrants per dollar principal of Notes. The Notes bear interest at prime rate plus 550 basis points and mature three years after issuance. The Notes are secured by the accounts receivable of the Entity and have no financial covenants.

Other Factors Affecting Liquidity

The Entity may also raise additional equity or debt capital or enter into arrangements to secure necessary financing to fund the completion of development projects, to meet obligations under the Notes or Debentures or for the general corporate purposes of the Entity. Such arrangements may take the form of loans, strategic agreements, joint ventures or other agreements. The sale of additional equity could result in additional dilution to the Entity's existing stockholders, and financing arrangements may not be available to us, or may not be available in sufficient amounts or on acceptable terms.

From time to time, we may pursue various strategic business opportunities. These opportunities may include proposed development and/or management of, investment in or ownership of additional businesses through direct investments, acquisitions, joint venture arrangements and other transactions. We are not currently exploring such opportunities. We can provide no assurance that we will successfully identify such opportunities or that, if we identify and pursue any of these opportunities, any of them will be consummated.

Financial Risk Management

The Entity is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. Foreign Exchange risks are closely monitored, and attempts are made to match foreign cash inflows and outflows. As at September 30, 2018, the Entity is exposed to foreign exchange risk through its outstanding convertible debentures which are denominated in Canadian Dollars. The Entity mitigates foreign exchange risk by monitoring foreign exchange rate trends and evaluating refinancing opportunities when possible. Based on current exposures as at September 30, 2018 and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian Dollar against the United States Dollar would result in an gain or loss of approximately $110,796 in the Entity's statements of loss and comprehensive loss.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Entity's cash and receivables are exposed to credit risk. The Entity reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness and mitigate its credit risk on receivables by actively managing and monitoring its receivables. It has been determined that no allowance is required, as all amounts outstanding are considered collectible. The Entity incurred no bad debts during the three and nine months ended September 30, 2018 and 2017. The Entity mitigates credit risk by screening the creditworthiness of customers prior to conducting business with them and monitoring its exposure for credit losses with existing customers.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at September 30, 2018, the Entity is exposed to interest rate risk through its outstanding Notes which bear interest at prime plus 550 basis points. The Entity mitigates interest rate risk by monitoring interest rate trends and evaluating refinancing opportunities when possible.

Liquidity Risk

Liquidity risk is the risk that the Entity will encounter difficulty in meeting obligations associated with financial liabilities. The Entity manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Entity addresses its liquidity through equity financing obtained through the issuance of equity and partnership units. While the Entity has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Guy Lombardo, a board member of the Entity, has advanced funds to support operations pursuant to promissory notes dated February 28, 2017. The loan is currently in default, with a balance as of November 28, 2018 of $314,485.38 (including interest) being due to Guy Lombardo. Mr. Lombardo has entered into a debt settlement agreement with the Entity pursuant to which Mr. Lombardo will receive 186,475 common shares of the Entity and a cash payment for all interest accrued on the loans after October 31, 2018 in settlement of all amounts owing to Mr. Lombardo by the Entity pursuant to such loan.

Related party transactions

All expenses and year end balances with related parties are at exchange amounts established and agreed to by the related parties. All transactions with related parties are in the normal course of operations and have been carried out on the same terms as those accorded to unrelated parties.

Key management compensation

During the three and nine months ended September 30, 2018, remuneration of the Entity's key management[1] consisted of management fees in the amount of $60,000 and $180,000, respectively (2017 - $45,000 and $135,000). These fees are included in general and administrative expenses.

Other related party transactions

During the three and nine months ended September 30, 2018 and 2017, other related party transactions consisted of the following:

	Three months ended September 30		Nine months ended September 30	
	2018	**2017**	**2018**	**2017**
Creative services paid to a partner[2] included in cost of sales	$ -	$ 41,275	$ 2,919	$ 70,685
Installation and support services paid to a partner[2] included in cost of sales	-	2,322	-	4,104
Marketing expenses paid to a partner[2] included in sales and marketing expenses	6,425	-	10,565	900
Accounting and administrative fees paid to a partner[2] included in general and administrative expenses	88,443	54,000	227,438	154,174
Interest expense for loans from related parties[3]	$ 28,440	$ 25,996	$ 47,067	$ 36,208

Related party balances

At September 30, 2018, $nil (December, 31 2017 - $9,068) was due from a related party with common directors. The amounts were non-interest bearing and due on demand.

At September 30, 2018, $nil (December, 31 2017 - $18,465) was due to related parties with common directors. The amounts were non-interest bearing and due on demand.

[1] Key management personnel include Jay Hutton, Chief Executive Officer; Fred Potok, Chief Sales Officer; Jan Talamo, Chief Creative Officer; Linda Rosanio, Chief Operating Officer; and Tim Huckaby, Chief Technology Officer.

[2] Traffic Marketing LLC, a partner and entity controlled by Kate Talamo, who beneficially owns more than 10% of the shares of VSBLTY, Inc.

[3] Related parties holding promissory notes include VSBLTY, Inc. shareholders or immediate family members of shareholders Jerald Greenspan, Kate Talamo, Jay Hutton, Nicholas Potok, Guy Lombardo, Martha Seidner, Jack Potok and Fred Potok.

Additional Disclosure for IPO Venture Issuers Without Significant Revenue

During the nine months ended September 30, 2018 and 2017, the Company incurred the following research and development and general and administrative expenses:

	Nine months ended September 30, 2018		Nine months ended September 30, 2017	
General and administrative expenses	$	88,255	$	34,558
Bad debt expense		-		-
Professional fees		567,497		429,498
Consulting fees		316,697		-
Rent		19,115		13,883
Salaries and wages		315,653		266,672
Travel		84,755		102,622
Depreciation		8,251		2,700
Utilities		12,338		7,913
Total general and administrative expense, and research and development expenses	$	1,412,561	$	857,846

Upon the closing of the filing of the prospectus, management anticipates the funds raised will provide the cash infusion necessary to continue operations through year end 2019. Management anticipates products to be complete with research and development which allows the Entity to sell the products on the open market world wide resulting in cash revenue to fund anticipated operating expenses.

Management anticipates operating expenses for the year ending December 31, 2019 to be approximately $4,000,000. Capital expenditures during this time period are limited to hardware and other materials needed to build the products that have been sold. These expenses total approximately $900,000 million for the year ending December 31, 2019.

The Entity does not anticipate paying dividends during this time period.

EXHIBIT C

PRO FORMA FINANCIAL STATEMENTS OF THE COMPANY

VSBLTY Groupe Technologies Corp.

PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

September 30, 2018

(Expressed in United States Dollars)
(Unaudited)

VSBLTY Groupe Technologies Corp.
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in United States Dollars)
(Unaudited)

	VSBLTY, Inc. (formerly VSBLTY, L.P.)	**VSBLTY Groupe Technologies Corp. *(Expressed in Canadian Dollars)***	**Foreign currency translation**	**Adjustments**	**Notes**	**Pro forma consolidated**
ASSETS						
Current assets						
Cash	$ 497,988	$ 200,491	$ (45,612)	$ 3,052,336	3(a)	$ 3,705,203
Trade receivables	23,492	-	-	-		23,492
Prepaid expenses	32,064	-	-	-		32,064
	553,544	200,491	(45,612)	3,052,336		3,760,759
Property, plant and equipment, net	32,165	-	-	-		32,165
Deposits	7,749	-	-	-		7,749
Total assets	$ 593,458	$ 200,491	$ (45,612)	$ 3,052,336		$ 3,800,673
LIABILITIES						
Current liabilities						
Accounts payable and accrued liabilities	$ 389,833	$ 17,049	$ (3,879)	$ (104,121)	3(d)(f)	$ 298,882
Deferred revenue	10,880	-	-	-		10,880
Due to related parties	28,507	-	-	-		28,507
Convertible debentures	1,107,959	-	-	(1,107,959)	3(d)	-
Embedded derivatives	68,451	-	-	(68,451)	3(d)	-
	1,605,630	17,049	(3,879)	(1,280,531)		338,269
Notes payable	509,036	-	-	(509,036)	3(f)	-
Total liabilities	2,114,666	17,049	(3,879)	(1,789,567)		338,269
EQUITY						
Partners' capital	4,339,972	-	-	(4,339,972)	3(b)	-
Share capital	-	-	-	2,299,818	3(a)	
				4,339,972	3(b)	
				14,334,655	3(c)	
				1,151,650	3(d)	
				83,938	3(e)	
				647,454	3(f)	22,857,487
Subscriptions received in advance	-	200,619	(45,641)	(154,978)	3(a)	
Additional paid in capital	83,938	-	-	907,496	3(a)	
				(83,938)	3(e)	907,496
Accumulated deficit	(5,945,118)	(17,177)	3,908	13,269	3(c)	
				(14,347,924)	3(c)	
				31,427	3(d)	
				(40,964)	3(f)	(20,302,579)
Total equity	(1,521,208)	183,442	(41,733)	4,841,903		3,462,404
Total liabilities and equity	$ 593,458	$ 200,491	$ (45,612)	$ 3,052,336		$ 3,800,673

1. BASIS OF PRESENTATION AND PREPARATION

The accompanying unaudited pro forma consolidated statement of financial position has been prepared by the management of VSBLTY Groupe Technologies Corp. ("VSBLTY Groupe" or the "Company") for inclusion in the Company's Prospectus dated December 21, 2018 in connection with the reverse takeover ("RTO") by the shareholders of VSBLTY, Inc. (formerly VSBLTY, L.P.).

The pro forma consolidated financial statements of the Company have been compiled from and include:

a) VSBLTY Groupe Technologies Corp.'s audited Statement of Financial Position as at September 30, 2018;
b) VSBLTY, Inc. (formerly VSBLTY, L.P.)'s unaudited Statement of Financial Position as at September 30, 2018; and
c) the additional information set out in Notes 2 and 3.

It is management's opinion that this pro forma consolidated statement of financial position includes all adjustments necessary for the fair presentation of the transactions described herein and are in accordance with International Financial Reporting Standards ("IFRS") applied on a basis consistent with the Company's accounting policies. The pro forma consolidated statement of financial position as at September 30, 2018 has been prepared assuming the acquisition of the Company had occurred on September 30, 2018. The pro forma consolidated statement of financial position is not intended to reflect the financial position of the Company which would have actually resulted had the transactions been effected on the dates indicated. Actual amounts recorded upon consummation of the transactions will differ from those recorded in the unaudited pro forma consolidated statement of financial position and the differences may be material.

The VSBLTY Groupe Technologies Corp. financial statements are presented in Canadian dollars and have been converted into United States dollars at a conversion rate at September 28, 2018 of USD$0.7725 to CAD$1.0000.

VSBLTY Groupe Technologies Corp. was incorporated under the Business Corporations Act (British Columbia) on August 1, 2018. The Company's head office is located at 1240 – 1140 West Pender Street, Vancouver, British Columbia V6E 4G1. The Company's registered office is located at 700 – 401 West Georgia Street, Vancouver, British Columbia, V6B 5A1.

VSBLTY, L.P. ("VLP"), was formed under the laws in the State of Delaware as a limited partnership July 28, 2015. On December 12, 2018, VLP was converted into a C Corporation, VSBLTY, Inc. (the "Entity"), under Delaware law, which was accomplished through the formless conversion statute (DE conversion from unincorporated entity to DE Corp – DGCL 265), thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. proportionately to the other common stock holders of VSBLTY, Inc. so that ownership interests remained substantially intact after such distribution.

2. SUMMARY OF PROPOSED TRANSACTION

VSBLTY Groupe, VSBLTY Merger Co. ("U.S. Subco") and VSBLTY, Inc. have entered into the Merger Agreement, pursuant to which VSBLTY, Inc. will merge with U.S. Subco, a wholly-owned subsidiary of VSBLTY Groupe, and the VSBLTY Shareholders will receive securities of VSBLTY Groupe in exchange for their VSBLTY Common Shares. As a result of the Acquisition, VSBLTY Groupe will acquire a 100% ownership interest in VSBLTY, Inc.

In connection with the transaction:

- VSBLTY, Inc. debentures outstanding will convert into VSBLTY, Inc. common shares for no consideration;
- VSBLTY, Inc. promissory notes and accrued interest will be settled in exchange for VSBLTY, Inc. common shares;
- VSBLTY, Inc. warrants will be exercised for VSBLTY, Inc. common shares for no consideration;
- all VSBLTY, Inc. common shares issued and outstanding will be exchanged for 7.21228396 fully paid and non-assessable VSBLTY Groupe common shares at a deemed value of $0.30 per common share ("Exchanged Share"). Each VSBLTY, Inc. common share exchanged for one Exchanged Share will be cancelled; and
- 14,600,000 special warrants of VSBLY Groupe will be deemed exercised for common shares and warrants of VSBLTY Groupe, on the basis of one common share and one half of a warrant of VSBLTY for each special warrant.

The Acquisition is subject to certain conditions, including, among others, the completion of the Private Placement, there being no material adverse change occurring to the business of either the Company or VSBLTY, Inc. and the receipt of all necessary regulatory, corporate and third party approvals, including the conditional listing approval of the Canadian Securities Exchange.

3. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The pro forma consolidated statement of financial position was prepared based on the following assumptions and adjustments:

a) Prior to closing the proposed transaction, the Company issued 14,600,000 special warrants for gross proceeds of $3,383,543 (CAD$4,380,000), $154,978 (CAD$200,619) of which was received by the Company as a subscription advance prior to September 30, 2018. Each special warrant will automatically convert, into one common share of the Company and a one-half of a transferable share purchase warrant on the date that is the earlier of (i) the third business day after a receipt for a final prospectus qualifying the distributions of the share and warrants issuable upon the conversion of the special warrants, and (ii) 4 months and one day after the issue date of the special warrants. Each whole share purchase warrant is exercisable into one share at a price of CAD$0.40 per share for a period equal to the shorter of (i) one year after the date that the share are listed on the Canadian Stock Exchange, and (ii) five years after the issue date of the special warrants. In connection with the issuance, the Company paid, or will pay upon the escrow release, aggregate finder's fees of $176,229 (CAD$228,128) and issued 760,426 finder's warrants on the same terms of the warrants issued.

(Expressed in United States Dollars, unless otherwise noted)

The fair value of the 7,300,000 warrants issuable upon automatic exercise of the special warrants was $821,882 (CAD$1,063,925) and was deducted from the amount allocated to share capital. The 760,426 finder's warrants, which carry the same terms, were treated as transaction costs and their fair value of $85,614 (CAD$110,827) was deducted from the amount allocated to share capital. The fair value of the aforementioned warrants was estimated using the Black-Scholes pricing model with the following assumptions:

Assumptions	
CAD/USD exchange rate	1.2945
Risk-free interest rate	2.19%
Expected volatility	150%
Dividend yield	0%
Expected life	1 year

b) On December 12, 2018, VSBLTY, L.P. was converted into a C corporation, VSBLTY, Inc., under Delaware law, thereby converting all partnership units in VSBLTY, L.P. to common stock in VSBLTY, Inc. VSBLTY, L.P. was then merged into VSBLTY, Inc. by filing a certificate of merger and distributing the common stock held by VSBLTY L.P. proportionately to the other common stock holders of VSBLTY, Inc.

c) As a result of the transaction, the shareholders of VSBLTY, Inc will acquire control of VSBLTY Groupe, thereby constituting a reverse takeover of VSBLTY Groupe. The Transaction is considered a purchase of VSBLTY Groupe's net assets by the shareholders of VSBLTY, Inc.

The transaction will be accounted for in accordance with guidance provided in IFRS 2, "Share-Based Payment" and IFRS 3, "Business Combinations". As the Company did not qualify as a business according to the definition in IFRS 3, this transaction does not constitute a business combination; rather it is treated as an issuance of shares by VSBLTY, Inc. for the net assets of the Company and the Company's listing status and VSBLTY, Inc. as the continuing entity.

The preliminary purchase price allocation is as follows:

Common shares of VSBLTY Groupe issued (61,853,958 common shares at CAD$0.30 per share)	$	14,334,655
Total consideration		14,334,655
Fair value of net assets of VSBLTY Groupe:		
Cash		154,879
Accounts payable		(13,170)
Total net assets		141,709
Adjusted for advanced special warrant proceeds received		(154,978)
Listing expense	$	14,347,924

d) VSBLTY, Inc. has outstanding debentures in the aggregate principal amount of $1,151,650 (CAD$1,500,000) and accrued interest of $6,667 (CAD$8,630) owing as of September 30, 2018. Upon closing the proposed transaction, all outstanding debentures will be automatically converted into common shares of the Company and accrued interest will be forfeited.

e) Effective immediately, prior to closing the proposed transaction, all VSBLTY, Inc. warrants shall, without any payment or other action required on the part of the holders of warrants, be deemed exercised and each holder of warrants shall receive one common share of VSBLTY, Inc. warrant held upon such deemed exercise.

f) Subject to the agreement of the applicable debt holders of the Company, outstanding promissory notes of $550,000 and accrued interest to October 31, 2018 will be settled by VSBLTY, Inc. prior closing the proposed transaction, on the basis that the holders of such debt will be issued one VSBLTY, Inc. common share for each $0.23 of such debt outstanding.

EXHIBIT D

AUDIT COMMITTEE CHARTER

1. PURPOSE AND PRIMARY RESPONSIBILITY

1.1 This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "**Board**") of VSBLTY Groupe Technologies Corp. (the "**Company**"), annual evaluation and compliance with this charter.

1.2 The primary responsibility of the Audit Committee is that of oversight of the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.

2. MEMBERSHIP

2.1 At least a majority of the Audit Committee must be comprised of independent directors of the Company as defined in sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), provided that should the Company become listed on a senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange.

2.2 The Audit Committee will consist of at least two members, all of whom shall be financially literate, provided that an Audit Committee member who is not financially literate may be appointed to the Audit Committee if such member becomes financially literate within a reasonable period of time following his or her appointment. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, the Audit Committee will consist of at least three members, all of whom shall meet the experience and financial literacy requirements of such exchange and of NI 52-110.

2.3 The members of the Audit Committee will be appointed annually (and from time to time thereafter to fill vacancies on the Audit Committee) by the Board. An Audit Committee member may be removed or replaced at any time at the discretion of the Board and will cease to be a member of the Audit Committee on ceasing to be an independent director.

2.4 The Chair of the Audit Committee will be appointed by the Board.

3. AUTHORITY

3.1 In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

(a) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;

(b) communicate directly with management and any internal auditor, and with the external auditor without management involvement; and

(c) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

4. DUTIES AND RESPONSIBILITIES

4.1 The duties and responsibilities of the Audit Committee include:

(a) recommending to the Board the external auditor to be nominated by the Board;

(b) recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;

(c) reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);

(d) overseeing the work of the external auditor;

(e) ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include disclosure of all engagements (and fees related thereto) for non-audit services provided to the Company;

(f) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues;

(g) ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;

(h) reviewing and discussing with management and the external auditor the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("**MD&A**"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;

(i) reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;

(j) reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;

(k) reviewing and discussing with management and the external auditor all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies prior to such information being disclosed;

(l) reviewing the external auditor's report to the shareholders on the Company's annual financial statements;

(m) reporting on and recommending to the Board the approval of the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;

(n) satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements that such information is fairly presented;

(o) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses;

(p) reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;

(q) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board;

(r) satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors on the functioning of the disclosure compliance system, (including any significant instances of non-compliance with such system) in order to satisfy itself that such system may be reasonably relied upon;

(s) resolving disputes between management and the external auditor regarding financial reporting;

(t) establishing procedures for:

> (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and
>
> (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(u) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;

(v) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor;

(w) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;

(x) establishing procedures for:

> (i) reviewing the adequacy of the Company's insurance coverage, including the Directors' and Officers' insurance coverage;

(ii) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("**CFO**") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;

(iii) obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("**CEO**") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;

(iv) reviewing fraud prevention policies and programs, and monitoring their implementation;

(v) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:

(A) Tax and financial reporting laws and regulations;

(B) Legal withholding requirements;

(C) Environmental protection laws and regulations; and

(D) Other laws and regulations which expose directors to liability.

4.2 A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.

4.3 On an annual basis the Audit Committee shall review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

5. MEETINGS

5.1 The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee.

5.2 The Chair of the Audit Committee shall be responsible for leadership of the Audit Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, and making regular reports to the Board. The Chair of the Audit Committee will also maintain regular liaison with the CEO, CFO, and the lead external audit partner.

5.3 The Audit Committee will meet in camera separately with each of the CEO and the CFO of the Company at least annually to review the financial affairs of the Company.

5.4 The Audit Committee will meet with the external auditor of the Company in camera at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.

5.5 The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.

5.6 Each of the Chair of the Audit Committee, members of the Audit Committee, Chair of the Board, external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders.

6. REPORTS

6.1 The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations.

6.2 The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.

7. MINUTES

7.1 The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

8. ANNUAL PERFORMANCE EVALUATION

8.1 The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the Charter, to determine the effectiveness of the Committee.

CERTIFICATE OF THE COMPANY

Dated: December 21, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan and Ontario.

"Alnesh Mohan"
Alnesh Mohan
Chief Executive Officer, Chief Financial Officer
and Director

ON BEHALF OF THE BOARD OF DIRECTORS

"Jay Hutton"	*"Guy Lombardo"*
Jay Hutton	Guy Lombardo
Director	Director

ON BEHALF OF THE PROMOTER

"Alnesh Mohan"
Alnesh Mohan

CERTIFICATE OF VSBLTY, INC.

Dated: December 21, 2018

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of British Columbia, Alberta, Saskatchewan and Ontario.

"Jay Hutton"	*"Laurette Pitts"*
Jay Hutton	Laurette Pitts
Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE DIRECTORS

"Tim Huckaby""	*"Fred Potok"*
Tim Huckaby	Fred Potok
Director	Director

ON BEHALF OF THE PROMOTERS

"Jay Hutton"	*"Tim Huckaby"*
Jay Hutton	Tim Huckaby