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

This short form prospectus is a base shelf prospectus. This short form base shelf prospectus has been filed under legislation in the provinces of British Columbia, Alberta, Saskatchewan and Ontario, that permit certain information about these securities to be determined after the short form base shelf prospectus has become final and that permit the omission of that information from this prospectus. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities, except in cases where an exemption from such delivery requirements has been obtained.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of VSBLTY Groupe Technologies Corp., Suite 206, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 (Tel: (604) 484-7855) and are also available electronically at www.sedar.com.*

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

New Issue | August 10, 2022

VSBLTY

VSBLTY GROUPE TECHNOLOGIES CORP.

CAD$50,000,000

Common Shares
Warrants
Subscription Receipts
Units

This short-form base shelf prospectus (the "**Prospectus**") relates to the offering for sale of common shares (the "**Common Shares**"), warrants (the "**Warrants**") and subscription receipts (the "**Subscription Receipts**"), or any combination of such securities (the "**Units**") (all of the foregoing, collectively, the "**Securities**") by VSBLTY Groupe Technologies Corp. (the "**Company**" or "**VSBLTY**") from time to time, during the 25-month period that this Prospectus, including any amendments hereto, remains effective, in one or more series or issuances, with a total offering price of the Securities, in the aggregate, of up to CAD$50,000,000. The Securities may be offered in amounts and at prices to be determined based on market conditions at the time of the sale and set forth in an accompanying prospectus supplement (a "**Prospectus Supplement**"). This Prospectus may qualify an "*at-the-market distribution*", as defined in National Instrument 44-102—*Shelf Distributions* ("**NI 44-102**"). The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities. In addition, one or more securityholders of the Company (each, a "**Selling Securityholder**") may also offer and sell Securities under this Prospectus. See *"The Selling Securityholders*".

The Company's outstanding Common Shares are listed and posted for trading on the Canadian Securities Exchange (the "**CSE**") under the symbol "VSBY". On August 9, 2022, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the CSE was CAD$0.305.

Unless a Prospectus Supplement provides otherwise, any offering of Warrants, Subscription Receipts and Units will be a new issue of securities with no established trading market and, accordingly, such securities will not be listed on any securities or stock exchange or on any automated dealer quotation system. **There is no market through which the Warrants, Subscription Receipts or Units may be sold and purchasers may not be able to resell any such securities under this Prospectus or any Prospectus Supplement. This may affect the pricing of such securities in the secondary**

market (if any), the transparency and availability of trading price (if any), the liquidity of such securities and the extent of issuer regulation. See *"Risk Factors" and* "*Plan of Distribution*".

The Company has not authorized anyone to provide purchasers with information different from that contained or incorporated by reference in this Prospectus. Investing in the Securities of the Company is highly speculative and involves a high degree of risk, and should only be made by persons who can afford the total loss of their investment.

Investors should carefully review the risks outlined in this Prospectus (together with any Prospectus Supplement) and in the documents incorporated by reference in this Prospectus and consider such risks in connection with an investment in such Securities. Prospective investors are advised to consult their legal counsel and other professional advisors in order to assess income tax, legal and other aspects of the investment. See *"Risk Factors"* and *"Cautionary Statement Regarding Forward-Looking Information"*.

Prospective investors should be aware that the acquisition or disposition of the Securities described herein may have tax consequences both in the United States of America (the "U.S.") and in Canada. Such consequences for investors who are resident in, or citizens of, the U.S. may not be described fully herein. Prospective investors should read the tax discussion contained in the applicable Prospectus Supplement with respect to a particular offering of Securities.

The enforcement by investors of civil liabilities under the U.S. federal securities laws may be affected adversely by the fact that the Company is incorporated under the laws of British Columbia, Canada, and that the majority of its officers and directors are not residents of the U.S.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE OR CANADIAN SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The specific terms of the Securities with respect to a particular offering will be set out in one or more Prospectus Supplements and may include, where applicable: (i) in the case of Common Shares, the number of Common Shares offered, the offering price (in the event the offering is a fixed price distribution), the manner of determining the issue price (in the event the offering is a non-fixed price distribution, including sales in transactions that are deemed to be "*at-the-market distributions*" as defined in NI 44-102) and any other specific terms; (ii) in the case of Warrants, the offering price, the designation, number and terms of the Common Shares issuable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, dates and periods of exercise, the currency in which the Warrants are issued and any other specific terms; (iii) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price, the procedures for the exchange of the Subscription Receipts for Common Shares or Warrants, as the case may be, and any other specific terms; and (iv) in the case of Units, the designation, number and terms of the Common Shares, Warrants or Subscription Receipts comprising the Units. The Securities may be offered separately or together in any combination (including in the form of Units). Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the Securities will be included in the Prospectus Supplement describing the Securities.

All information permitted under applicable securities legislation to be omitted from this Prospectus will be contained in one or more Prospectus Supplement(s) that will be delivered to purchasers together with the Prospectus, except in cases where an exemption from such delivery requirements has been obtained. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of applicable securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains. Investors should read this Prospectus and any applicable Prospectus Supplement carefully before investing in the Securities.

This Prospectus constitutes a public offering of the Securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell the Securities in such jurisdictions. The Company may offer and sell Securities to, or through, underwriters, dealers or Selling Securityholders, directly to one or more other purchasers, or through agents pursuant to exemptions from registration or qualification under applicable securities laws. A Prospectus Supplement relating to each issue of Securities will set forth the names of any underwriters, dealers, agents or Selling Securityholders involved in the offering and sale of the Securities and will set forth the terms of the offering of the Securities, the method of distribution of the Securities, including, to the extent applicable, the proceeds to us and any fees, discounts, concessions or other compensation payable to the underwriters, dealers or agents, and any other material terms of the plan of distribution.

The sale of Securities may be effected from time to time in one or more transactions at non-fixed prices pursuant to transactions that are deemed to be "*at-the-market distributions*" (as defined in NI 44-102), including sales made directly on the CSE or other existing trading markets for the Securities, as set forth in the Prospectus Supplement describing the Securities.

In connection with any offering of the Securities, other than an "*at-the-market distribution*" (as defined in NI 44-102) unless otherwise specified in a Prospectus Supplement, the underwriters or agents may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a higher level than that which might exist in the open market. Such transaction, if commenced, may be interrupted or discontinued at any time.

No underwriter or dealer involved in an "*at-the-market distribution*" (as defined in NI 44-102) under this Prospectus, no affiliate of such an underwriter or dealer and no person or company acting jointly or in concert with such an underwriter or dealer will over-allot securities in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Securities. See *"Plan of Distribution"*.

No underwriter has been involved in the preparation of the Prospectus or performed any review of the contents of the Prospectus.

Some of the directors of the Company, namely Thomas D. Hays, Amin Shahidi and David Roth, and the Company's Chief Financial Officer, Mitch Codkind, reside outside of Canada. Mr. Hays, Mr. Shahidi, Mr. Roth and Mr. Codkind have appointed the following agent for service of process:

Name of Agent	Address of Agent
McMillan LLP	Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7

Purchasers 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 the party has appointed an agent for service of process.

The head office of the Company is located at Suite 206, 595 Howe Street, Vancouver, British Columbia, V6C 2T5. The registered office of the Company is located at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia Canada, V6E 4N7.

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GENERAL MATTERS

In this Prospectus, "VSBLTY", "we", "us" and "our" refers to VSBLTY Groupe Technologies Corp.

ABOUT THIS PROSPECTUS

VSBLTY is a British Columbia company that is a "reporting issuer" under Canadian securities laws in British Columbia, Alberta, Saskatchewan and Ontario. Its common shares are traded in Canada on the CSE under the symbol "VSBY".

This Prospectus is a base shelf prospectus that the Company has filed with the securities commissions in British Columbia, Alberta, Saskatchewan and Ontario (the "**Qualifying Jurisdictions**") in order to qualify the offering of the Securities described in this Prospectus in accordance with NI 44-102.

Under this shelf registration process, VSBLTY may sell any combination of the Securities described in this Prospectus in one or more offerings up to a total aggregate initial offering price of CAD$50,000,000. This Prospectus provides you with a general description of the Securities that the Company may offer. Each time the Company sells Securities under this Prospectus, the Company will provide a Prospectus Supplement that will contain specific information about the terms of that specific offering. The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the Prospectus Supplement. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the securities to which the Prospectus Supplement pertains.

Prospectus investors should rely only on the information contained in or incorporated by reference into this Prospectus and in any applicable Prospectus Supplement. The Company has not authorized anyone to provide you with information other than that contained in this Prospectus and in any applicable Prospectus Supplement. The Company is not making any offer of these Securities in any jurisdiction where the offer is not permitted. Prospective investors should not assume that the information contained in this Prospectus and any Prospectus Supplement is accurate as of any date other than the date on the front of those documents or that any information contained in any document incorporated by reference is accurate as of any date other than the date of that document. The business, financial condition, operating results and future prospects of the Company may have changed since those dates.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained from the Company upon request without charge from VSBLTY Groupe Technologies Corp., Suite 206, 595 Howe Street, Vancouver, British Columbia, V6C 2T5, or by accessing the Company's disclosure documents available through the internet on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

The following documents ("**documents incorporated by reference**" or "**documents incorporated herein by reference**") have been filed by the Company with various securities commissions or similar authorities in the provinces of Canada in which the Company is a reporting issuer, and are specifically incorporated herein by reference and form an integral part of this Prospectus:

1. the Company's annual information form for the financial year ended December 31, 2021, dated June 14, 2022;

2. the audited consolidated financial statements of the Company, for the years ended December 31, 2021 and 2020, together with the auditors' report thereon and the notes thereto;

3. the management's discussion and analysis of financial condition and results of operations for the year ended December 31, 2021;

4. the condensed consolidated interim financial statements of the Company for the three months ended March 31, 2022 and 2021, and the notes thereto, except the notice provided under subparagraph 4.3(3)(a) of National Instrument 52-102 – *Continuous Disclosure Obligations* (the "**Interim Financial Statements**");

5. the management's discussion and analysis of financial condition and results of operations for the three month period ended March 31, 2022;

6. the management information circular of the Company dated August 11, 2021 distributed in connection with the Company's annual general meeting of shareholders held on September 15, 2021;

7. the material change report dated March 1, 2022 regarding the appointment of David Roth as a director of the Company;

8. the material change report dated June 15, 2022 regarding the entering into of an agreement by the Company and RADAR USA, Inc. ("**RADAR USA**") with a major Mexican telecommunications carrier to actively market their integrated surveillance and advanced security technology;

9. the material change report dated June 15, 2022 regarding the entering into of a monthly software as a service ("**SaaS**") agreement with Winkel Media, S.A.P.I. de C.V. ("**Winkel Media**") to begin a phase one installation of Golden Record in its convenience store media network throughout Latin America;

10. the material change report dated June 15, 2022 regarding the entering into of an agreement by the Company and Winkel Media with AustinGIS Inc. ("**AustinGIS**") to finance, supply, install and maintain Winkel Media's planned 50,000-store network in five Latin American countries including Mexico, Ecuador, Peru, Colombia and the Dominican Republic;

11. the material change report dated June 15, 2022 regarding the entering into of an agreement with Wireless Guardian, Inc. ("**Wireless Guardian**") to install security technology funded by a store-as-a-medium ("**SaaM**") program, in more than 2,800 Mountain Express Oil convenience stores and/or truck stops in 19 states; and

12. the material change report dated July 29, 2022 regarding the closing of the July 2022 Offering (as defined herein) and the July 2022 Private Placement (as defined herein).

A reference to this Prospectus includes a reference to any and all documents incorporated by reference in this Prospectus. Any document of the type referred to in paragraphs (1)-(4) above or similar material and any documents required to be incorporated by referred herein pursuant to National Instrument 44-101 – *Short Form Prospectus Distributions* ("**NI 44-101**") including any annual information form, all material change reports (excluding confidential reports, if any), all annual and interim financial statements and management's discussion and analysis relating thereto, or information circular or amendments thereto filed by the Company after the date of this Prospectus and prior to the termination of the offering under any Prospectus Supplement.

In addition, the Company may determine to incorporate into any Prospectus Supplement to this Prospectus, including any Prospectus Supplement that it files in respect of an "*at-the-market distribution*" (as defined in NI 44-102), any news release that the Company disseminates in respect of previously undisclosed information that, in the Company's determination, constitutes a "material fact" (as such term is defined under applicable Canadian securities laws). In this event, the Company will identify such news release as a "designated news release" for the purposes of the Prospectus in writing on the face page of the version of such news release that the Company files on SEDAR (any such news release, a "**Designated News Release**"), and any such Designated News Release shall be deemed to be incorporated by reference into the Prospectus Supplement for the offering in respect to which the Prospectus Supplement relates. These documents will be available through the internet on SEDAR.

Upon a new annual information form and related annual financial statements being filed by the Company with, and where required, accepted by, the applicable securities regulatory authority during the currency of this Prospectus, the previous annual financial statements and all interim financial statements, material change reports and information circulars filed prior to the commencement of the Company's financial year in which a new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder. Upon consolidated interim financial statements and the accompanying management's discussion and analysis of financial condition and results of operations being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, all consolidated interim financial statements and the accompanying management's discussion and analysis of financial condition and results of operations filed prior to such new consolidated interim financial statements and management's discussion and analysis of financial condition and results of operations shall be deemed to no longer be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus. In addition, upon a new management information circular for an annual meeting of shareholders being filed by the Company with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, the previous management information circular filed in respect of the prior annual meeting of shareholders shall no longer be deemed to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

Any statement contained in this Prospectus or a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded shall not constitute a part of this Prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Information on any of the websites maintained by the Company does not constitute a part of this Prospectus.

All information permitted under applicable securities legislation to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus, except in cases where an exemption from such delivery requirements has been obtained. A Prospectus Supplement containing the specific terms of an offering of Securities will be delivered to purchasers of such Securities together with this Prospectus and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement, but only for the purposes of the offering of Securities covered by that Prospectus Supplement. Investors should read this Prospectus and any applicable Prospectus Supplement carefully before investing in the Securities.

Any template version of any "marketing materials" (as defined in NI 44-101) filed after the date of a Prospectus Supplement and before the termination of the distribution of the Securities offered pursuant to such Prospectus Supplement (together with this Prospectus) is deemed to be incorporated by reference in such Prospectus Supplement.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this Prospectus concerning the industry and markets in which VSBLTY operates, including its general expectations and market position, market opportunity and market share is based on information from independent industry organizations, and other third-party sources (including industry publications, surveys and forecasts), and management estimates. Unless otherwise indicated, management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from the Company's internal research, and are based on assumptions made by the Company based on such data and its knowledge of such industry and markets, which it believes to be reasonable. The Company's internal research has not been verified by any independent source, and it has not independently verified any third-party information. While the Company believes the market position, market opportunity and market share information included in this Prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the

Company's future performance and the future performance of the industry in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described under the heading "Risk Factors".

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and the documents incorporated herein by reference contain 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 and the documents incorporated herein by reference use words such as "may", "would", "could", "will", "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate", "outlook", and other similar expressions to identify forward-looking information. These forward-looking statements include, among other things, statements relating to:

- the duration and effects of COVID-19 and any other pandemics on the Company's workforce, business, operations and financial condition;
- the Company's expectations regarding its revenue, expenses, operations, products and services, and research and development;
- the Company's expected use and success of its products and services;
- the Company's anticipated cash needs and its needs for additional financing;
- the Company's planned use of proceeds;
- the Company's plans of distribution;
- the terms of the Company's future offerings pursuant to Prospectus Supplements;
- the Company's intention to grow the business and its operations;
- expectations regarding growth rates, growth plans and strategies of the Company;
- the Company's strategy with respect to the expansion and protection of its intellectual property;
- the Company's competitive position in which the Company operates;
- the Company's expected business objectives for the next 12 months;
- the Company's ability to continue to depend on revenue from a relatively small number of customers;
- the Company's plans with respect to the payment of dividends;
- the Company's ability to obtain additional funds through the sale of equity or debt commitments;
- expectations with respect to future production costs and capacity;
- the ability of the Company's products to access markets;
- the Company's ability to expand into international markets;
- the Company's relationship with its distribution partners;
- conditions in the financial markets generally, and with respect to the prospects for small capitalization commercial/technologies companies specifically;
- the expected demand for the Company's services;
- the Company's future cash requirements;
- the Company's expectations with respect to the overall value and revenue created by the Joint Venture (as defined herein) and the Company's agreement with Wireless Guardian;
- the Company's expectations with respect to the growth and expansion of Winkel Media and the JV Media Network (as defined herein);
- the Company's expectations with respect to the growth and expansion of its SaaS and SaaM networks and deployments; and
- the Company's expectation that the annual gross revenue of the SaaM network to the Company may be greater than $30M once the 2,800 store network is fully deployed.

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 and in and the documents incorporated herein by reference include, without limitation:

- general business and economic conditions;
- the duration of COVID-19 and the extent of its economic and social impact;
- the Company's ability to successfully execute its plans and intentions;
- the availability of financing on reasonable terms;
- the Company's ability to attract and retain skilled staff;
- market competition;
- the products, services and technology offered by the Company's competitors;
- the Company obtaining the necessary regulatory approvals;
- that regulatory requirements will be maintained;
- general business and economic conditions;
- the maintenance of the Company's current good relationships with its suppliers, service providers and other third parties;
- financial results, future financial position and expected growth of cash flows;
- business strategy, including budgets, projected costs, projected capital expenditures, taxes, plans, objectives, potential synergies and industry trends;
- research and development; and
- the effectiveness of the Company's products compared to its competitors' products.

Although the Company believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, prospective purchasers of Securities should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Risk Factors*", which include, without limitation:

- the Company's ability to manage its continued growth successfully;
- the impact of COVID-19 on the Company and its business;
- disruptions in the activities of the Company due to acts of God;
- the Company's ability to increase its revenue and maintain profitability;
- the Company's ability to attract new customers and increase revenues from existing customers;
- the Company's ability to successfully develop new products, enhance existing products and otherwise gain market acceptance;
- the Company's reliance on key personnel;
- the Company's ability to attract and retain highly qualified personnel;
- the Company's dependence on key customers;
- infrastructure risk;
- cybersecurity risk;
- the Company's ability to anticipate standards and trends, respond to technological advances in its industry, and to continue to enhance existing products or to design and introduce new products on a timely basis to keep pace with technological developments and its customers increased needs;
- the Company's ability to design, develop and commercially launch new products;
- the Company's competitiveness in its industry;
- difficulties with forecasts;
- in certain circumstances, the Company's reputation could be damaged;

- the Company's ability to protect its intellectual property;
- the Company has international operations, which subject the Company to risks inherent with operations outside of Canada;
- the risk of litigation;
- the market price of Common Shares and volatility;
- the need for additional financing;
- the potential for a material weakness in the Company's internal controls over financial reporting;
- potentials for conflicts of interest for the Company's officers and directors;
- uncertainty and discretion of use of proceeds;
- dividend risk;
- global economy risk;
- exchange rate fluctuations between the U.S. dollar and the Canadian dollar;
- the Company's actual financial position and results of operations may differ materially from the expectations of the Company's management;
- the continued operation of the Company as a going concern;
- dilution of Common Shares.
- the Company's revenue projections may prove inaccurate;
- the Company is a development stage company with little operating history, a history of losses and the Company cannot assure profitability;
- the Company'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;
- the Company is subject to changes in Canadian laws regulations and guidelines which could adversely affect the Company's future business and financial performance;
- the Company may not be able to effectively manage its growth and operations, which could materially and adversely affect its business;
- the Company may not be able to successfully launch new solutions, and there can be no assurances the Company's engineering and development efforts will be successful in competing and launching such solutions;
- any amounts payable in respect of interest and principal on debt to be incurred by the Company will affect its net cash flow and profitability. Any increase in such payments will result in a corresponding increase in the cash out flow of the Company that must be applied to debt service;
- the effectiveness Company's technology and the Company's ability to bring its technology into commercial production cannot be assured;
- the Company may become subject to litigation, including for possible product liability claims, which may have a material adverse effect on the Company's reputation, business, results from operations and financial condition;
- the Company faces competition from other companies where it will conduct business and those companies may have a higher capitalization, more experienced management or may be more mature as a business;
- the Company is reliant on management. If the Company is unable to attract and retain key personnel, it may not be able to compete effectively;
- the Company's industry is experiencing rapid growth and consolidation that may cause the Company to lose key relationships and intensify competition;
- the Company expects to sell additional equity securities or secure debt facilities to fund operations, for capital expansion, and for mergers and acquisitions, which would have the effect of diluting the ownership positions of the Company's current shareholders;
- regulatory scrutiny of the Company's industry may negatively impact its ability to raise additional capital;
- the Company cannot assure you that a market will continue to develop or exist for the Common Shares and, if such market continues to develop, what the market price of the Common Shares will be;
- the market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond our control;
- the Company does not anticipate paying cash dividends;

- future sales of Common Shares by existing shareholders could reduce the market price of the Common Shares; and
- COVID-19 and its potential effects on the Company's third-party suppliers, service providers and distributors.

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements. The assumptions referred to above and described in greater detail under "*Risk Factors*" should be considered carefully by readers.

The Company's forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this Prospectus (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. We do not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

This Prospectus and certain of the documents (or part thereof) incorporated by reference also contain future-oriented financial information and financial outlook information (collectively, "**FOFI**") regarding the Company's prospective revenue, operating losses, expenses and research and development operations, which are subject to the same assumptions, risk factors, limitations and qualifications as set forth above. FOFI contained in this Prospectus or in any document (or part thereof) incorporated by reference was prepared using the same accounting principles that the Company expects to use in preparing its financial statements for the applicable periods covered by such FOFI. FOFI was made as of the date of this Prospectus and is provided for the purpose of describing anticipated sources, amounts and timing of revenue generation, and is not an estimate of profitability or any other measure of financial performance. In particular, revenue estimates do not take into account the cost of such estimated revenue, including the cost of goods and the cost of sales. In addition, and for greater certainty, revenue estimates do not take into account the operating costs of the Company. VSBLTY disclaims any intention or obligation to update or revise any FOFI contained in this Prospectus or in any document (or any part thereof) incorporated by reference, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. FOFI contained in this Prospectus or in any document (or any part thereof) incorporated by reference should not be used for purposes other than for which it is disclosed herein. See "Risk Factors".

All of the forward-looking statements contained in this Prospectus and the documents incorporated herein by reference are expressly qualified by the foregoing cautionary statements. Investors should read this entire Prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment.

CURRENCY PRESENTATION

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to $ or USD$ are to U.S. dollars. Canadian dollars are denoted as CAD$.

The daily exchange rate on August 9, 2022, as reported by the Bank of Canada for the conversion of Canadian dollars into U.S. dollars was CAD$1.2880 equals USD$1.00.

SUMMARY DESCRIPTION OF BUSINESS

This summary does not contain all the information about the Company that may be important to you. Investors should read the more detailed information and financial statements and related notes that are incorporated by reference into and are considered to be a part of this Prospectus.

Incorporation and Offices

The Company was incorporated under the *Business Corporations Act* (British Columbia) 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." On December 12, 2018, the Company, VSBLTY, Inc., a company organized under the laws of Delaware, and VSBLTY Merger Co., a wholly-owned subsidiary of the Company organized under the laws of Delaware ("**U.S. Subco**"), entered into a Merger Agreement pursuant to which the Company acquired all of the issued and outstanding common shares of VSBLTY, Inc. (the "**Acquisition**"). The Acquisition closed on February 15, 2019 and VSBLTY, Inc. became a wholly-owned subsidiary of the Company.

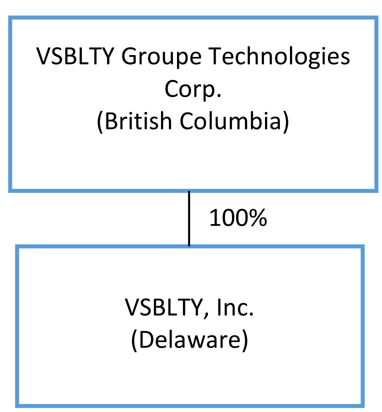
The Company's head office is located at Suite 206, 595 Howe Street, Vancouver, British Columbia, V6C 2T5 and its registered office is located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

The Company's Common Shares are listed on the CSE under the trading symbol "VSBY". The Company's Common Shares are also listed on the Frankfurt Stock Exchange under the symbol "5VS" and are quoted on the OTCQB Venture Market in the United States under the symbol "VSBGF". The Company is a reporting issuer in Canada in the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

The Company has one material wholly-owned subsidiary, VSBLTY, Inc., a corporation formed under the Delaware General Corporation Law (Title 8, Chapter 1) on December 12, 2018 in the State of Delaware under the name "VSBLTY, Inc." Prior to entering into the Merger Agreement, VSBLTY, L.P., a limited partnership organized under the laws of Delaware, 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. On February 15, 2019, VSBLTY, Inc. merged with U.S. Subco, with VSBLTY, Inc. being the surviving entity.

Prior to the Acquisition, the Company did not carry on any active business or operations. The principal business of the Company had 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 CSE. After the completion of the Acquisition, the principal business of the Company became the business of VSBLTY, Inc.

The organizational chart for the Company is as follows:



Business of the Company

Overview

VSBLTY 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. The selection of edge or cloud-based analytics is driven by the connectivity available at the applicable deployment location. For example, cloud-based analytics are preferred for locations where accuracy is paramount, connectivity is certain and reporting must occur in real time. In comparison, edge-based analytics are preferred for locations where internet connectivity cannot be relied upon and audience analytics are not required to be reported in real time. VSBLTY employs its pro-active digital display ("**Pro-Active Digital Display**") SaaS-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 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 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. VisionCaptor, 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 a 50-year-old male. The objective is to drive meaningful messaging demographically triggered by the machine vision. DataCaptor can be used in conjunction with the VisionCaptor CMS or, in some cases, it is used as the analytics and measurement component that interfaces into foreign CMS software platforms.

3. VECTOR, a facial detection 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 a differentiated suite of software services that allow venues, retailers, or digital out-of-home ("**DOOH**") network providers to deploy sophisticated digital content solutions, coupled with in-depth measurement and analytics as well as a security solution.

As a participant in retail solutions, VSBLTY assists retailers in defining a digital growth and marketing strategy. VSBLTY brings solutions that help retailers take advantage of digital trends in retail and provides comprehensive expertise and consulting to educate its customers on how to take advantage of VSBLTY's products. VSBLTY's provision of product-education services to its customers helps position VSBLTY as a trusted resource. VSBLTY's goal is to establish a brand that is trusted by retailers and brands alike to guide them through technological changes in retail.

The Company will focus its resources on leveraging this trust to generate revenue and continue to build its brand.

As described above, the core capabilities of the Company range from integrated and interactive display through to computer vision and facial recognition. Through an extensive partner network both domestically and internationally, the Company has discovered some of the pre-existing core technology can be applied in a meaningful way to address many of the concerns of organizations returning to work after the global COVID-19 pandemic. Some of the capabilities that are being leveraged in the market and by the Company's partners include:

- Capacity management – Computer vision used to determine real time capacity (persons) in retail;
- Density management – Computer vision used to provide an alert or notification when physical distancing guidelines are not adhered to (retail and smart cities);
- Access control – Facial Recognition technology embedded into kiosk applications to help ensure safe and secure buildings and commercial locations;
- Thermal scanning (wellness perimeter) – Thermal scanning utilized to assess a person entering a facility to help identify people that have a high body temperature, which can be a symptom of COVID-19 or other illness (coupled with facial recognition this provides audit trail along with track and trace capability); and
- Object recognition (mask detection) – Mask detection technology (utilizing object recognition computer vision) to help ensure compliance in locations where masks are mandatory.

From time to time, the Company enters into agreements with various parties in the ordinary course of business, which include letters of intent, memorandums of understanding, partnership agreements, teaming agreements, product development agreements, supply agreements, licensing agreements, services agreements, and original equipment manufacturer agreements. Several of these agreements are further described under the "General Development of the Business" section of the Company's annual information form for the financial year ended December 31, 2021, dated June 14, 2022 (see pages 3-12 of the annual information form). To date the Company has not yet generated any material revenues from such agreements. Certain of these previously disclosed agreements, including those with SYNQ Technologies Ltd., Digitalware Inc., Prevenitas Inc., KIOSK Information Systems Inc. and Chubasco S.A., are no longer active. The ability of the Company to generate revenue and the timing of deployment of these arrangements is uncertain and subject to numerous factors, including market conditions, successful product development, market acceptance and performance by the Company's partners (see "Cautionary Statement Regarding Forward-Looking Information" and "Risk Factors"). In addition, certain agreements with the Company's key channel partners are also described in this Prospectus under the heading "Business of the Company – Channel Orientation" and the Company's joint venture to install and manage an international in-store media network in Mexico and Latin America is described under the heading "Business of the Company – Joint Venture with Modelo and Retailigent Media".

Market

The DOOH market refers to digital advertising that is targeted to consumers outside their homes. Management of VSBLTY 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. VSBLTY believes that DOOH is expected to grow to the extent that it can provide this measurability to major brands. It is the experience of the management of VSBLTY that 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 provides a platform and capability that is intended to deliver this measurability.

In the security category, VSBLTY has identified a similar issue. Management of VSBLTY believes that most camera and sensor systems are too reliant on 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's technology. One of the goals of VSBLTY, and others pioneering the category, is to augment human operators interpreting video and flagging security operators to anomalous or extraordinary activity.

Since inception, VSBLTY has delivered software solutions that rely heavily upon cloud computing. However, there are many applications, particularly in DOOH and security, which may perform better and more reliably with edge processing. The consumption of algorithms in cloud computing is subject to licensing but VSBLTY 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 to provide solutions in both categories. VSBLTY will support both consumption models and will have different pricing models for each. The management of VSBLTY expects that edge-based solutions will have a measurable impact within the next 12 months as this market further defines itself. A report published on October 3, 2017 by industry analyst Gartner, Inc. titled "Top 10 Strategic Technology Trends for 2018" (the "**Gartner Report**") identified the migration of cloud computing to the edge modality as an important trend in the technology industry. In addition, recent industry reports suggest that the retail digital display market and global security market are projected to reach approximately $32B[1] and $187B,[2] respectively, by 2024 (a combined total market size of approximately $219B). Within this timeframe, such reports assume a compounded annual growth rate of 7.28% for the retail digital display market and 10% for the global security market. In a recent report authored by Boston Consulting Group, this marketplace was projected to grow from a nascent state to over USD$100B in just 4 years.[3] In another report published by Forbes in January 2022, the projections for this market were more modest but also indicated growth.[4]

Digital Out-of-Home Advertising

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 it can be difficult to reliably measure its effectiveness. 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 display 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 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. The Gartner Report suggests that better decision making will be informed by applications with an artificial intelligence foundation.

VSBLTY'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 believes that VSBLTY's products address the historical eyeball metric limitation inherent in the DOOH advertising industry. With the forward-facing data-collection capability of its proprietary software, VSBLTY 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.

Key to VSBLTY'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 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 the point of decision. In the opinion of management of VSBLTY, 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 brand.

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[1] Source: Orbis Research, "*Global Digital Signage Market Report 2019*", March 2019, https://www.orbisresearch.com/reports/index/global-digital-signage-market-report-2019.

[2] Source: Market Research Future, "*Global Commercial Security Market, By Product (Smart Locks, Security Cameras, Sensors), By Type (Intruder Alarms, Software, Access control, Surveillance systems), By End-users (Retail, Healthcare, Banking) – Forecast 2023*", July 2020, https://www.marketresearchfuture.com/reports/commercial-security-market-2861.

[3] Source: Boston Consulting Group, "*The $100 Billion Media Opportunity for Retailers*", May 2021, https://www.bcg.com/en-ca/publications/2021/how-to-compete-in-retail-media.

[4] Source: Forbes, "*Retail Media Networks Poised For Rapid Growth In 2022: What's Driving This $50 Billion Market?*", January 2022, https://www.forbes.com/sites/garydrenik/2022/01/12/retail-media-networks-poised-for-rapid-growth-in-2022-whats-driving-this-50-billion-market/?sh=91ea3a2569df.

Store as a Medium

Working closely with the Company's ecosystem partners, including Intel Corporation and WestRock Converting, LLC, the Company has developed a financial model that will allow for the implementation and adoption of the SaaM model as part of the Company's business strategy. The SaaM model proposes to remove from retailers the need to provide the capital necessary to equip the store with the technology required to generate digital platforms for monetization. That is, the objective of the SaaM model is to ensure that every element of the deployment model is addressed by a single platform, including the capitalization, operating costs, maintenance, content and advertising monetization processes. Given the Company's existing platform and expertise, management believes that VSBLTY is uniquely positioned to address all elements of the SaaM delivery model. For example, VSBLTY's comprehensive platform is able to create digital surfaces measured by computer vision, as well as provide a reporting and maintenance mechanism that ensures uptime, manages content and delivers brand experiences for consumer engagement. An overview of the Company's SaaM model is provided in the illustration immediately below.

Principal Products and Services

Since 2019, VSBLTY has worked diligently to establish a robust channel partner network. While the Company will continue to secure direct engagements with customers, the dominant approach will be through existing channels with specific expertise or customer relationships.

In foreign markets, VSBLTY 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 will perform all services articulated in the scope of work and in other cases VSBLTY will partner with other entities for the delivery of all services. Customers do not get an executable copy of the source code; rather, they participate under a subscription-type license that is governed by a commercial contract.

In the foreign markets, VSBLTY has pursued several strategic partnerships with distribution and agency representation. The objective is that each of these independent channels can, after training and adequate knowledge transfer, function as an extension of VSBLTY without a significant resource commitment from VSBLTY. As of the date hereof, the regions that have active, trained, and functional representation include:

- Mexico (regional partner: Retailigent, S.A. de C.V);
- EU (regional partner: H-Ventures S.R.L); and
- Africa (regional partner: Onyx-Cognivas Pty).

Joint Venture with Modelo and Retailigent Media

On March 12, 2021, the Company entered into a binding term sheet (the "**Binding Agreement**") with Cerveceria Modelo de Mexico, S. de R.L. de C.V. ("**Modelo**") and Retailigent, S.A. de C.V ("**Retailigent Media**") to enter into a joint venture (the "**Joint Venture**") by the end of Q2 2021 to install and manage an international in-store media network (the "**JV Media Network**") of up to 50,000 Modelorama stores and independent neighborhood bodegas in Mexico and across Latin America by the end of 2024. Active deployment is already underway in Mexico, Colombia, Peru, and Ecuador with approximately 2,000 locations currently deployed and an additional 3,000 locations expected to be installed by the end of 2022. The Company's goal is to grow the network in accordance with the following deployment cadence: 5,000 locations by the end of the first year of deployment; 15,000 locations by the end of the second year of deployment, 35,000 locations by the end of the third year of deployment; and 50,000 locations by the end of the fourth year of deployment. In addition to being an international advertising network, the JV Media Network, now operating as Winkel Media, will provide real-time security for store owners, powered by artificial intelligence, as well as integration of store traffic and customer demographics with sales and critical operations-related data to help stores optimize their business. In connection with entering into the Binding Agreement, VSBLTY issued to Modelo 15,500,000 Common Share purchase warrants. Each warrant is exercisable to acquire one Common Share for a period of five (5) years from the date of issuance at an exercise price of CAD$0.84 per share, subject to the following vesting conditions:

- 15% of the warrants vested immediately as a result of execution of the Binding Agreement;
- 15% of the warrants vested upon execution of the definitive agreements for the Joint Venture;
- 20% of the warrants vested upon the JV Media Network having been installed and operating in at least 1,500 locations;
- 20% of the warrants will vest upon the JV Media Network having been installed and operating in at least 5,000 locations;
- 15% of the warrants will vest upon the JV Media Network having been installed and operating in at least 20,000 locations; and
- 15% of the warrants will vest upon the JV Media Network having been installed and operating in at least 30,000 locations.

As at the date hereof 7,750,000 of the 15,500,000 warrants described immediately above are vested and exercisable. None of the vested warrants have been exercised for Common Shares.

In addition, VSBLTY agreed to issue to Modelo 5,000,000 additional warrants, with 2,500,000 warrants vesting upon the JV Media Network having been installed and operating in at least 1,500 locations and a further 2,500,000 warrants vesting upon the JV Media Network having been installed and operating in at least 5,000 locations. The additional warrants will have an exercise price equal to the closing price of VSBLTY's common shares on the last trading day prior to reaching the 1,500 locations milestone and will be exercisable for a period of five years from the date of issuance. As at the date hereof, such warrants have not yet been issued, but are expected to be issued in the coming weeks.

Once the 5,000,000 additional warrants are granted to Modelo, Modelo will hold a total of 20,500,000 warrants. If all of such warrants vest and are exercised by Modelo at approximately CAD$0.84 per share (total purchase price of approximately CAD$17.2M / USD$13.2M), Modelo will hold approximately 9% of the outstanding Common Shares of the Company.

The Joint Venture has established both an operating and management team with primary management based in Mexico City and territory management in both Colombia and Ecuador. The management team comes largely from Retailigent Media, one of the JV Media Network participants. A professional salesforce has been recruited and now the Joint Venture runs autonomously with a board of directors comprised of the equity holders in the Joint Venture. Modelo, which has influence in the region and acts as a central buying entity for more than 50,000 store locations, will play a key role in monetizing the JV Media Network and will incorporate the advertising opportunities in trade promotions and marketing. As of June 2022, there are approximately 2,000 store locations with the Winkel Media technology deployed in Ecuador, Peru, Colombia, and Mexico combined. Initial media contracts are being executed by the JV Media Network for pilot campaigns with major brands in Ecuador, Peru, Colombia, and Mexico. As a 33%

participant in the Joint Venture, the Company will participate in the license revenue per store (which is paid directly to the Company as a license agreement), and also in the overall value and revenue created by the JV Media Network as a media asset. The overall value and revenue created by the Winkel Media network is expected to be approximately $450 per store per month, of which VSBLTY is expected to receive approximately $150 per store per month (as a 33% participant in the Joint Venture). The license revenue per store is expected to be approximately $10-$15 per store per month, all of which will be paid directly to the Company (such amounts will not be shared by the other Joint Venture partners). In May of 2022, the Company began the deployment of its Golden Record SaaS technology, which is expected to generate additional SaaS fees from Winkel Media and also increase the media revenue for the JV Media Network. Golden Record uses free guest Wi-Fi in stores to improve the customer experience, and customized messages to inform, influence and motivate individuals to make impulse purchases at point of sale (see "Business of the Company – Winkel Media" below). The Company has also agreed to provide a bridge loan to Retailigent Media to secure capital equipment and to pay initial operating expenses so that Winkel Media can grow, up to a maximum of USD$1.7M. As at the date hereof, the Company has advanced approximately USD$1.5M to Winkel Media. The loan is expected to be paid back from the proceeds of Winkel Media. Since Winkel Media is still at the start up phase, the Company set up a 100% reserve (resulting in a charge to its income statement) as of December 31, 2021 against its loan receivable from Winkel Media until such time that Winkel Media becomes cash flow positive. In addition, the Company took a large reserve against the inventory on hand as of December 31, 2021 ($843,998 of $1,021,213 of inventory), for the Winkel Media future store deployments which are continuing. In order to avoid supply chain issues associated with the COVID-19 pandemic, the Company arranged for such inventory to be delivered in advance of the expected installation schedule. As a result of an agreement between AustinGIS and Winkel Media entered into in May of 2022 subsequent to the December 31, 2021 year end (see below), the inventory that has not already been deployed into the store environment (approximately 1,300 units) is being transferred to AustinGIS at its original carrying cost value. The Company does not anticipate similar impairments in the future with Winkel Media or any other customer, as it is expected that future deployments of hardware will be paid up front by the customer or under an equipment financing agreement with AustinGIS. In addition, once Winkel Media becomes cash flow positive, it is expected that Winkel Media will first pay off the accounts receivable that are due to the Company, followed by any outstanding debt obligations.

On April 21, 2021, VSBLTY signed an agreement with Tech Mahindra Limited ("**Tech Mahindra**") to provide procurement, logistical, installation and network support for the Winkel Media build out. Pursuant to the terms of the agreement, Tech Mahindra will install all of the Intel/VSBLTY video cameras, screens and hardware required to establish Winkel Media in more than 50,000 Modelorama stores and neighborhood bodegas throughout Latin America. The agreement will have a term of two years unless earlier terminated. Working closely with Intel Corporation, Tech Mahindra has provided an Intel-certified bill of materials for each of the store locations which sets out all of the equipment necessary for the store activation. Tech Mahindra was initially contracted with VSBLTY to begin this process, but in May 2022 the contract was assigned to AustinGIS. The project, which also includes Modelo, Intel Corporation and Retailigent Media, is expected by the Company to create the largest digital in-store media network in Latin America. In addition to the provision of services and equipment by Tech Mahindra, the parties have agreed to a contract for IaaS (Infrastructure as a Service), which provides that all of the capital equipment inclusive of the services provided to run and manage the JV Media Network are to be provided under a single per-location fee.

On May 24, 2022, the Company, together with Winkel Media, entered into an agreement with AustinGIS to finance, supply, install and maintain Winkel Media's planned 50,000-store network in five Latin American countries, including Mexico, Ecuador, Peru, Colombia and the Dominican Republic. This new major financing is expected to accelerate the growth of the Company's SaaS networks throughout Latin America and beyond. Pursuant to the terms of the agreement, AustinGIS is expected to provide the underlying edge infrastructure to customers on a subscription basis, including installation services and ongoing monitoring and maintenance. AustinGIS now acts in the primary contractor role and is responsible for all costs associated with procuring, installing and supporting the hardware roll out of the network, with Tech Mahindra providing a subcontractor role, such that the primary contractor role and associated costs are no longer the responsibility of the Company. The agreement covers the initial deployment of AustinGIS' equipment in 2,960 stores, and contemplates that the commercial terms and key performance indicators for additional stores will be subject to good-faith negotiations between the parties (which are expected follow the same general guidelines and financial terms as the initial deployment). The term of the agreement is four years unless earlier terminated by the parties; however, the first year of the agreement is mandatory, and Winkel Media will then have the option to renew for additional one year terms by providing at least sixty days' written notice.

Although certain financial projections in this "Joint Venture with Modelo and Retailigent Media" section are based on reasonable expectations developed by the Company's management, the assumptions and estimates underlying the financial projections are subject to significant business, economic, and competitive uncertainties and contingencies, including those listed under "Risk Factors", many of which will be beyond the control of the Company. The assumptions used by the Company's management to derive these financial projections include: (i) the Company's ability to successfully develop its products; (ii) the Company's pricing targets remaining in place; (iii) the Company's ability to successfully deploy its products to its Joint Venture partners' customers; (iv) the Company's Joint Venture partners' timely delivery of all ancillary components and services; (v) the Company's ability to maintain performance and quality as projects advance and product volume increases, and (vi) the Company, Modelo and Retailigent Media entering into definitive agreements in respect to the Joint Venture. Accordingly, the financial projections are only estimates and are necessarily speculative in nature. It is expected that some – and perhaps all – of the assumptions in the financial projections will not be realized and that actual results will vary from the projections. Such variations may be material and may increase over time. In light of the foregoing, readers are cautioned not to place undue reliance on the financial projections. See "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Information".

Channel Orientation

VSBLTY has established and will continue to develop and augment a comprehensive channel network. As a matter of strategic importance, the Company has targeted and secured several key channel partners. The goal of a channel partner network is to provide for the means of consumer engagement acceleration. With many well-trained channels, the Company can focus on the imperative of building world class software products, and less on the customer acquisition process. However, the Company has no intention of disengaging from building, addressing and fulfilling market demand. In this regard, the channel network functions as market accelerator and force multiplier.

Since 2019, the Company engaged several such channel partners on a SaaS basis. The Company's principal active channel partners are described in the following table:

Channel Partner	Description of Partnership
Sensormatic[1]	On August 15, 2019, the Company entered into an exclusive global reseller agreement with Sensormatic Solutions, the lead global retail solutions portfolio of Johnson Controls, Inc. ("**JCI**"). The nature of the contract with JCI is a strategic global reseller and original equipment manufacturer relationship for all of the software products developed by VSBLTY. Subsequent to the signing of the contract in September, both organizations have been investing resources to train both technical and salespeople with product, installation and support knowledge. Sensormatic Solutions has approximately 185,000 retail customers worldwide. From this list of customers, VSBLTY and Sensormatic Solutions have developed a specific (targeted) list of customers that, in the opinion of management, are likely to purchase VSBLTY's products. Since the second quarter of 2021, VSBLTY and Sensormatic have been developing a new shopper analytics product intended to create a new category of demographic analytics solutions for retail locations. As at the date hereof, the agreement has generated approximately $1,500 in revenue. The next milestone for the partnership is Sensormatic formally launching the combined product within their salesforce and identifying the first customers.
Energetika[2]	In September 2019, the Company and Energetika Sustenable y Ecologica SA de CV ("**Energetika**") entered into a definitive contract, pursuant to which the Company agreed to provide DataCaptor (video analytics, crowd measurement) and VECTOR (Facial Recognition and weapons detection) to Energetika to provide real time crowd analytics and audience measurement for Latin American communities. For several months the Company had been

Channel Partner	Description of Partnership
	working with Mexico City based Energetika to design, test, and pilot an integrated "security kit" for residential, neighborhood and law enforcement applications in the various communities around and within Mexico City. The testing involved the development of a proprietary and patent-able innovation meant to address the unique architectural demands of a scaled security camera network. The contract, which expires August 30, 2022, is renewable for successive terms. The parties have agreed to extend the agreement for a successive term upon expiry. While the number of cameras deployed in Mexico City currently exceeds 15,000, only a small fraction of those cameras have been enabled with Artificial Intelligence ("**AI**") logic from VSBLTY. This is mostly due to the additional capital expenditure required to add processing capability for large scale AI across the municipalities. This work is now underway to add processing logic to support an increasing number of cameras. In October of 2021, Energetika spun off its assets and contracts associated with the Mexican network to a new company called RADAR APP S.A.P.I. de C.V. ("**RADAR App**"). VSBLTY continues to support RADAR App as a reseller of the core VSBLTY security technology. As at the date hereof, the agreement has generated approximately $11,500 in revenue. The next milestone for the partnership is expected to be the expansion of the Mexico City RADAR deployments to other major cities in Mexico.
UST Global[(1)]	On April 23, 2020, the Company entered into a global, multi-product strategic teaming agreement with UST Global Inc. ("**UST Global**"), pursuant to which the parties will collaborate to bring advanced digital display software solutions to retail clients. UST Global is an integrator with approximately 25,000 employees worldwide. In addition, UST Global has extensive long-term relationships with a number of large retail companies. VSBLTY's products are distinct from the products offered by UST Global, and as such, management expects that UST Global's customers will express interest in VSBLTY's products. As of April 2022, the Company has several active engagements with UST Global. As part of this process, VSBLTY provides training to UST Global's salesforce. As UST Global's salesforce becomes more familiar with VSBLTY's product solutions, it is expected that this will in turn lead to additional engagement with UST Global's worldwide retailer customer base. With retail expected to increase and with the increasing interest in the store as a medium channel, VSBLTY remains committed to its partnership with UST Global and to the continued investment of resources. As at the date hereof, the agreement has generated approximately $11,000 in revenue. UST Global has targeted several initial customers and invested in training for both the VSBLTY SaaM solutions as well as digital cooler solutions. The first major customer to deploy one or both of these solutions will constitute the next milestone for the partnership.
Radar USA[(3)]	On August 11, 2021, the Company entered into a license agreement with RADAR USA, Inc. ("**RADAR USA**") to develop a security product offering and associated services for sale in the United States and Canada. RADAR USA was formed in 2021 as a collaboration between VSBLTY and RADAR App in Mexico, where the security network deployment has reached 15,000 cameras (however, only a small fraction of those cameras have been enabled with AI logic from VSBLTY). Pursuant to the license agreement, VSBLTY has granted an exclusive license to RADAR USA in respect of certain market segments in the United States and Canada with a focus on Homeowners Associations, municipal governments and critical infrastructure. Under the license agreement, VSBLTY will receive a pre-paid, non-refundable fee of USD$2,000,000, payable based upon certain funding milestones. The upfront license fee represents a certain number of licenses, beyond which a subsequent recurring license fee will apply. RADAR App will be responsible for the costs of the cameras and the costs related to the installation of the

Channel Partner	Description of Partnership
	cameras. The term of the agreement is for a period of forty-eight months, and thereafter shall automatically be renewed for successive twelve (12) month periods unless RADAR USA notifies the Company in writing at least thirty (30) days prior to the end of the then-current term or renewal term. The Company is aware of RADAR USA's development pipeline and management of the Company remains optimistic with respect to RADAR USA's growth prospects. The Company expects to receive the full USD$2,000,000 pre-payment under the licensing agreement in the third quarter of 2022. As at the date hereof, the agreement has generated approximately $200,000 in revenue. The next milestone for the partnership will be payment of the up front license by RADAR USA to VSBLTY. This is expected to be completed in Q4 of 2022. The Company holds an approximate 23.6% equity interest in RADAR USA.
EOS Linx [(2)]	On October 7, 2021, the Company entered into a five-year contract with EOS Linx LLC ("**EOS Linx**") to install its DataCaptor analytics solution in EOS Charge stations. Located at convenience and retail stores, shopping centers and hotels, EOS Charge stations are universal electric vehicle chargers that are supported by solar power. The parties have also agreed to develop the placement of electric vehicle ("**EV**") charging stations at fuel and convenience locations to augment EV charging with media supported digital display. This is expected to create new revenue opportunities for participating retailers as well as VSBLTY. As at the date hereof, the agreement has generated approximately $80,000 in revenue. The next milestone for the partnership is expected to be an expansion of the EV solar infrastructure into other cites. This is expected to be completed by the end of 2022.
Wireless Guardian[(1)(2)]	On June 7, 2022, the Company signed an agreement with Wireless Guardian, Inc. ("**Wireless Guardian**") to install security technology funded by a SaaM program, in more than 2,800 Mountain Express Oil convenience stores and/or truck stops throughout 19 states in the US. Wireless Guardian is a security technology-based company that has a focus on convenience and fuel retail. The parties have secured a contract to provide digital activation and media capabilities. The SaaM program allows retailers to offset the cost to update their security systems using new revenue raised from brand-generated media advertising on cooler doors and screens throughout their stores. Using Intel Smart Edge and VSBLTY/Wireless Guardian solutions, Mountain Express Oil locations are expected to enhance the guest experience with interactive brand messaging triggered by proximity and demographics. Included in the installations will be Golden Record, which uses free guest Wi-Fi in stores to improve the customer experience by providing customized messages to inform, motivate and reward individuals to make impulse purchases at point of sale. Once customers opt in, shoppers receive money-saving coupons and content specialized to their individual interests and preferences during their current and future store visits. All hardware costs associated with this agreement will be funded by Wireless Guardian. The agreement may be terminated in the following circumstances: (i) either party may terminate the agreement without cause upon sixty (60) days' prior written notice; (ii) in the event that Wireless Guardian has a reasonable issue or concern with respect to a change of control in ownership of VSBLTY, Wireless Guardian may terminate the agreement by delivering written notice of termination to VSBLTY at any time within thirty (30) days after receiving written notice from VSBLTY of a change in control of VSBLTY; (iii) either party may terminate the agreement with cause upon thirty (30) days' prior written notice, unless the applicable breach is cured during the notice period; or (iv) either party may terminate by written notice to the other party if the other party becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition of bankruptcy, suffers or permits the appointment of a receiver for its business or assets, or

Channel Partner	Description of Partnership
	becomes subject to any proceedings under any bankruptcy or insolvency law, or has wound up or liquidated, voluntarily or otherwise. While VSBLTY and Wireless Guardian do not have a formal distribution agreement in place, the strategic intent is to align the companies in order to develop a comprehensive go-to-market product offering that combines Wireless Guardian's signals intelligence security solution and VSBLTY's security and retail solutions. In the event that a distribution agreement is entered into, it is expected that both parties will be granted to the right to sell the other parties' SaaS software as well as professional services and expertise. This product offering is expected to feature a wide-range of VSBLTY solutions incorporating both measured digital display for retail as well as programmatic content and signals intelligence security. The Company projects that when the 2,800-store rollout is completed the annual gross revenue of the SaaM network to the Company may be greater than $30M. The Company's SaaM model is expected to earn income from multiple revenue streams under the contract. With an expanded role in leading the SaaM model, in addition to traditional SaaS fees, the Company expects to receive fees for media and content management. Additional revenue is also expected to be generated from Golden Record media and creative fees. Net margins will vary between SaaS, content/media fees and hardware, but are expected to generally be consistent with the Company's historical norms. As at the date hereof, the agreement has generated approximately $140,000 in revenue. The Company is deploying a pilot phase over the next several months, and once completed expects to complete installation at a rate of approximately 500 stores per quarter. Accordingly, deployment at 2,800 stores is expected to be completed sometime in 2024. The Company's financial projections in this section related to the Wireless Guardian agreement are based on reasonable expectations developed by the Company's management, and the assumptions and estimates underlying the financial projections are subject to significant business, economic, and competitive uncertainties and contingencies, many of which will be beyond the control of the Company. The assumptions used by the Company's management to derive these financial projections include: (i) the Company's ability to successfully develop and deploy its products, in particular the completion of the rollout to 2,800 Mountain Express convenience stores, based on an expected cadence of approximately 500 stores per quarter after the initial pilot phase; (ii) approximately $225 of SaaS gross revenue per store per month, based on the deployment of two cooler panel displays and five 55-inch screens for a total of five visual displays per store, with each display generating $40-50 gross revenue per month ; (iii) up to approximately $2,450 per store per month derived from media revenue, of which VSBLTY would receive a 30% share where the ad purchases are sourced by the Company, or 18% where VSBLTY does not source the ad purchases; (iv) up to approximately $13,000 per store of revenue from VSBLTY procuring hardware; (v) cost of sales and expenses being consistent with VSBLTY's historical performance; (vi) the Company's partners' timely delivery of all ancillary components and services; and (vii) the Company's ability to maintain performance and quality as the project advances and product volume increases. Accordingly, these financial projections are only estimates and are necessarily speculative in nature and actual results may vary and such variations may be material and may increase over time. In light of the foregoing, readers are cautioned not to place undue reliance on the financial projections. See "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Information".

Notes:

(1) The Company categorizes these agreements as reseller agreements. Under a reseller agreement, the applicable partner is granted the right to sell VSBLTY's products as part of the partner's existing suite of products (e.g. VSBLTY's software will be

embedded within the partner's existing products) or as a stand-alone product to the partner's existing customers. Under these arrangements, consistent revenues will generally not begin until a few quarters after the applicable agreement is executed, as several months are required to sufficiently define the terms and scope of the collaboration, and to provide sufficient training to the reseller and its staff.

(2) The Company categorizes these agreements as integration/original equipment manufacturer agreements. Under an integration/original equipment manufacturer agreement, the applicable partner's key customers are already identified and, in many cases, orders for the Company's products from such customers are already secured (in full or in part). Accordingly, there is often an increased level of certainty connected with these arrangements. However, there is still a degree of uncertainty with respect to the pace of deployment, and any additional contracts that must be executed for new orders or customers.

(3) The Company categorizes this agreement as a non-standard reseller agreement, as well as a strategic partnership.

In addition to those named above, the Company works with a number of other channel partners under reseller agreements where partners are granted rights to sell the Company's products. Such reseller agreements include the following:

- On August 10, 2020, the Company announced that, together with its South African channel partner, Onyx-Cognivas Pty., it will deploy multiple digital media solutions in a chain of fuel/convenience stores operating in South Africa. Under this deployment, which will have a term of five years unless earlier terminated, the Company's VisionCaptor™ and DataCaptor™ software is expected to be installed in retail locations, each having three digital interactive placements as well as computer vision analytics.

In addition, to the above channel partners, the Company has the following key engagements:

Winkel Media

The Joint Venture, which was entered into between the Company, Retailigent Media and Modelo, operates under the name Winkel Media, S.A.P.I. de C.V. ("**Winkel Media**") and is a strategic engagement for VSBLTY. Winkel Media is both a customer and a key partner. VSBLTY derives license revenue from Winkel Media but also participates in the media revenue from the Joint Venture. The objective of the Joint Venture is to create a high-performing retail media network that will allow for digital advertising in up to 50,000 locations over the life of the Joint Venture. The rationale for VSBLTY providing initial financing for the Joint Venture, as well as delaying payment on SaaS fees, is to allow for the performance of activities intended to create critical mass in the market. That is, the structure is based on the underlying rationale that media cannot be sold unless it reaches a certain distribution or reach. The other parties to the Joint Venture create value in non-tangible ways, while VSBLTY agreed to fund the initial costs of the network build-out with the expectation that both the revenue and the initial start up operating and equipment costs will be paid out as the entity approaches cash flow positive.

Winkel Media is growing and currently provides a large portion of the Company's revenues. As at December 31, 2021, the Joint Venture has generated approximately $1.3M in revenue for the Company. The Company expects that more technology will be licensed by Winkel Media as the services expand into related, technology enabled, advertising markets. Any change in VSBLTY's relationship with this partner in the future could have a material adverse effect on its business, financial condition and results of operations. See "Risk Factors - Dependence on a Small Number of Channel Partners".

On May 3, 2022, the Company entered into a monthly SaaS agreement with Winkel Media to begin a phase one installation of Golden Record in its convenience store media network throughout Latin America. The initial rollout has started in Mexico, Peru, Ecuador, Colombia and the Dominican Republic, and is expected to expand with new installations as Winkel Media grows its planned 50,000-store network. Winkel Media is an in-store media technology company that is a joint venture of the Company, its Latin American partner Retailigent, S.A. de C.V. and Cerveceria Modelo de Mexico, S. de R.L. de C.V. that is already operational. The technology company developed the first retail DOOH network in Latin America Golden Record uses free guest Wi-Fi in stores to improve the customer experience, and customized messages to inform, influence and motivate individuals to make impulse purchases at point of sale. The initial term of the agreement is for a period of twenty-four (24) months; however, the parties will have the right to extend the term for an additional twenty-four (24) month period if the applicable shareholders' agreement terminates. After the initial term or applicable extension period, the agreement will automatically be renewed for successive three (3) month periods unless Winkel provides notification in writing at least thirty (30) days prior to the end of the then-current term or renewal term. In the event of a material breach of any provision of the agreement, the non-breaching party may terminate the agreement by giving thirty (30) days prior written notice to the breaching party; provided, however, that the agreement shall not terminate if the breaching party has cured the breach prior to the expiration of such thirty (30) day period.

AustinGIS

In August of 2021, the Company purchased an approximate 12% equity fully-diluted interest in AustinGIS Inc. ("**AustinGIS**") for an aggregate purchase price of USD$1,000,000. The strategy of this entity is to focus on large infrastructure deals seeking financing and technology with an emphasis on large smart city infrastructure.

Retail and Security Sectors

Although the goal of the Company is to secure as many SaaS subscriptions as possible, there are many components to successfully securing and growing a customer subscription base in the markets and channels the Company serves. There are two broad categories in which the Company participates, which include: (i) the retail sector; and (ii) the security sector. Each of the retail and security sectors have slightly different deployment and revenue models, which are further described in the following paragraphs.

1. Retail: In the retail sector, the objective of VSBLTY, through the deployment of its software, is to generate greater visibility and promotion for consumer products in physical retail locations. This objective is addressed through the process of activation. For example, the Company's VisionCaptor product is optimized to deliver a visual or interactive experience for consumers who are in aisle at retail locations. The objective of the digital activation is to engage the customer in a specific message that is customized to the promotion or to the consumer (e.g. specific to the consumer's age and gender). The efficacy of the message is measured by counting persons, dwell time, engagement, interaction and lift (which refers to the amount of incremental product sold due to the activation). In the experience of management of the Company, consumer packaged goods brands will pay for the opportunity to place messaging in retail locations because they expect that such positioning will enhance the branding of their product, will generate more product sales, and will provide consumer engagement metrics, unlike other retail solutions previously provided. Brands use this data to fine tune their messaging and to optimize target marketing and customer engagement. The activation itself (the visual display combined with measurement) provides an effective way of reaching consumers out of home with relevant brand messaging and, in the experience of management of the Company, results in a return on investment in the form of increased sales. This may increase the value of the shelf space because it becomes an advertising platform with instant and granular measurement data.

   The Company generates retail revenue by creating a new interactive advertising medium that is both interactive and measurable. VSBLTY generates revenue not only by providing the professional services that surround the deployment of the technology, but also through the creative execution and the SaaS licenses, which are foundational to the actual platform. A typical deployment in retail will be funded either by the brand (e.g. a company that displays and sells their products within a retail store) or the retailer (e.g. a company that owns the retail location within which products are displayed and sold) and deployed in a selected number of stores. Each deployment for each store can constitute 1 to 4 "endpoints". VSBLTY licenses its retail software on a "per end point per month" basis. A deployment that is executed across an entire retailer could be several thousand endpoints. As the Company generates more end points in retail locations (e.g. more smart digital shelves or displays) and the benefits of the Company's products are further demonstrated, management expects that the market demand for the Company's products will increase.

2. Security: VSBLTY's security solution is based on the idea that too many cameras can overwhelm operators, leading to circumstances wherein the operators, charged with the responsibility of monitoring hundreds of video feeds, miss critical events or information. The camera networks tend to be used primarily to understand and decode what may have happened, as opposed to acting as a critical early warning system or a real time analytics augmentation to the operator. While the forensic value of a camera network is significant, the idea of conducting proactive analytics without operator intervention brings surveillance into a new category. VSBLTY's software can monitor hundreds of thousands of camera feeds for meaningful data in the video

stream, which includes data with respect to objects that should not be there, such as weapons or unauthorized persons in a restricted area.

Both the DataCaptor and VECTOR software modules process algorithms. This is the artificial intelligence process that determines, as an example, the age of a person, the gender of a person, the type of an object (e.g. a beverage) or the identity of a person. DataCaptor and VECTOR can run one or many algorithms simultaneously on edge processors (not cloud). In the security context, for instance, this means that the VECTOR software can query a local database and determine if a person in the field of view matches a biometric entry on the database. If the software determines a match, there will be a report with probability of a match (e.g. the person is matching to a database entry with, for example, an 87% probability).

VSBLTY generates revenue from the security market by selling both DataCaptor (Anonymous video analytics) and VECTOR (Facial Recognition). Each camera is licensed, as is each algorithm. The more algorithms that run on the processor, the more licenses are required. As the Company deploys camera networks with its security partners, VSBLTY will run analytics on a sub-set or on the entire camera population. The license revenue will be generated in that manner.

A typical security deployment would include a number of cameras deployed within a city or community and, depending upon the kind and number of algorithms deployed, each camera would be licensed per month. In a smart city deployment, the number of cameras running analytics in a camera network could number in the thousands.

Production and Sales

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

- Peerless AV – VSBLTY utilizes kiosk hardware and outdoor high bright solutions from Peerless AV.
- Intel Corporation – All processor hardware is sourced from Intel Corporation and related entities. VSBLTY is a pioneer on Intel's Edge architecture, OpenVINO™. The Intel® Network Builders Edge Ecosystem is a new initiative that gathers ecosystem partners with a focus on accelerating network edge solutions. Spanning across multiple verticals, the Intel Network Builders Edge Ecosystem highlights industry participants that are driving the development, deployment and adoption of edge-centric technologies. For VSBLTY, this proximity and collaboration with Intel provides not only a strategic advantage in the Intel OpenVINO ecosystem, but also a broader commercial advantage as the program offers its participants the ability to co-market and collaborate on product design and business development.
- In Store Screen – Digital header and shelf strip hardware is manufactured by In Store Screen and utilized by VSBLTY for intelligent aisle activations. In January 2020, In Store Screen entered into a commercial relationship with Lenovo Group Limited ("**Lenovo**"), one of the world's largest manufacturers of computer platforms and ancillary technology.
- LG/MRI – LG/MRI is one of the world's leading sources for outdoor, high bright screens as well as digital coolers and freezers.
- Seneca – Seneca, a division of Arrow Electronics Inc., is one of the world's largest sourcing and distribution entities of technology and integrated systems. VSBLTY has had long standing ties with Seneca and in 2019 extended that relationship so that Seneca could install VSBLTY software and systems at factory for later enablement by Seneca customers. In 2020, Seneca launched the Maestro program, which was created by Seneca to make it easier for enterprise customers to buy hardware and have the software pre-loaded for easy deployment. This program involves the pre-loading of software on all media players shipped from Seneca facilities. Seneca has enrolled four companies in this program to date. VSBLTY is one of the four companies, while the other three are competitors to VSBLTY. VSBLTY's VisionCaptor software as well as the DataCaptor software are available through the Maestro program. VSBLTY is the only company to have both a CMS and an audience measurement module (DataCaptor) available through this program.

- Lenovo – Lenovo is an internationally recognized computer and server company. VSBLTY has been working with Lenovo on commercial engagements for more than one year. Specifically, the Company has engaged with Lenovo's retail and original equipment manufacturer vertical groups. Many of VSBLTY's solutions rely upon platforms developed and sold by Lenovo.

Recent Developments

On July 28, 2022, the Company completed a marketed public offering (the "**July 2022 Offering**") of units of the Company, including the full exercise of the over-allotment option for gross proceeds of approximately CAD$5,750,012. Pursuant to the July 2022 Offering, the Company issued 19,166,705 units at a price of CAD$0.30, including 2,500,005 units issued pursuant to the exercise of the over-allotment option. Each unit is comprised of one common share and one common share purchase warrant of the Company. Each warrant will entitle the holder thereof to acquire one common share at an exercise price of CAD$0.50 per common share until July 28, 2025.

The July 2022 Offering was conducted on a commercially reasonable "best efforts" basis by Echelon Wealth Partners Inc., as agent. As compensation, the Company paid to the agent (i) a cash fee of approximately CAD$460,000, (ii) an aggregate of 1,533,336 broker warrants, and (iii) 383,334 common shares as a corporate finance fee. Each broker warrant entitles the holder thereof to purchase one common share at an exercise price of CAD$0.30 per common share until July 28, 2025.

Concurrently with the July 2022 Offering, the Company also closed a first tranche of a non-brokered private placement of units on the same terms as the units issued and sold under the July 2022 Offering (the "**July 2022 Private Placement**"). Pursuant to the first tranche of the July 2022 Private Placement, the Company issued 2,983,230 units at a price of CAD$0.30 per unit, for total gross proceeds of approximately CAD$894,969**.**

THE SELLING SECURITYHOLDERS

Securities may be sold under this Prospectus by way of secondary offering by or for the account of the Selling Securityholders. The Prospectus Supplement that we will file in connection with any offering of Securities by Selling Securityholders will include the following information:

- the names of the Selling Securityholders;
- the number or amount of Securities owned, controlled or directed of the class being distributed by each Selling Securityholder;
- the number or amount of Securities of the class being distributed for the account of each Selling Securityholder;
- the number or amount of Securities of any class to be owned, controlled or directed by the Selling Securityholders after the distribution and the percentage that number or amount represents of the total number of our outstanding Securities;
- whether the Securities are owned by the Selling Securityholders both of record and beneficially, of record only, or beneficially only; and
- all other information that is required to be included in the applicable Prospectus Supplement.

USE OF PROCEEDS

Unless otherwise specified in a Prospectus Supplement, the Company intends to use the net proceeds from the sale of the Securities for the following: (i) fund the continued development of the Company's products and services; (ii) fund increased investment in research and development; (iii) fund potential acquisitions; and (iv) fund additional business objectives as they are identified and require capital to execute.

Each Prospectus Supplement will contain specific information concerning the use of the net proceeds from the sale of the Securities. The Company will not receive any proceeds from any sale of any Securities by the Selling Securityholders.

During the three months ended March 31, 2022, the Company had a gross margin of USD$(272,918) and an operating loss of USD$(3,491,643). The Company expects to continue to have negative cash flow from operating activities and net losses in future periods unless and until higher levels of commercial sales are achieved for the Company's products. To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of proceeds from an offering of the Securities to fund such negative cash flow. See "*Risk Factors*".

Due to the nature of the Company's business, management does not at this time anticipate significant disruptions of its operations due to the COVID-19 pandemic. Each Prospectus Supplement will contain details regarding the impact of the COVID-19 pandemic, if any, on the Company's use of proceeds.

All expenses relating to an offering of Securities and any compensation paid to underwriters, dealers or agents, as the case may be, will be paid out of our general funds, unless otherwise stated in the applicable Prospectus Supplement.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at March 31, 2022, the date of the Company's most recently filed financial statements. This table should be read in conjunction with the interim consolidated financial statements of the Company and the related notes and management's discussion and analysis of financial condition and results of operations in respect of those statements that are incorporated by reference in this Prospectus.

	As at March 31, 2022
Common Shares[(1)]	$34,758,498 (204,134,835)
Common Share Purchase Warrants	52,875,279
Stock Options	13,915,833
Restricted Share Units[(2)]	383,500
Loans Payable	$700,676[(3)]

Notes:

(1) The Company is authorized to issue an unlimited number of Common Shares, of which 232,861,162 Common Shares are issued and outstanding as fully paid and non-assessable shares as at the date of this Prospectus.

(2) Includes both vested and unvested restricted share units.

(3) This amount represents the principal amount of the Company's outstanding convertible debentures which are past maturity and have not been converted. The convertible debentures are unsecured, bear interest at a rate of 10% per annum and are required to be repaid on demand by the holders if not converted. The loans are reflected in the Company's financial statements as a current liability.

There have been no material changes to the Company's consolidated capitalization since March 31, 2022, other than as outlined under "*Prior Sales*".

PLAN OF DISTRIBUTION

The Company may offer and sell Securities directly to one or more purchasers, to underwriters or dealers acting as principal or through agents, underwriters or dealers designated by us from time to time. The Company may distribute the Securities from time to time in one or more transactions at fixed prices (which may be changed from time to time), at market prices prevailing at the times of sale, at varying prices determined at the time of sale, at prices related to prevailing market prices or at negotiated prices.

The Securities may be sold in transactions that are deemed to be "*at-the-market distributions*" (as defined in NI 44-102), including sales made directly on the CSE or other existing trading markets for the Securities. A description of such manner of sale and pricing will be disclosed in the applicable Prospectus Supplement. The Company may offer different classes of Securities in the same offering, or the Company may offer different classes of Securities in separate offerings.

This Prospectus may also, from time to time, relate to the offering of Securities by certain Selling Securityholders. The Selling Securityholders may sell all or a portion of Securities beneficially owned by them and offered thereby from time to time directly or through one or more underwriters, broker-dealers or agents. Securities may be sold by the Selling Securityholders in one or more transactions at fixed prices (which may be changed from time to time), at market prices prevailing at the time of the sale, at varying prices determined at the time of sale, at prices related to prevailing market prices or at negotiated prices.

A Prospectus Supplement will describe the terms of each specific offering of Securities, including: (i) the terms of the Securities to which the Prospectus Supplement relates, including the type of Security being offered; (ii) the name or names of any agents, underwriters or dealers involved in such offering of Securities; (iii) the name or names of any Selling Securityholders; (iv) the purchase price of the Securities offered thereby and the proceeds to, and the portion of expenses borne by, the Company from the sale of such Securities; (v) a description to be provided by agents, underwriters or dealers in relation to the offering; (vi) any agents' commission, underwriting discounts and other items constituting compensation payable to agents, underwriters or dealers; and (vii) any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers.

If underwriters are used in an offering, the Securities offered thereby will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase Securities will be subject to the conditions precedent agreed upon by the parties and the underwriters will be obligated to purchase all Securities under that offering if any are purchased. Any public offering price and any discounts or concessions allowed or re-allowed or paid to agents, underwriters or dealers may be changed from time to time.

In connection with any offering of Securities, other than an "*at-the-market distribution*" (as defined in NI 44-102), the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. No underwriter or dealer involved in an "*at-the-market distribution*" (as defined in NI 44-102) under this Prospectus, no affiliate of such an underwriter or dealer and no person or company acting jointly or in concert with such an underwriter or dealer will over-allot securities in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Securities.

The Securities may also be sold: (i) directly by the Company or the Selling Securityholders at such prices and upon such terms as agreed to, or (ii) through agents designated by the Company or the Selling Securityholders from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by the Company and/or Selling Securityholder to such agent will be set forth, in the Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement, any agent is acting on a "best efforts" basis for the period of its appointment.

The Company and/or the Selling Securityholders may agree to pay the underwriters a commission for various services relating to the issue and sale of any Securities offered under any Prospectus Supplement. Agents, underwriters or dealers who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Company and/or the Selling Securityholders to indemnification by the Company and/or the Selling Securityholders against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such agents, underwriters and dealers may be required to make in respect thereof. Such underwriters, and dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

Each class or series of Warrants, Subscription Receipts and Units will be a new issue of Securities with no established trading market. Unless otherwise specified in the applicable Prospectus Supplement, Warrants, Subscription Receipts or Units will not be listed on any securities or stock exchange. Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Warrants, Subscription Receipts or Units may be sold and purchasers may not be able to resell Warrants, Subscription Receipts or Units purchased under this Prospectus or any Prospectus Supplement. This may affect the pricing of the Warrants, Subscription Receipts or Units in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities, and the extent of issuer regulation. Subject to applicable laws, certain dealers may make a market in the Warrants, Subscription Receipts or Units, as applicable, but will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that any dealer will make a market in the Warrants, Subscription Receipts or Units or as to the liquidity of the trading market, if any, for the Warrants, Subscription Receipts or Units.

In connection with any offering of Securities, unless otherwise specified in a Prospectus Supplement, underwriters or agents may over-allot or effect transactions which stabilize, maintain or otherwise affect the market price of Securities offered at levels other than those which might otherwise prevail on the open market. Such transactions may be commenced, interrupted or discontinued at any time.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The Securities may be offered under this Prospectus in amounts and at prices to be determined based on market conditions at the time of the sale and such amounts and prices will be set forth in the accompanying Prospectus Supplement. The Securities may be issued alone or in combination and for such consideration determined by our board of directors.

Common Shares

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value, of which 231,861,162 Common Shares were issued and outstanding as at the date of this Prospectus.

All of the Common Shares are of the same class and, once issued, rank equally as to entitlement to dividends, voting powers (one vote per Common Share) and participation in assets upon dissolution or winding up. No Common Shares have been issued subject to call or assessment. There are no pre-emptive rights, no conversion or exchange rights, no redemption, retraction, purchase for cancellation or surrender provisions applicable thereto; nor are there any sinking or purchase fund provisions, no provisions permitting or restricting the issuance of additional securities or any other material restrictions, and there are no provisions which are capable of requiring shareholders of the Company to contribute additional capital. See "*Consolidated Capitalization*".

Warrants

This section describes the general terms that will apply to any Warrants for the purchase of Common Shares that the Company may offer under this Prospectus by way of a Prospectus Supplement. To the extent required under applicable law, the Company will not offer Warrants for sale unless the applicable Prospectus Supplement containing the specific terms of the Warrants to be offered separately is first approved, in accordance with applicable laws, for filing by the securities commissions or similar regulatory authorities in each of the jurisdictions where the Warrants will be offered for sale.

Subject to the foregoing, the Company may issue Warrants independently or together with other Securities, and Warrants sold with other securities may be attached to or separate from the other Securities. Warrants may be issued directly by us to the purchasers thereof or under one or more warrant indentures or warrant agency agreements to be entered into by us and one or more banks or trust companies acting as warrant agent. Warrants, like other Securities that may be sold, may be listed on a securities exchange subject to exchange listing requirements and applicable legal requirements.

This summary of some of the provisions of the Warrants is not complete. Any statements made in this Prospectus relating to any warrant agreement or indenture and Warrants to be issued under this Prospectus are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable warrant agreement. Investors should refer to the warrant indenture or warrant agency agreement relating to the specific Warrants being offered for the complete terms of the Warrants. A copy of any warrant indenture or warrant agency agreement relating to an offering of Warrants will be filed by us with the applicable securities regulatory authorities in Canada following its execution.

The particular terms of each issue of Warrants will be described in the applicable Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of Warrants;
- the price at which the Warrants will be offered;
- the currency or currencies in which the Warrants will be offered;
- the date on which the right to exercise the Warrants will commence and the date on which the right will expire;
- if applicable, the identity of the Warrant agent;
- whether the Warrants will be listed on any securities exchange;
- any minimum or maximum subscription amount;
- the number of Common Shares that may be purchased upon exercise of each Warrant and the price at which and currency or currencies in which the Common Shares may be purchased upon exercise of each Warrant;
- the designation and terms of any securities with which the Warrants will be offered, if any, and the number of the Warrants that will be offered with each security;
- the date or dates, if any, on or after which the Warrants and the related securities will be transferable separately;
- whether the Warrants will be subject to redemption and, if so, the terms of such redemption provisions;
- whether the Warrants are to be issued in registered form, "book-entry only" form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;

- any material risk factors relating to such Warrants and the Common Shares to be issued upon exercise of the Warrants;

- any other rights, privileges, restrictions and conditions attaching to the Warrants and the Common Shares to be issued upon exercise of the Warrants;

- material Canadian and U.S. federal income tax consequences of owning and exercising the Warrants; and

- any other material terms or conditions of the Warrants and the Securities to be issued upon exercise of the Warrants.

The terms and provisions of any Warrants offered under a Prospectus Supplement may differ from the terms described above, and may not be subject to or contain any or all of the terms described above.

Prior to the exercise of any Warrants, holders of Warrants will not have any of the rights of holders of the Common Shares purchasable upon such exercise, including the right to receive payments of dividends or the right to vote such underlying securities.

Subscription Receipts

This section describes the general terms that will apply to any Subscription Receipts that may be offered by the Company pursuant this Prospectus by way of a Prospectus Supplement. Subscription Receipts may be offered separately or together with Common Shares or Warrants, as the case may be. The Subscription Receipts will be issued under a Subscription Receipt agreement.

The applicable Prospectus Supplement will include details of the Subscription Receipt agreement covering the subscription receipts being offered. A copy of the Subscription Receipt agreement relating to an offering of subscription receipts will be filed by us with the applicable securities regulatory authorities after it has been entered into by us. The specific terms of the Subscription Receipts, and the extent to which the general terms described in this section apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Subscription Receipts;

- the price at which the Subscription Receipts will be offered;

- the currency at which the Subscription Receipts will be offered and whether the price is payable in installments;

- the procedures for the exchange of the Subscription Receipts into Common Shares, Warrants, or Units;

- the number of Common Shares, Warrants or Units that may be issued upon exercise or deemed conversion of each Subscription Receipt;

- the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;

- conditions to the conversion or exchange of Subscription Receipts into other Securities and the consequences of such conditions not being satisfied;

- terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;

- the dates or periods during which the Subscription Receipts may be converted or exchanged;
- the circumstances, if any, which will cause the Subscription Receipts to be deemed to be automatically converted or exchanged;
- provisions applicable to any escrow of the gross or net proceeds from the sale of the Subscription Receipts plus any interest or income earned thereon, and for the release of such proceeds from such escrow;
- if applicable, the identity of the Subscription Receipt agent;
- whether the Subscription Receipts will be listed on any securities exchange;
- whether the Subscription Receipts will be issued with any other Securities and, if so, the amount and terms of these Securities;
- any minimum or maximum subscription amount;
- whether the Subscription Receipts are to be issued in registered form, "book-entry only" form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any material risk factors relating to such Subscription Receipts and the Securities to be issued upon conversion or exchange of the Subscription Receipts;
- any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts and the Securities to be issued upon exchange of the Subscription Receipts;
- material Canadian and U.S. income tax consequences of owning or converting or exchanging the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts and the Securities to be issued upon the exchange of the Subscription Receipts.

The terms and provisions of any Subscription Receipts offered under a Prospectus Supplement may differ from the terms described above, and may not be subject to or contain any or all of the terms described above.

Prior to the exchange of any Subscription Receipts, holders of such Subscription Receipts will not have any of the rights of holders of the Securities for which the Subscription Receipts may be exchanged, including the right to receive payments of dividends or the right to vote such underlying securities.

Units

The Company may issue Units comprised of one or more of the other Securities described in this Prospectus in any combination, as described in the applicable Prospectus Supplement. Each Unit will be issued so that the holder of the Unit is also the holder of each of the Securities included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each included Security. The unit agreement, if any, under which a Unit is issued may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date.

The particular terms and provisions of Units offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in the Prospectus Supplement filed in respect of such Units. This description will include, where applicable:

- the number of Units offered;
- the price or prices, if any, at which the Units will be issued;
- the currency at which the Units will be offered;
- the Securities comprising the Units;
- whether the Units will be issued with any other Securities and, if so, the amount and terms of these Securities;
- any minimum or maximum subscription amount;
- whether the Units and the Securities comprising the Units are to be issued in registered form, "book-entry only" form, non-certificated inventory system form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any material risk factors relating to such Units or the Securities comprising the Units;
- any other rights, privileges, restrictions and conditions attaching to the Units or the Securities comprising the Units; and
- any other material terms or conditions of the Units or the Securities comprising the Units, including whether and under what circumstances the Securities comprising the Units may be held or transferred separately.

The terms and provisions of any Units offered under a Prospectus Supplement may differ from the terms described above, and may not be subject to or contain any or all of the terms described above.

PRIOR SALES

This table sets out particulars of the Common Shares that have been issued or sold within the 12 months prior to the date of this Prospectus.

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
June 29, 2021	Common Shares(1)	18,400,000	$0.50
June 29, 2021	Warrants(1)	9,200,000	$0.65
June 29, 2021	Warrants(1)	1,288,000	$0.50
June 29, 2021	Common Shares(2)	1,162,384	$0.50
June 29, 2021	Warrants(2)	581,192	$0.65
July 6, 2021	Common Shares(3)	66,666	$0.60
July 6, 2021	Warrants(3)	33,333	$0.60
July 22, 2021	Common Shares(2)	20,000	$0.17
August 10, 2021	Options	3,175,000	$0.51
August 18, 2021	Common Shares(3)	333,375	$0.60
August 18, 2021	Warrants(3)	166,687	$0.60

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
August 19, 2021	Common Shares(2)	12,686	$0.35
August 20, 2021	Options	200,000	$0.60
August 23, 2021	Options	250,000	$0.57
August 23, 2021	RSUs	100,000	N/A
August 25, 2021	Common Shares(3)	1,250,000	$0.60
August 25, 2021	Warrants(3)	625,000	$0.60
August 30, 2021	Common Shares(2)	44,315	$0.35
September 2, 2021	Common Shares(3)	16,666	$0.60
September 2, 2021	Warrants(3)	8,333	$0.60
September 7, 2021	Common Shares(2)	8,333	$0.60
September 7, 2021	Common Shares(2)	20,833	$0.60
September 8, 2021	Common Shares(2)	20,833	$0.60
September 8, 2021	Common Shares(2)	166,687	$0.60
September 9, 2021	Common Shares(3)	8,822	$0.60
September 9, 2021	Warrants(3)	4,411	$0.60
September 10, 2021	Common Shares(3)	220,000	$0.60
September 10, 2021	Warrants(3)	110,000	$0.60
September 13, 2021	Common Shares(2)	86,585	$0.35
September 13, 2021	Common Shares(2)	1,855	$0.12
September 13, 2021	Common Shares(2)	58,333	$0.60
September 14, 2021	Common Shares(3)	270,000	$0.60
September 14, 2021	Warrants(3)	135,000	$0.60
September 15, 2021	Common Shares(3)	133,333	$0.60
September 15, 2021	Warrants(3)	66,666	$0.60
September 15, 2021	Common Shares(2)	77,380	$0.60
September 15, 2021	Common Shares(2)	77,000	$0.17
September 16, 2021	Common Shares(3)	50,000	$0.60
September 16, 2021	Warrants(3)	25,000	$0.60
September 16, 2021	Common Shares(2)	72,000	$0.17
September 20, 2021	Options	275,000	$0.75
September 20, 2021	Common Shares(2)	4,411	$0.60
September 20, 2021	Common Shares(2)	8,333	$0.60

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
September 20, 2021	Common Shares[2]	24,999	$0.60
September 20, 2021	Common Shares[2]	180,820	$0.60
September 20, 2021	Common Shares[2]	12,500	$0.60
September 20, 2021	Common Shares[3]	179,999	$0.60
September 20, 2021	Warrants[3]	89,999	$0.60
September 22, 2021	Common Shares[2]	47,314	$0.60
September 22, 2021	Common Shares[3]	54,762	$0.60
September 22, 2021	Warrants[3]	27,381	$0.60
September 29, 2021	Common Shares[2]	83,886	$0.35
October 1, 2021	Options	30,000	$0.97
October 4, 2021	Common Shares[1]	350,000	$0.17
October 4, 2021	Common Shares[2]	78,500	$0.17
October 6, 2021	Common Shares[3]	114,000	$0.60
October 6, 2021	Warrants[3]	57,000	$0.60
October 6, 2021	Common Shares[2]	57,000	$0.60
October 6, 2021	Common Shares[2]	139,333	$0.30
October 6, 2021	Common Shares[2]	67,000	$0.17
October 7, 2021	Common Shares[3]	46,666	$0.60
October 7, 2021	Warrants[3]	23,333	$0.60
October 7, 2021	Common Shares[2]	857	$0.35
October 8, 2021	Common Shares[3]	16,666	$0.60
October 8, 2021	Warrants[3]	8,333	$0.60
October 8, 2021	Common Shares[3]	58,333	$0.60
October 8, 2021	Warrants[3]	29,166	$0.60
October 12, 2021	Common Shares[2]	66,666	$0.60
October 12, 2021	Common Shares[2]	222,900	$0.17
October 13, 2021	Common Shares[2]	3,493	$0.35
October 14, 2021	Common Shares[2]	31,666	$0.60
October 14, 2021	Common Shares[2]	10,000	$0.17
October 15, 2021	Common Shares[2]	137,600	$0.17
October 18, 2021	Common Shares[3]	41,666	$0.60
October 18, 2021	Warrants[3]	20,833	$0.60

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
October 18, 2021	Common Shares[(2)]	20,833	$0.60
October 18, 2021	Common Shares[(2)]	200,000	$0.12
October 18, 2021	Common Shares[(2)]	27,381	$0.60
October 18, 2021	Common Shares[(2)]	585,400	$0.17
October 19, 2021	Common Shares[(2)]	54,146	$0.12
October 19, 2021	Common Shares[(2)]	362,499	$0.60
October 19, 2021	Common Shares[(2)]	276,440	$0.17
October 20, 2021	Common Shares[(2)]	141,000	$0.17
October 21, 2021	Common Shares[(1)]	125,000	$0.17
October 21, 2021	Common Shares[(2)]	2,270,004	$0.60
October 21, 2021	Common Shares[(2)]	236,300	$0.17
October 21, 2021	Common Shares[(2)]	25,000	$0.65
October 22, 2021	Common Shares[(2)]	46,939	$0.60
October 22, 2021	Common Shares[(2)]	30,000	$0.65
October 22, 2021	Common Shares[(2)]	24,300	$0.17
October 22, 2021	Common Shares[(2)]	46,939	$0.60
October 25, 2021	Common Shares[(2)]	39,400	$0.17
October 25, 2021	Common Shares[(2)]	25,000	$0.65
October 26, 2021	Common Shares[(2)]	200,000	$0.50
October 28, 2021	Common Shares[(2)]	281,666	$0.60
October 28, 2021	Common Shares[(2)]	50,000	$0.65
October 28, 2021	Common Shares[(2)]	147,500	$0.17
October 29, 2021	Common Shares[(2)]	104,700	$0.17
November 1, 2021	Common Shares[(2)]	6,900	$0.17
November 2, 2021	Common Shares[(2)]	200,000	$0.50
November 2, 2021	Common Shares[(2)]	27,900	$0.17
November 3, 2021	Common Shares[(2)]	24,100	$0.17
November 4, 2021	Common Shares[(2)]	200,000	$0.50
November 5, 2021	Common Shares[(1)]	125,000	$0.30
November 5, 2021	Common Shares[(2)]	278,587	$0.17
November 5, 2021	Common Shares[(2)]	548,713	$0.17
November 5, 2021	Common Shares[(2)]	650,000	$0.65

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
November 8, 2021	Common Shares[(2)]	15,800	$0.17
November 9, 2021	Common Shares[(2)]	6,800	$0.17
November 10, 2021	Common Shares[(2)]	4,000	$0.65
November 15, 2021	Common Shares[(2)]	100,000	$0.50
November 15, 2021	Common Shares[(2)]	200,000	$0.12
November 15, 2021	Common Shares[(2)]	300,000	$0.50
November 15, 2021	Common Shares[(2)]	122,000	$0.17
November 15, 2021	Common Shares[(2)]	2,000	$0.65
November 16, 2021	Common Shares[(2)]	100,000	$0.50
November 16, 2021	Common Shares[(2)]	30,300	$0.65
November 16, 2021	Common Shares[(2)]	3,800	$0.17
November 17, 2021	Common Shares[(2)]	188,400	$0.17
November 18, 2021	Common Shares[(2)]	247,515	$0.12
November 18, 2021	Common Shares[(2)]	43,512	$0.12
November 18, 2021	Common Shares[(1)]	200,000	$0.17
November 18, 2021	Common Shares[(1)]	12,500	$0.51
November 18, 2021	Common Shares[(1)]	16,666	$0.60
November 18, 2021	Common Shares[(2)]	1,600	$0.17
November 18, 2021	Options	120,000	$1.62
November 23, 2021	Common Shares[(2)]	222,400	$0.17
November 24, 2021	Common Shares[(2)]	338,100	$0.17
November 25, 2021	Common Shares[(2)]	14,754	$0.17
November 29, 2021	Common Shares[(2)]	100,000	$0.60
November 29, 2021	Common Shares[(2)]	6,146	$0.17
November 30, 2021	Common Shares[(2)]	10,000	$0.30
December 1, 2021	Common Shares[(2)]	53,400	$0.17
December 3, 2021	Common Shares[(2)]	8,000	$0.30
December 3, 2021	Common Shares[(2)]	148,400	$0.17
December 6, 2021	Common Shares[(2)]	19,200	$0.17
December 7, 2021	Common Shares[(2)]	100,000	$0.17
December 13, 2021	Common Shares[(2)]	180,100	$0.17
December 14, 2021	Common Shares[(1)]	220,000	$0.30

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
December 15, 2021	Common Shares(2)	1,750	$0.12
December 15, 2021	Options	150,000	$1.25
December 15, 2021	RSUs	150,000	N/A
December 16, 2021	Common Shares(2)	100,000	$0.17
December 17, 2021	Common Shares(2)	200,000	$0.17
December 22, 2021	Common Shares(2)	28,300	$0.17
January 4, 2022	Common Shares(2)	75,000	$0.65
January 4, 2022	Common Shares(2)	464,550	$0.60
January 4, 2022	Common Shares(2)	733,000	$0.17
January 4, 2022	Common Shares(4)	41,750	$0.72
January 6, 2022	Common Shares(2)	115,191	$0.60
January 6, 2022	Common Shares(2)	225,000	$0.17
January 7, 2022	Common Shares(1)	375,000	$0.30
January 7, 2022	Common Shares(1)	125,000	$0.17
January 13, 2022	Common Shares(2)	32,700	$0.17
January 19, 2022	Common Shares(5)	144,534	$0.98
January 24, 2022	Common Shares(2)	89,000	$0.17
January 24, 2022	Common Shares(2)	29,500	$0.17
January 26, 2022	Common Shares(2)	130,000	$0.17
January 27, 2022	Options	3,355,000	$0.81
January 31, 2022	Options	195,000	$0.81
February 1, 2022	Common Shares(1)	220,000	$0.30
February 1, 2022	Common Shares(2)	117,000	$0.17
February 7, 2022	Options	125,000	$0.81
February 8, 2022	Common Shares(2)	823,700	$0.17
February 9, 2022	Common Shares(2)	246,663	$0.60
February 10, 2022	Common Shares(2)	49,000	$0.17
February 18, 2022	Common Shares(2)	1,125,000	$0.17
March 1, 2022	Common Shares(2)	60,000	$0.17
March 3, 2022	Common Shares(2)	26,500	$0.17
March 11, 2022	Common Shares(2)	14,000	$0.17
March 18, 2022	Common Shares(2)	49,500	$0.17

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
March 23, 2022	Common Shares(1)	250,000	$0.17
March 25, 2022	Common Shares(2)	36,000	$0.17
April 4, 2022	Common Shares(2)	295,500	$0.17
April 4, 2022	Common Shares(2)	226,664	$0.60
April 6, 2022	Common Shares(2)	30,000	$0.30
April 11, 2022	Common Shares(2)	31,500	$0.17
April 12, 2022	Common Shares(2)	250,000	$0.17
April 13, 2022	Common Shares(2)	166,000	$0.17
April 14, 2022	Common Shares(2)	121,500	$0.17
April 18, 2022	Common Shares(2)	800,000	$0.17
April 19, 2022	Common Shares(2)	31,500	$0.17
April 21, 2022	Options	100,000	$0.54
April 29, 2022	Common Shares(2)	656,500	$0.17
May 4, 2022	Common Shares(2)	150,000	$0.17
May 5, 2022	Common Shares(2)	33,000	$0.17
May 6, 2022	Common Shares(2)	138,500	$0.17
May 11, 2022	Common Shares(2)	100,000	$0.17
May 12, 2022	Common Shares(2)	590,000	$0.17
May 16, 2022	Common Shares(2)	210,000	$0.17
May 18, 2022	Common Shares(2)	30,000	$0.17
May 19, 2022	Common Shares(2)	420,000	$0.17
May 24, 2022	Common Shares(2)	322,000	$0.17
May 25, 2022	Common Shares(2)	20,000	$0.17
May 27, 2022	Common Shares(2)	60,000	$0.17
May 30, 2022	Common Shares(2)	200,000	$0.17
June 1, 2022	Common Shares(2)	10,000	$0.17
June 2, 2022	Common Shares(2)	100,000	$0.17
June 3, 2022	Common Shares(2)	32,000	$0.17
June 8, 2022	Common Shares(2)	40,000	$0.17
June 10, 2022	Common Shares(2)	23,000	$0.17
June 13, 2022	Common Shares(2)	531,500	$0.17
July 15, 2022	Common Shares(2)	573,894	$0.17

Date of Issuance	Security	Number of Securities	Issue or Exercise Price Per Security (CAD$)
July 28, 2022	Common Shares(6)	19,166,705	$0.30
July 28, 2022	Warrants(6)	19,166,705	$0.50
July 28, 2022	Warrants(6)	1,533,306	$0.30
July 28, 2022	Common Shares(6)	383,334	$0.30
July 28, 2022	Common Shares(7)	2,983,230	$0.30
July 28, 2022	Warrants(7)	2,938,230	$0.50

Notes:

(1) Issued upon exercise of stock options.
(2) Issued upon exercise of warrants.
(3) Issued upon exercise of convertible debentures.
(4) Issued upon settlement of restricted share units.
(5) Issued pursuant to marketing agreement with Agora Internet Relations Corp. These Common Shares were issued following the end of the term of the agreement, however, the number and price of the Common Shares were calculated as at each invoice date and issued in four equal tranches. CAD$0.98 represents the closing price of the Common Shares on the last invoice date.
(6) Issued pursuant to the July 2022 Offering.
(7) Issued pursuant to the July 2022 Private Placement.

TRADING PRICE AND VOLUME

On February 27, 2019, the Company's Common Shares began trading on the CSE under the trading symbol "VSBY". The table below summarizes the range and volume of trading prices of Common Shares on the CSE for each of the months stated:

Month	Price Range (CAD$)		Volume
	High	Low	
August 1 – 9, 2022	$0.32	$0.27	1,687,131
July 2022	$0.41	$0.255	10,375,938
June 2022	$0.48	$0.36	6,571,358
May 2022	$0.65	$0.45	9,064,460
April 2022	$0.68	$0.495	8,731,630
March 2022	$0.83	$0.61	11,994,753
February 2022	$0.95	$0.56	9,383,245
January 2022	$1.21	$0.70	16,415,318
December 2021	$1.50	$0.99	14,297,256
November 2021	$1.99	$1.14	29,252,137
October 2021	$1.84	$0.80	33,553,990
September 2021	$0.94	$0.54	24,052,594
August 2021	$0.67	$0.44	12,680,276
July 2021	$0.54	$0.435	5,811,083

RISK FACTORS

Investing in Securities of the Company involves a significant degree of risk and must be considered speculative due to the high-risk nature of the Company's business. Investors should carefully consider the information included or incorporated herein by reference in this Prospectus (including subsequently filed documents incorporated by reference) and the Company's historical consolidated financial statements and related notes thereto before making

an investment decision concerning the Securities. There are various risks that could have a material adverse effect on, among other things, the operating results, earnings, properties, business and condition (financial or otherwise) of the Company. These risk factors, together with all of the other information included, or incorporated by reference in this Prospectus, including information contained in the section entitled "*Forward-Looking Statements*" should be carefully reviewed and considered before a decision to invest in the Securities is made. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also materially and adversely affect its business. In addition, risks relating to a particular offering of Securities will be set out in a Prospectus Supplement relating to such offering.

Failure to Manage Growth

If the Company's is unable to manage its continued growth successfully, its business and results of operations could suffer. The Company's ability to manage growth will require it to continue to build its operational, financial and management controls, contracting relationships, marketing and business development plans and controls and reporting systems and procedures. The Company's ability to manage its growth will also depend in large part upon several factors, including the ability for it to rapidly:

- increase sales or attract new customers;
- develop new products and improve existing products;
- expand its internal and operational and financial controls significantly so that it can maintain control over operations;
- attract and retain qualified technical personnel in order to continue to develop reliable and flexible products and provide services that respond to evolving customer needs;
- build a sales team to keep customers and partners informed regarding the technical features and key selling points of its products and services;
- develop support capacity for customers as sales increase; and
- build a channel network to create an expanding presence in the evolving marketplace for its products and services.

An inability to achieve any of these objectives could harm the business, financial condition and results of operations of the Company.

COVID-19 Pandemic

The continuing outbreak of the COVID-19 pandemic and government actions to address it may have a material adverse effect on VSBLTY's business, financial conditions and results of operation, all of which could be rapid and unexpected. The Company may face disruption to operations, supply chain delays, travel and trade restrictions and impacts on economic activity in affected countries or regions that could reduce demand for applications of VSBLTY's technology. COVID-19 may further prevent or cause delays in delivering the Company's technology and services, whether by direct impacts to its operations or impacts to the operations of its suppliers, customers or financial markets. VSBLTY's strategic partnerships may similarly be affected.

The COVID-19 pandemic continues to evolve rapidly and, as a result, it is difficult to accurately assess its continued magnitude, outcome and duration. The COVID-19 pandemic could: negatively impact levels of investment in deployments of VSBLTY's technology; lead to prolonged disruptions of critical components, including as a result of the bankruptcy/insolvency of one or more suppliers due to worsening economic conditions; impact VSBLTY's customers' and partners' production volume levels, including as a result of prolonged unscheduled facility shutdowns; and result in government regulation that may adversely impact the Company's business. COVID-19 may also represent a serious threat to the Company maintaining a skilled workforce and could be a healthcare challenge for the Company, its customers, suppliers and partners. There can be no assurance that VSBLTY's personnel will not be impacted by COVID-19 and ultimately the Company may see its workforce productivity reduced or incur increased medical costs/insurance premiums as a result of these health risks. Additional cybersecurity risks also exist due to personnel working remotely. In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy generally, and thus demand for products with potential applications for VSBLTY's technology may decline. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, government response actions, business closures and business disruptions, can all have an impact on the Company's operations and access to capital. There can be no assurance that VSBLTY will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets which may reduce share prices and financial liquidity and thereby severely limit the capital available to the Company.

In addition, the roll-out of the JV Media Network's international in-store media network may be delayed in some Latin American jurisdictions where access to stores continues to be limited as a result of COVID-19, which may cause the JV Media Network to initially focus on other jurisdictions with greater access.

Disruption due to Acts of God

Disruptions in the activities of the Company may be caused by natural disasters, effects of climate change and man-made activities, pandemics, trade disputes and disruptions, war, terrorism, and any other forms of economic, health, or political disruptions. The Company's financial conditions are reliant on continued operations, and in circumstances where continued operations are not possible, the Company is likely to experience a decline in its revenue and may suffer additional disruptions in the form of lack of access to its workforce, customers, technology, or other assets. The extent of the impact on the Company will vary with the extent of the disruption and cannot be adequately predicted in advance.

Revenue Risk

To increase its revenue and maintain profitability, the Company must add new customers or increase revenue from its existing customers. Numerous factors, however, may impede its ability to add new customers and increase revenue from its existing customers, including the Company's inability to convert new organizations into paying customers, failure to attract and effectively retain new sales and marketing personnel, failure to retain and motivate the Company's current sales and marketing personnel, failure to develop or expand relationships with channel partners, failure to successfully deploy products for new customers and provide quality customer support once deployed, or failure to ensure the effectiveness of its marketing programs. In addition, if prospective customers do not perceive the Company's products to be of sufficiently high value and quality, the Company will not be able to attract the number and types of new customers that it is seeking.

In addition, the Company's ability to attract new customers and increase revenue from existing customers depends in large part on its ability to enhance and improve its existing products and to introduce compelling new products that reflect the changing nature of its market. The success of any enhancement to its products depends on several factors, including timely completion and delivery, competitive pricing, adequate quality testing, integration with existing technologies and its products, and overall market acceptance. If the Company were unable to successfully develop new products, enhance its existing products to meet customer requirements, or otherwise gain market acceptance, its business, results of operations and financial condition would be harmed.

Reliance on Key Personnel

The Company's success depends largely on the continued services of its executive officers and other key employees. The Company relies on its leadership team in the areas of research and development, operations, security, marketing, sales, customer support, general and administrative functions, and on individual contributors in its research and development and operations. From time to time, there may be changes in the Company's executive management team resulting from the hiring or departure of executives, which could disrupt, and harm, its business. The loss of one or more of the Company's executive officers or key employees could harm the Company's business. The Company will not have key person insurance in effect for management.

In addition, to execute its growth plan, the Company must attract and retain highly qualified personnel. Competition for these personnel is intense and there can be no assurances that the Company will be able to continue to attract and retain the personnel necessary for the development and operation of the Company's business. In addition, job candidates and existing employees often consider the value of the equity awards they receive in connection with they employment. If the perceived value of the Company's equity awards declines, it may harm the Company's ability to recruit and retain highly skilled employees. If the Company fails to attract new personnel or fails to retain and motivate current personnel, its business and future growth prospects could be harmed.

Cybersecurity Risks

Increasingly, companies are subject to a wide variety of attacks on their networks and systems on an ongoing basis. In addition to traditional computer "hackers", malicious code (such as viruses and worms), employee theft or misuse, and denial-of-service attacks, sophisticated nation-state and nation-state supported actors now engage in attacks (including advanced persistent threat intrusions). Despite significant efforts to create security barriers to such threats, it is virtually impossible for the Company to entirely mitigate these risks. The security measures the Company has integrated into its internal network and platform, which are designed to detect unauthorized activity and prevent or minimize security breaches, may not function as expected or may not be sufficient to protect its internal networks and platform against certain attacks. In addition, techniques used to sabotage or to obtain unauthorized access to networks in which data is stored or through which data is transmitted change frequently and generally are not recognized until launched against a target. As a result, the Company may be unable to anticipate these techniques or implement adequate preventative measures to prevent an electronic intrusion into its networks.

If a breach of customer data security were to occur, as a result of third-party action, employee error, malfeasance or others, and the confidentiality, integrity or availability of the its customers' data was disrupted, the Company could incur significant liability to its customers and to individuals or business whose information was being stored by its customers, and its products may be perceived as less desirable, which could negatively affect the Company's business and damage its reputation. Security breaches impacting the Company's products could result in a risk of loss or unauthorized disclosure of customers' information, which, in turn, could lead to litigation, governmental audits and investigations, and possible liability. In addition, a network or security breach could damage the Company's relationships with its existing customers, resulting in the loss of customers, and have a negative impact on its ability to attract and retain new customers.

These breaches, or any perceived breach, of the Company's network, its customers' networks, or other networks, whether any such breach is due to a vulnerability in the Company's products, may also undermine confidence in its products and result in damage to its reputation, negative publicity, loss of customers and sales, increased costs to remedy any problem, and costly litigation. Third parties may attempt to fraudulently induce employees or customers into disclosing sensitive information such as user names, passwords or other information, or otherwise compromise the security of the Company's internal networks, electronic systems and/or physical facilities in order to gain access to its data or its customers' data, which could result in significant legal and financial exposure, loss of confidence in the security of its products, interruptions or malfunctions in its operations, and, ultimately, harm to its future business prospects and revenue. The Company may be required to expend significant capital and financial resources to protect against such threats or to alleviate problems cause by breaches in security.

Changes in Technology

The Company operates in a competitive industry characterized by rapid technological change and evolving industry standards. The Company's ability to attract new customers and increase revenue form existing customers will depend largely on its ability to anticipate industry standards and trends, respond to technological advances in its industry, and to continue to enhance existing products or to design and introduce new products on a timely basis to keep pace with technological developments and its customers' increasingly sophisticated needs. The success of any enhancement or new product depends on several factors, including the timely completion and market acceptance of the enhancement or new product. Any new product the Company develops or acquires might not be introduced in a timely or cost-effective manner and might not achieve the broad market acceptance necessary to generate significant revenue. If any of the Company's competitors implements new technologies before the Company is able to implement them, those competitors may be able to provide more effective products than the Company at lower prices. Any delay or failure in the introduction of new or enhanced products could harm the Company's business, results of operations and financial condition.

The Company's products are expected to embody complex technology that may not meet those standards, changes and preferences. The Company's ability to design, develop and commercially launch new products depends on a number of factors, including, but not limited to, its ability to design and implement solutions and services at an acceptable cost and quality, its ability to attract and retain skilled technical employees, the availability of critical components from third parties, and its ability to successfully complete the development of products in a timely manner. There is no guarantee that the Company will be able to respond to market demands. If the Company is unable to effectively respond to technological changes, or fails or delays to develop products in a timely and cost-effective manner, its products and services may become obsolete, and the Company may be unable to recover its research and development expenses which could negatively impact sales, profitability and the continued viability of its business.

Competition

The industry in which the Company operates, is highly competitive, is evolving and is characterized by technological change. Current or future competitors may have longer operating histories, larger customer bases, greater brand recognition and more extensive commercial relationships in certain jurisdictions, and greater financial, technical, marketing, and other resources than the Company. As a result, the Company's competitors may be able to develop products and services better received by customers or may be able to respond more quickly and effectively than the Company can to new or changing opportunities, technologies, regulations, or customer requirements. In addition, larger competitors may be able to leverage a larger installed customer base and distribution network to adopt more aggressive pricing policies and offer more attractive sales terms, which could cause the Company to lose potential sales or to sell its solutions at lower prices.

Competition may intensify as the Company's competitors enter into business combinations or alliances or raise additional capital, or as established companies in other market segments or geographic markets expand into the Company's market segments or geographic markets. The Company also expects to face additional competition from new entrants. To remain competitive, the Company will require a continued high level of investment in research and development, marketing, sales and client support. If the Company cannot compete against existing and future competitors, its business, results of operations and financial condition could be materially and adversely affected.

The Company's success will be dependent on its ability to market its products and services. There is no guarantee that the Company's products and services will remain competitive. Unforeseen competition, and the inability of the Company to effectively develop and expand the market for its products and services, could have a significant adverse effect on the growth potential of the Company. The Company cannot assure that it will be able to compete effectively against existing and future competitors. In addition, competition or other competitive pressures may result in price reductions, reduced margins or loss of market share, any of which could have a material adverse effect on the Company's business, financial condition or results of operations.

Difficulty in Forecasting

Market opportunity estimates and growth forecasts, whether obtained from third-party sources or developed internally, are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The Company's estimates and forecasts relating to the size and expected growth of its target market, market demand and adoption, capacity to address this demand, and pricing may prove to be inaccurate. The Company must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

Reputational Risk

Reputational damage can result from the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. The increased usage of social media and other web-based tools used to generate, publish, and discuss user-generated content and to connect with other users has made it increasingly easier for individuals and groups to communicate and share opinions and views, whether true or not. Reputation loss may result in decreased customer confidence and an impediment to the Company's overall ability to advance its products and services with customers, thereby having a material adverse impact on its financial performance, financial condition, cash flows and growth prospects.

Protection of Intellectual Property

The Company's commercial success depends to a significant degree upon its ability to develop new or improved technologies, instruments, and products, and to obtain patents, where appropriate, or other intellectual property rights or statutory protection for these technologies and products in Canada and the United States. Despite devoting resources to the research and development of proprietary technology, the Company may not be able to develop new technology that is patentable or protectable. Further, patents issued to the Company, if any, could be challenged, held invalid or unenforceable, or be circumvented and may not provide the Company with necessary or sufficient protection or a competitive advantage. Competitors and other third parties may be able to design around the Company's intellectual property or develop products similar to its products that are not within the scope of such intellectual property.

Prosecution and protection of the intellectual property rights sought can be costly and uncertain, often involve complex legal and factual issues and consume significant time and resources. The laws of certain countries may not protect intellectual property rights to the same extent as the laws of Canada or the United States.

General Risk of Foreign Operations

The Company's operations may be adversely affected by changes in foreign policies, legislation, or social instability and other factors that are not within the control of the Company. The Company's operations may also be adversely affected by laws and policies of such jurisdictions affecting foreign trade, taxation, and investment. If the Company's operations are disrupted, its business may be harmed.

In the event of a dispute arising in connection with the Company's operations in a foreign jurisdiction where the Company conducts its business, the Company 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.

Exchange Rates

The Company's functional currency is the Canadian dollar. The Company may incur expenses in Canadian Dollars and U.S. dollars. As a result, the Company is exposed to the risks that the Canadian dollar may devalue relative to the U.S. Dollar, or, if the Canadian dollar appreciates relative to the U.S. Dollar, that the inflation rate in Canada may exceed such rate of devaluation of the Canadian dollar, or that the timing of such devaluation may lag behind inflation in Canada. The Company cannot predict any future trends in the rate of inflation in Canada or the rate of devaluation, if any, of the Canadian dollar against the U.S. Dollar.

Litigation

The Company may become party to litigation, mediation and/or arbitration from time to time in the ordinary course of business which could adversely affect its business. Monitoring and defending against legal actions, whether meritorious, can be time-consuming, divert management's attention and resources and cause the Company to incur significant expenses. In addition, legal fees and costs incurred in connection with such activities may be significant and we could, in the future, be subject to judgments or enter into settlements of claims for significant monetary damages. Substantial litigation costs or an adverse result in any litigation may adversely impact the Company's business, operating results or financial condition.

Volatile Market Price for Common Shares

The market price for the Common Shares may be highly volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company control, including, but not limited to: (i) actual or anticipated fluctuations in the Company's operating results; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of companies in the industry in which the Company operates; (iv) addition or departure of the Company's executive officers and other key personnel; (v) sales or anticipated sales of additional Common Shares; (vi) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; (vii) announcements of technological innovations, patents or new commercial products by the Company or its competitors; (viii) regulatory changes affecting the Company's industry generally and its business and operations; (ix) news reports relating to trends, concerns, technological or competitive developments and other related issues in the Company's industry or target markets; and (x) changes in global financial markets, global economies and general market conditions.

The Common Shares have been subject to significant price and volume fluctuations and may continue to be subject to significant price and volume fluctuations in the future. Significant market price and volume fluctuations can affect the market prices of equity securities of companies and have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are lasting and not temporary, which may result in impairment losses. There can be no assurance that fluctuations in share price and volume will not occur. If such increased levels of volatility and market turmoil continue, the Company's operations could be adversely impacted and the trading price of the Common Shares may be materially adversely affected.

In addition, the global markets are experiencing volatility and disruption following the escalation of geopolitical tensions and the start of the military conflict between Russia and Ukraine. On February 24, 2022, a fullscale military invasion of Ukraine by Russian troops was reported. Although the length and impact of the ongoing military conflict is highly unpredictable, the conflict in Ukraine could lead to market disruptions, including significant volatility in credit and capital markets and interest rates.

There can be no assurance that the price of the Common Shares will be unaffected by any such volatility. The trading price of the Common Shares is also likely to be significantly affected by changes from time to time in the Company's operating results, financial condition, liquidity and other internal factors.

Additional Financing

To execute its anticipated growth strategy, the Company may require additional equity and/or debt financing to support on-going operations, to undertake capital expenditures, or to undertake business combination transactions or other initiatives. There can be no assurance that additional financing will be available to the Company when needed or on terms which are acceptable. The Company's inability to raise additional financing could limit the Company's growth and may have a material adverse effect upon its business, operations, results, financial condition, or prospects.

If additional funds are raised through further issuances of equity or securities convertible into equity, existing Shareholders could suffer significant dilution, and any new equity securities issued could have rights, preferences, and privileges superior to those of holders of Common Shares of the Company. 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.

To the extent that the Company has negative cash flow in future periods, the Company may need to deploy a portion of proceeds from an offering of Securities to fund such negative cash flow.

Internal Controls

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. However, internal controls over financial reporting are not guaranteed to provide absolute assurance with regard to the reliability of financial reporting and financial statements.

Any failure to develop or maintain effective controls or any difficulties encountered in their implementation could harm the Company's results of operations or cause the Company to fail to meet its reporting obligations and may result in a restatement of its financial statements for prior periods. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in the Company's reported financial and other information, which would likely have a negative effect on the trading price of the Common Shares.

Conflicts of Interest

Certain of the Company's directors are also directors of other technology companies and as such may, in certain circumstances, have a conflict of interest requiring them to abstain from certain decisions. Conflicts, if any, will be subject to the procedures and remedies of the BCBCA.

Dividend Risk

The Company has not paid dividends in the past and does not anticipate paying dividends in the foreseeable future. The Company expects to retain its earnings to finance further growth and, when appropriate, retire debt.

Global Economy Risk

Global financial conditions have always been subject to volatility. This volatility may impact the Company's ability to obtain equity or debt financing in the future and, if obtained, on terms favourable to the Company. Increased levels of volatility and market turmoil can adversely impact the Company's operations and the value and price of the Common Shares could be adversely affected.

Forward-Looking Statements May Prove to be Inaccurate

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

Uncertainty of Use of Proceeds

Although the Company will have set out its intended use of proceeds from an offering under any Prospectus Supplement as well as timing of the expenditure of the proceeds thereof, these intended uses are estimates only and may be subject to change. As a result, investors will be relying on the judgment of management as to the specific application of the proceeds of any offering of Securities under any Prospectus Supplement. Management may use the net proceeds of any offering of Securities under any Prospectus Supplement in ways that an investor may not consider desirable. The results and effectiveness of the application of the net proceeds are uncertain. The failure by the Company to apply these funds effectively could have a material adverse effect on the Company's business, including the Company's ability to achieve its stated business objectives.

Negative Cash Flow from Operating Activities

During the three months ended March 31, 2022, the Company had negative cash flow from operating activities. Although the Company expects to become profitable, there is no guarantee that will happen, and the Company may never become profitable. The Company currently has a negative operating cash flow and may continue to have a negative operating cash flow for the foreseeable future. A large portion of the Company's expenses are fixed in the short term, including expenses related to data hosting, facilities, equipment, contractual commitments and personnel. As a result, the Company expects for its net losses from operations to improve. The Company's ability to generate additional revenues and potential to become profitable will depend largely on its ability to develop and market its products and services. There can be no assurance that any such events will occur or that the Company will ever become profitable. Even if the Company does achieve profitability, the Company cannot predict the level of such profitability. If the Company sustains losses over an extended period of time, the Company may be unable to continue its business.

Dilution

Future sales or issuances of equity securities could decrease the value of the Common Shares, dilute shareholders' voting power and reduce future potential earnings per Common Share. The Company intends to sell additional equity securities in subsequent offerings (including through the sale of securities convertible into Common Shares) and may issue additional equity securities to finance its operations, development, exploration, acquisitions or other projects. The Company cannot predict the size of future sales and issuances of equity securities or the effect, if any, that future sales and issuances of equity securities will have on the market price of the Common Shares. Sales or issuances of a substantial number of equity securities, or the perception that such sales could occur, may adversely affect prevailing market prices for the Common Shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in the Company's earnings per Common Share.

Revenue Projections May Prove Inaccurate

Due to the time it takes customers to develop an understanding of VSBLTY's technology, the selling process is slowed down and the selling cycle is lengthened. Over time, management of VSBLTY 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 sales forecasts or revenue projections. Although financial projections presented in this short form prospectus are based on reasonable expectations developed by the Company's management, the assumptions and estimates underlying the financial projections are subject to significant business, economic, and competitive uncertainties and contingencies, many of which will be beyond the control of the Company. Accordingly, the financial projections are only estimates and are necessarily speculative in nature. It is expected that some – and perhaps all – of the assumptions in the financial projections will not be realized and that actual results will vary from the projections. Such variations may be material and may increase over time. Historically, VSBLTY has materially underperformed revenue projections in a number of instances, which was the result of a number of factors, including (a) failure of the Company's contractual partners to perform, (b) furloughed workforces as a result of COVID-19, (c) unanticipated deployment delays, and (d) COVID-19 lock downs. The methodology used by the Company to forecast revenue differs for different contracts, but generally relies on inputs from the Company's operations staff and its contractual partners, which may prove to be inaccurate. In light of the foregoing, readers are cautioned not to place undue reliance on the financial projections, which constitute forward-looking statements and FOFI. By their nature forward-looking statements and FOFI involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements and/or FOFI or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. See "Cautionary Statement Regarding Forward-Looking Information", "Business of the Company – Joint Venture with Modelo and Retailigent Media", "Business of the Company – Channel Orientation" and "Business of the Company – Production and Sales".

Dependence on a Small Number of Channel Partners

VSBLTY derives a significant percentage of its total revenues from a small group of partners, and, in particular, has been dependent on one particular partner, Winkel Media, for a large percentage of its revenues. Any change in VSBLTY's relationship with this partner or any other partner that may represent a significant portion of VSBLTY's revenue in the future could have a material adverse effect on its business, financial condition and results of operations. VSBLTY's dependence on a small number of key partners also exposes it to credit risk in respect of those partners. The failure of VSBLTY's partners to pay amounts owing, or their failure to pay promptly, may have a material adverse effect on VSBLTY's business, financial condition and results of operations.

Reliance on Strategic Partnerships in Foreign Jurisdictions

To grow its business, the Company anticipates that it will continue to depend on relationships with third parties, such as information technology vendors and channel partners. Certain of the Company's partners are located in foreign jurisdictions, such as Mexico, Europe and South Africa. The business activities of the Company's regional partners are guided by a detailed reporting structure, which requires the applicable regional partner to share all key business information, including but not limited to all proposals and quotes, with VSBLTY for approval and sign off. This process ensures alignment with respect to the roles and responsibilities of each regional partner and allows the Company to flag any activities that may fall outside of prescribed guidelines. If the Company is unsuccessful in establishing and maintaining its relationships with such regional partners, or if these regional partners are unable or unwilling to follow the prescribed guidance provided by the Company, the Company's ability to compete in the marketplace or to grow its revenue could be impaired, and its results of operations may suffer. Even if the Company is successful, it cannot be sure that these relationships will result in increased customer usage of its products or increased revenue.

CERTAIN INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement will describe certain Canadian federal income tax consequences to investors described therein of acquiring Securities.

INTEREST OF EXPERTS

The following are the names of each person or company who has prepared or certified a report, valuation, statement or opinion in this Prospectus, either directly or in a document incorporated by reference and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or the Company.

Dale Matheson Carr-Hilton LaBonte LLP is the external auditor of the Company and reported on the Company's Annual Financial Statements, which are filed on SEDAR.

AUDITOR

The independent auditor of the Company is Dale Matheson Carr-Hilton LaBonte LLP, of Vancouver, British Columbia. Dale Matheson Carr-Hilton LaBonte LLP is independent of the Company in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

To the knowledge of management of the Company, none of the persons above held, at the time of or after such person prepared the statement, report or valuation, any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of its associates or affiliates or is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Odyssey Trust Company at its Vancouver office located at 323 – 409 Granville Street, Vancouver, BC V6C 1T2.

PROMOTERS

Within the two years immediately preceding the date of this Prospectus, no person or company is or has been a promoter of the Company or a subsidiary of the Company.

OTHER MATERIAL FACTS

There are no other material facts about the Securities being qualified for distribution pursuant to this Prospectus that are not disclosed under any other items and are necessary in order for this Prospectus to contain full, true and plain disclosure of all material facts relating to the Securities to be distributed.

STATUTORY RIGHTS OF WITHDRAWAL AND RECISSION

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 or a Prospectus Supplement (including a pricing supplement) relating to the Securities purchased by a purchaser and any amendment thereto. In several of the provinces of Canada, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages, if the prospectus or Prospectus Supplement (including a pricing supplement) relating to the Securities purchased by a purchaser and any amendment thereto 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. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of convertible, exchangeable or exercisable Securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable Securities is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

CONTRACTUAL RIGHTS OF RESCISSION

In addition to statutory rights of withdrawal and rescission, original purchasers of Warrants (if offered separately from other Securities) and Subscription Receipts (or Units comprised partly thereof) will have a contractual right of rescission against the Company in respect of the exercise of such Warrant or Subscription Receipt, as the case may be.

The contractual right of rescission will entitle such original purchasers to receive, in addition to the amount paid on original purchase of the Warrant or Subscription Receipt (or Units comprised partly thereof), as the case may be, the amount paid upon exercise upon surrender of the underlying Securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the Warrant or Subscription Receipt under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of purchase of the Warrant or Subscription Receipt under this Prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under Section 131 of the *Securities Act* (British Columbia) and is in addition to any other right or remedy available to original purchasers under Section 131 of the *Securities Act* (British Columbia) or otherwise at law.

Original purchasers are further advised that, in certain provinces, the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the security that was purchased under a prospectus, and therefore a further payment at the time of exercise may not be recoverable in a statutory action for damages. 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.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

The Company is subject to the information requirements of applicable Canadian securities legislation and, in accordance therewith, files reports and other information with the securities regulators in Canada. You may read and download any public document that the Company has filed with the Canadian securities regulatory authorities under the Company's profile on the SEDAR website at www.sedar.com.

CERTIFICATE OF THE COMPANY

Dated: August 10, 2022

This short form prospectus, together with the documents incorporated by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of British Columbia, Alberta, Saskatchewan and Ontario.

"*Jay Hutton*"

JAY HUTTON
Chief Executive Officer, President and Director

"*Mitch Codkind*"

MITCH CODKIND
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Thomas D. Hays"

THOMAS D. HAYS
Director

"Amin Shahidi"

AMIN SHAHIDI
Director