

This Offering Document (the “**Offering Document**”) constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. This Offering Document is not, and under no circumstances is to be construed as a prospectus or advertisement or a public offering of these securities.

**OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION**

July 11, 2023



**VSBLTY GROUPE TECHNOLOGIES CORP.**  
(the “**Issuer**”, “**VSBLTY**” or “**we**”)

**SUBSCRIPTION PRICE: \$0.05 PER UNIT**

**PART 1 SUMMARY OF OFFERING**

**What are we offering?**

<b>Offering:</b>	Units (“ <b>Units</b> ”) of the Issuer, with each Unit being comprised of one common share of the Issuer (a “ <b>Share</b> ”) and one common share purchase warrant (a “ <b>Warrant</b> ”). Each Warrant will be exercisable to acquire an additional Share (each a “ <b>Warrant Share</b> ”, and together with the Units, Shares and Warrants, the “ <b>Securities</b> ”) at an exercise price of \$0.075 per Share for a period of 48 months from the date of closing.
<b>Offering Price:</b>	\$0.05 per Unit.
<b>Offering Amount:</b>	A minimum of 30,000,000 Units and a maximum of 50,000,000 Units, for minimum gross proceeds of approximately \$1,500,000 (the “ <b>Minimum Offering</b> ”) and maximum gross proceeds of \$2,500,000 (the “ <b>Maximum Offering</b> ” and collectively with the Minimum Offering, the “ <b>Offering</b> ”).
<b>Concurrent Private Placement:</b>	In addition to the Offering, the Issuer may, at its discretion, complete a concurrent non-brokered private placement to purchasers pursuant to applicable exemptions under National Instrument 45-106 (the “ <b>Concurrent Placement</b> ”) of up to 50,000,000 Units at the Offering Price for gross proceeds of up to \$2,500,000. There is no minimum aggregate Concurrent Placement and the Issuer reserves the right to decrease or increase the size of the Concurrent Placement at its discretion. Closing of the Offering is not conditional upon the closing of the Concurrent Placement.
<b>Closing Date:</b>	The Offering is expected to close in one or more closings, with the initial closing expected to occur on or around July 18, 2023 or such earlier or later date that the Issuer may determine.
<b>Exchange:</b>	The Shares of the Issuer are listed on the Canadian Securities Exchange (the “ <b>Exchange</b> ”), under the symbol “ <b>VSBY</b> ”. The Warrants are not listed on any exchange.
<b>Last Closing Price:</b>	The closing price of the Shares on Exchange on July 10, 2023 was \$0.065.

<b>Description of Shares</b>	<p>The holders of Shares are entitled to: (i) receive dividends as and when declared by the board of directors of the Issuer, out of the moneys properly applicable to the payment of dividends, in such amount and in such form as the board of directors may from time to time determine; (ii) in the event of the dissolution, liquidation or winding-up of the Issuer, whether voluntary or involuntary, or any other distribution of the assets of the Issuer among its shareholders for the purpose of winding-up its affairs, receive the remaining property and assets of the Issuer; and (iii) receive notice of and to attend all meeting of the shareholders of the Issuer and to have one vote for each Share held at all meetings of the shareholders of the Issuer, except for meeting at which only holders of another specified class or series of shares of the Issuer are entitled to vote separately as a class or series.</p>
<b>Description of Warrants:</b>	<p>Each Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.075 until 5:00 p.m. (Pacific time) on the date that is 48 months following the date of closing, after which time the Warrants will be void and of no value. The Warrants will be governed by the terms and conditions set out in the certificate representing the Warrants (the “<b>Warrant Certificates</b>”) delivered to you at the closing of the Offering. The Warrant Certificates will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain customary events. Notwithstanding the foregoing, the terms and conditions governing the Warrants may, at the election of the Issuer, be provided in an indenture entered into between the Issuer and a trustee, pursuant to which subscribers will be provided Warrant Certificates.</p> <p>No fractional Warrants Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Issuer or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Certificate. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Shares.</p>

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

***The Units, the Shares and the Warrants comprising the Units, and the Warrant Shares issuable upon the exercise of the Warrants, have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person or any person in the United States, absent an exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. person unless exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws are available at the time of exercise. Securities issued to, or for the account or benefit of, a U.S. person or a person in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws will be “restricted securities” within the meaning of Rule 144 under the U.S. Securities Act subject to certain restrictions on transfer set forth therein, and may be represented by definitive certificates or other instruments bearing a legend regarding such restrictions.***

All references in this Offering Document to “dollars” or “\$” are to Canadian dollars, unless otherwise stated.

#### General Information

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

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

#### **Cautionary Note Regarding Forward-Looking Statements**

This Offering Document contains forward-looking statements within the meaning of applicable securities legislation. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “will”, “proposes”, “expects”, “estimates”, “intends”, “anticipates” or “believes”, or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. All statements, other than statements of historical fact, that address activities, events or developments that the Issuer believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding any objectives and strategies of the Issuer) are forward-looking statements. Examples of such forward-looking statements in this Offering Document include the Issuer’s business objectives, and the related proceeding significant events and costs, as well as the use of available funds. These forward-looking statements reflect the current expectations, assumptions or beliefs of the Issuer based on information currently available to the Issuer. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the Issuer’s actual results, performance or developments to be materially different from any future results, performance or developments expressed or implied by the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Issuer. In making the forward-looking statements included in this Offering Document, the Issuer has made various material assumptions, including but not limited to:

- those relating to general economic conditions;
- the Issuer’s expectations regarding its revenue, operating losses, expenses and research and development operations;
- the Issuer’s anticipated cash needs and its needs for additional financing;
- the Issuer’s intention to grow its business and operations;
- the Issuer’s plans to grow sales and offer new products;
- expectations with respect to future production costs and capacity;
- expectations regarding the Issuer’s growth rates and growth plans and strategies;
- the Issuer’s competitive position and the regulatory environment in which the Issuer operates;
- the Issuer’s plans with respect to the payment of dividends;
- the ability of the Issuer’s products to access markets;
- the Issuer’s ability to expand into international markets;
- the Issuer’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 Issuer's services;
- the Issuer's future cash requirements;
- the timing, pricing, completion, and regulatory approval of proposed financings;
- the Issuer's expectations as to the effect of the COVID-19 pandemic on its business and operations; and
- the expected additional sources of funding from an affiliate of AB InBev (as defined herein) and Qualcomm (as defined herein).

There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance or developments could differ materially from those anticipated in such statements. Although the Issuer believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer.

An investment in the Securities of the Issuer is speculative and subject to risks and uncertainties, and these risks and uncertainties may impact the factors and assumptions identified above, as well as the forward looking information contained in this Offering Document, including as it relates to anticipated use of funds and the Issuer's business objectives. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Issuer and the business, prospects, financial position, financial condition or results of operations of the Issuer. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently deems immaterial may also impair the Issuer's business operations.

Prospective investors should carefully consider all information contained in this Offering Document including information contained in the section entitled "Cautionary Note Regarding Forward-Looking Statements", before deciding to purchase the Units. Additionally, purchasers should consider the risk factors set forth below and if purchasers would like additional information related to such risks, the Issuer recommends they review the risk factors set out in the Issuer's other public filings made by the Issuer with Canadian securities regulatory authorities, available on the Issuer's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Risks which may impact the forward looking information contained in this Offering Document include the following:

- there is no guarantee that an investment in the securities described herein will provide any positive return in the short term or long term;
- volatility in the Shares price may subject us to securities litigation;
- we have broad discretion in the use of the net proceeds from this offering and may not use them effectively;
- future sales may affect the market price of the Shares;
- the Issuer has negative cash flows from operations;
- the market price of the Shares may be adversely affect by stock market volatility;
- there may not be an active or liquid market for the Shares;
- the Issuer experiences fluctuations in operating results and cash flow;
- capital requirements associated with expanded operations;
- estimates or judgments relating to critical accounting policies;
- risks associated with internal controls;
- the Issuer's ability to obtain the necessary financing and the general impact of financial market conditions;
- the demand for the Issuer's services;
- the Issuer's ability to attract new customers;
- reliance on strategic partnerships;
- the success of the Issuer's current and future development efforts;
- the Issuer is a development stage company with little operating history, a history of losses and the Issuer cannot assure profitability;

- the Issuer is subject to changes in Canadian laws regulations and guidelines which could adversely affect the Issuer’s future business and financial performance;
- the Issuer may not be able to effectively manage its growth and operations, which could materially and adversely affect its business;
- the Issuer may be unable to obtain additional financing on acceptable terms or not at all;
- the effectiveness Company’s technology and the Issuer’s ability to bring its technology into commercial production cannot be assured;
- the Issuer may become subject to litigation, including for possible product liability claims, which may have a material adverse effect on the Issuer’s reputation, business, results from operations and financial condition;
- the Issuer 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 Issuer is reliant on management and if the Issuer is unable to attract and retain key personnel, it may not be able to compete effectively;
- the Issuer’s industry is experiencing rapid growth and consolidation that may cause the Issuer to lose key relationships and intensify competition;
- the Issuer 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 Issuer’s current shareholders;
- the Issuer’s officers and directors may be engaged in a range of business activities resulting in conflicts of interest;
- regulatory scrutiny of the Issuer’s industry may negatively impact its ability to raise additional capital; and
- COVID-19 and its potential effects on the Issuer’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.

This Offering Document also contains future-oriented financial information and financial outlook information (collectively, “**FOFI**”) regarding the Issuer’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 Offering Document was prepared using the same accounting principles that the Issuer 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 Offering Document 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 Issuer. The Issuer disclaims any intention or obligation to update or revise any FOFI contained in this Offering Document, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. FOFI contained in this Offering Document should not be used for purposes other than for which it is disclosed herein.

## **PART 2 SUMMARY DESCRIPTION OF BUSINESS**

### **What Is Our Business?**

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**”) software as a service-based

model for its subscription-based customers. Pro-Active Digital Display actively involves the consumer at the point of its purchase decision through its interactive touch-screen display, while capturing key performance indicators 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 Issuer 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 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 Issuer will focus its resources on leveraging this trust to generate revenue and continue to build its brand.

## **Recent Developments**

The following is a brief summary of the recent developments involving or affecting the Issuer.

- On March 24, 2023, the Issuer granted an aggregate of 5,606,000 stock options to certain directors, officers, consultants and employees of the Issuer pursuant to the Issuer’s stock option plan, allowing them to purchase an equal number of common shares in the capital of the Issuer. All of the options are exercisable for a period of 5 years at a price of \$0.25. 3,825,000 of such options vested immediately and 1,781,000 of

such options will vest at 33.3% after 12 months from the date of grant and at an additional 33.3% every 12 months thereafter.

- On March 28, 2023, the Issuer announced that it appointed Luiz Felipe Costa Romero de Barros as the Issuer’s executive chairman.
- On March 31, 2023, Mitch Codkind resigned as the Issuer’s CFO and Thomas D. Hays was appointed as the Issuer’s new CFO.
- On April 4, 2023, the Issuer entered into a strategic integration agreement with Multimedia Plus Inc., a major training and communications technology company servicing leaders in the restaurant, hospitality and retail industries. The agreement is expected to combine VSBLTY’s computer vision retail analytics with the INCITE® platform from Multimedia Plus creating a powerful retail training and marketing communications tool.
- On April 6, 2023, the Issuer entered into a partnership agreement with urban tech company NGDI, NextGen Digital Infra, whose outdoor hubs connect cities, citizens and businesses by providing connectivity, information and advertising, as well as security, in key population dense locations such as transit centers through its unique Smart City solution platform.
- On June 29, 2023, Joe Jensen resigned from the Issuer’s board of directors. Mr. Jensen continues to serve as a member of the Issuer’s advisory board.

#### Material Facts

There are no material facts about the Issuer and the securities being distributed hereunder that have not been disclosed either in this Offering Document or in another document filed by the Issuer in the 12 months preceding the date of this Offering Document on the Issuer’s profile at [www.sedar.com](http://www.sedar.com). You should read these documents prior to investing.

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

The following table sets out: (i) the business objectives the Issuer expects to accomplish using its available funds following the Offering; (ii) the significant event(s) that must occur for each business objective to be accomplished; and (iii) the anticipated time period for completion and estimated cost for each such event.

<u>Business Objectives</u>	<u>Preceding significant event(s) (each, an “Event”)</u>	<u>Period in which Event is expected to occur</u>	<u>Cost Related to Event</u>
Expand Store as a Medium networks and deployments	Continue platform development including migration, real time reporting, telemetry, improve field ops, and improve convenience store endpoint process	3-12 months	\$1,200,000
Expand commercial operations in Brazil	Demonstrate proof of concept and commence product roll out	3-12 months	\$150,000

Develop tablet with H-Ventures S.R.L.	Finalize point of sale unit, software integration, and data reporting	3-12 months	\$75,000
Expand security network deployment with RADAR USA, Inc.	Secure additional deployments and improve operations	3-12 months	\$75,000
		<b>TOTAL</b>	<b>\$1,500,000</b>

### PART 3 USE OF AVAILABLE FUNDS

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

		Assuming Minimum Offering	Assuming Maximum Offering
A	Amounts to be raised by the Offering	\$1,500,000	\$2,500,000
B	Selling commissions and fees	\$105,000	\$175,000
C	Estimated Offering costs (e.g., legal, accounting, audit)	\$75,000	\$75,000
D	Net proceeds of Offering: $D = A - (B+C)$	\$1,320,000	\$2,250,000
E	Working capital as at June 30, 2023	\$150,000	\$150,000
F	Additional sources of funding <sup>(1)</sup>	\$2,400,000	\$2,400,000
<b>G</b>	<b>Total available funds: <math>G = D+E+F</math></b>	<b>\$3,870,000</b>	<b>\$4,800,000</b>

**Note:**

(1) Additional sources of funding are expected to include: (i) an investment of US\$1,000,000 (approximately \$1,300,000) from an affiliate of Anheuser-Busch AB InBev SA/NV (“**AB InBev**”), payable in connection with a proposed co-development commercial arrangement between the parties, with US\$500,000 of such funding expected to occur by July 31, 2023 and US\$500,000 by September 30, 2023; and (ii) approximately \$1,100,000 from Qualcomm Technologies, Inc. (“**Qualcomm**”) in connection with technology development services to be provided by the Issuer on Qualcomm’s platform. These additional sources of funding are based on the Issuer’s reasonable expectations as at the date hereof. There is no guarantee that such additional sources of funding will be obtained on the terms described herein or at all. Assumes no proceeds raised in the Concurrent Placement. The Issuer intends to use the proceeds from the Concurrent Placement, if any, towards unallocated working capital.

#### How will we use the available funds?

The Issuer intends to use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
Expand Store as a Medium networks and deployments	\$1,200,000	\$1,500,000



Expand commercial operations in Brazil	\$150,000	\$300,000
Develop tablet with H-Ventures S.R.L.	\$75,000	\$100,000
Expand security network deployment with RADAR USA, Inc.	\$75,000	\$100,000
General and administrative	\$1,200,000	\$1,500,000
Unallocated working capital	\$1,170,000	\$1,300,000
<b>Total:</b>	<b>\$3,870,000</b>	<b>\$4,800,000</b>

The above noted allocation of capital and anticipated timing represents the Issuer's current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Issuer intends to expend the proceeds from the Offering and its available funds as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Issuer's ability to execute on its business plan.

The Issuer has generated negative cash flows from operating activities since inception and anticipates that it will continue to have negative operating cash flow beyond the 12 months after the closing date of the Offering. As a result, certain of the net proceeds from this Offering may be used to fund such negative cash flow from operating activities in future periods. See the "Cautionary Note Regarding Forward-Looking Statements" section above.

The most recent financial statements of the Issuer included a going concern note. Management is aware, in making its going concern assessment, of recurring losses, on-going negative cash flow and an ongoing dependence on financing activities that may cast significant doubt on the Issuer's ability to continue as a going concern. The Offering is intended to permit the Issuer to continue to develop and sell its technologies and fund its management costs and is not expected to affect the decision to include a going concern note in the next financial statements of the Issuer. The available funds will not be paid to an insider, associate, or affiliate of the Issuer, except for normal course salaries or consulting fees that are currently or may be paid by the Issuer to its officers and/or director.

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

On July 28, 2022, the Issuer closed an overnight marketed short form prospectus financing pursuant to which the Issuer issued 19,166,705 units at \$0.30 per unit for gross proceeds of \$5,750,012 and a concurrent non-brokered private placement of 2,983,230 units for gross proceeds of \$894,969 (collectively, the "**2022 Financing**"). The Issuer closed a second tranche of the concurrent private placement pursuant to the 2022 Financing on August 31, 2022, issuing 8,221,831 units for gross proceeds of \$2,466,549. The Issuer closed a third tranche of the concurrent private placement pursuant to the 2022 Financing on November 10, 2022, issuing 1,733,333 units for gross proceeds of \$520,000. The following table sets out the particulars of how the Issuer used proceeds from the 2022 Financing, as well as an explanation of the variances, if any, from the Issuer's anticipated use of proceeds as disclosed in documents previously filed with securities commissions or similar authorities in Canada, and the impact of any variances on the Issuer's ability to achieve its business objectives and milestones:

Proposed Use of Funds of 2022 Unit Financing		Actual Use of Funds	(Over)/Under Expenditure	Explanation of Variance on Business Objectives
General & Administrative Expenses	\$1,126,000	\$1,097,853	\$28,147	Expenses incurred related to legal and accounting fees and insurance premiums. Expenditures are in line with business objectives.
Sales & Marketing	\$913,000	\$912,700	\$300	Funds were spent on public relations and general marketing these activities are in line with business objectives.
Research & Development	\$2,572,000	\$1,074,838	\$1,497,162	Research and Development expenditure is on track and in line with expected business objectives and these activities are still on-going.
Advances to Joint Venture	\$180,000	\$900,782	\$(720,782)	The Issuer has increased funding to its joint venture since the signing of advertising contracts has taken longer than anticipated.
Interest Expense	\$153,000	\$44,818	\$108,182	The Issuer settled various interest payable amounts in shares during the 2022 fiscal year and also interest due on some promissory notes during the first quarter of 2023.

Proposed Use of Funds of 2022 Unit Financing		Actual Use of Funds	(Over)/Under Expenditure	Explanation of Variance on Business Objectives
Capital Expenditures	\$20,000	\$Nil	\$20,000	The variance is in line with business objectives.
Unallocated Working Capital	\$325,070	\$1,278,376	\$(953,306)	The Issuer incurred significant expenses related to the sale of hardware, offset by the collection of accounts receivable.
<b>TOTAL:</b>	<b>\$5,289,070</b>	<b>\$5,289,070</b>	<b>\$Nil</b>	

#### **PART 4 FEES AND COMMISSIONS**

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

The Issuer has engaged Echelon Wealth Partners Inc. as a non-exclusive finder and it is anticipated that other parties may also be engaged as finders in connection with the Offering. The Issuer will pay finders' fees of up to 7.0% of the gross proceeds raised by the Issuer from the sale of Units to subscribers directly introduced to the Issuer by eligible finders. In certain cases, where agreed by the applicable finder, the Issuer may pay such finders' fees in Shares at a deemed issuance price of \$0.05 per Share. In addition, the Issuer will issue to such eligible finders non-transferable finders' warrants of up to 7.0% of the number of Units sold to such subscribers. Such finders' warrants shall entitle the holder to acquire one Share at a price of \$0.075 per Share for a period of 24 months from the date of closing.

In addition, subject to closing of a minimum subscription amount, the Issuer will pay a corporate advisory fee to Echelon Wealth Partners Inc. of \$30,000, of which \$15,000 will be paid in cash and \$15,000 will be paid in Shares at a deemed issuance price of \$0.05 per Share.

#### **PART 5 PURCHASERS' RIGHTS**

##### **Rights of action in the Event of a Misrepresentation**

**If there is a misrepresentation in this offering document, you have a right**

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

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

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

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

**PART 6 ADDITIONAL INFORMATION ABOUT THE ISSUER**

**Where can you find more information about us?**

You can access the Issuer's continuous disclosure under its profile at [www.sedar.com](http://www.sedar.com) and at [www.vsblty.net](http://www.vsblty.net).

**PART 7 DATE AND CERTIFICATE**

Dated: July 11, 2023

**This offering document, together with any document filed under Canadian securities legislation on or after July 11, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.**

*"Jay Hutton"*

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Jay Hutton  
Chief Executive Officer

*"Thomas D. Hays"*

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Thomas D. Hays  
Chief Financial Officer