

*A copy of this amended and restated preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada (other than Québec), but has not yet become final for the purpose of the sale of securities. Information contained in this amended and restated 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 final short form base shelf prospectus is obtained from the securities regulatory authorities.*

*A copy of this preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in the province of Québec and each of the territories of Canada, 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 final short form base shelf prospectus is obtained from the securities regulatory authorities.*

*This prospectus is a base shelf prospectus. This short form base shelf prospectus has been filed under legislation in all provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. 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 is available.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This preliminary short form base shelf prospectus and amended and restated preliminary 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 the persons permitted to sell such securities.*

*The securities offered hereunder have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws. These securities will not be offered or sold to, or for the account or benefit of, persons within the United States or “U.S. persons”, as such term is defined in Regulation S under the U.S. Securities Act, unless the securities are registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available. This preliminary short form base shelf prospectus and amended and restated preliminary short form base shelf prospectus does not constitute an offer to sell or a solicitation of an offer to buy the securities offered hereby to, or for the account or benefit of, persons in the United States or U.S. persons. See “Plan Of Distribution”.*

*Information has been incorporated by reference in this preliminary short form base shelf prospectus and amended and restated preliminary short form base shelf 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 Generative AI Solutions Corp. at 550 Burrard Street, Bentall 5, Suite 2300, Vancouver, British Columbia, Canada, V6C 2B5, telephone 406-879-7632, and are also available electronically at [www.sedarplus.ca](http://www.sedarplus.ca).*

**PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS DATED SEPTEMBER 14, 2023 IN THE PROVINCE OF QUÉBEC AND TERRITORIES OF CANADA AND AMENDED AND RESTATED PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS DATED SEPTEMBER 14, 2023 AMENDING AND RESTATING THE PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS DATED AUGUST 31, 2023 IN ALL PROVINCES OF CANADA OTHER THAN QUÉBEC**

New Issue

September 14, 2023

**GENERATIVE AI SOLUTIONS CORP.**

**GENAI**

**\$40,000,000**  
**Common Shares**  
**Warrants**  
**Units**  
**Debt Securities**  
**Subscription Receipts**

This short form base shelf prospectus (“**Prospectus**”) relates to the offering for sale from time to time (each, an “**Offering**”) by Generative AI Solutions Corp. (the “**Company**” or “**GenAI**”) during the 25-month period that this Prospectus, including any amendments hereto, remains valid, of up to \$40,000,000 in the aggregate of: (i) common shares in the authorized share structure of the Company (“**Common Shares**”); (ii) warrants (“**Warrants**”) to purchase other Securities (as defined below) of the Company; (iii) units (“**Units**”) comprising of one or more of the other Securities, (iv) senior and subordinated unsecured debt securities (collectively, “**Debt Securities**”), including debt securities convertible or exchangeable into other securities of

the Company, and (v) subscription receipts (“**Subscription Receipts**” and together with the Common Shares, Warrants, Units and Debt Securities, collectively referred to herein as the “**Securities**”). The Securities may be offered separately or together, in amounts, at prices and on terms determined based on market conditions at the time of the sale and as set forth in an accompanying prospectus supplement (“**Prospectus Supplement**”).

All shelf information permitted under applicable laws 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. Each Prospectus Supplement containing the specific terms of any Securities 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.

The specific terms of any Securities offered will be described in a Prospectus Supplement, including: (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 offering price(s) (in the event the offering is a non-fixed price distribution) and any other specific terms; (ii) in the case of Warrants, the number of Warrants being offered, the offering price (in the event the offering is a fixed price distribution), the manner of determining the offering price(s) (in the event the offering is a non-fixed price distribution), the designation, number and terms of the other Securities purchasable upon exercise of the Warrants, and any procedures that will result in the adjustment of those numbers, the exercise price, the dates and periods of exercise and any other specific terms; (iii) in the case of Units, the number of Units offered, the offering price, the designation, number and terms of the other Securities comprising the Units, and any other specific terms; (iv) in the case of the Debt Securities, the specific designation of the Debt Securities, whether such Debt Securities are senior or subordinate, the aggregate principal amount of the Debt Securities being offered, the currency or currency unit in which the Debt Securities may be purchased, authorized denominations, any limit on the aggregate principal amount of the Debt Securities of the series being offered, the issue and delivery date, the maturity date, the offering price (at par, at a discount or at a premium), the interest rate or method of determining the interest rate, the interest payment date(s), any conversion or exchange rights that are attached to the Debt Securities, any redemption provisions, any repayment provisions and any other specific terms; and (v) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price (in the event the offering is a fixed price distribution), the manner of determining the offering price(s) (in the event the offering is a non-fixed price distribution), the terms, conditions and procedures for the conversion of the Subscription Receipts into other Securities, the designation, number and terms of such other Securities, and any other specific terms. A Prospectus Supplement relating to a particular Offering of Securities may include terms pertaining to the Securities being offered thereunder that are not within the terms and parameters described in this Prospectus.

The Securities may be sold through underwriters or dealers, directly by us pursuant to applicable statutory exemptions, or through designated agents from time to time. See “*Plan Of Distribution*”. The Prospectus Supplement relating to a particular Offering of Securities will identify each underwriter, dealer or agent, as the case may be, engaged by the Company in connection with the offering and sale of the Securities, and will set forth the terms of the Offering of such Securities, including, to the extent applicable, any fees, discounts or any other compensation payable to underwriters, dealers or agents in connection with the Offering, the method of distribution of the Securities, the initial issue price (in the event that the offering is a fixed price distribution), the net proceeds to us and any other material terms of the plan of distribution.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices. This Prospectus may qualify an “at-the-market distribution”, as defined in National Instrument 44-102 — *Shelf Distributions* (“**NI 44-102**”). If offered on a non-fixed price basis, the Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference to the prevailing price of a specified security in a specified market or at prices to be negotiated with purchasers including sales in transactions that are deemed to be “at-the-market distributions”, including sales made directly on the Canadian Securities Exchange (the “**CSE**”) or other existing trading markets for the Securities, and as set forth in an accompanying Prospectus Supplement, in which case the compensation payable to an underwriter, dealer or agent in connection with any such sale will be decreased by the amount, if any, by which the aggregate price paid for the Securities by the purchasers is less than the gross proceeds paid by the underwriter, dealer or agent to the Company. The price at which the Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution. See “*Plan Of Distribution*”.

This Prospectus does not qualify the issuance of Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula,

or any combination or basket of the foregoing items. For greater certainty, this Prospectus may qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or bankers' acceptance rate, or to recognized market benchmark interest rates such as the Canadian Overnight Repo Rate Average (“CORRA”), Secured Overnight Financing Rate (“SOFR”), Euro Inter-Bank Offered Rate (“EURIBOR”) or a United States federal funds rate.

No underwriter or dealer involved in an “at-the-market distribution” 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 offered Securities or securities of the same class as the Securities distributed under the “at-the-market distribution”, including selling an aggregate number or principal amount of Securities that would result in the underwriter creating an over-allocation position in the Securities.

In connection with any Offering of the Securities, subject to applicable laws and other than an “at-the-market distribution”, the underwriters or agents may over-allot or effect transactions that stabilize or maintain the market price of the offered Securities at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. See “*Plan Of Distribution*”.

The Common Shares are listed on the CSE under the trading symbol “AICO”, in the United States on the OTCQB under the trading symbol “AICOF” and in Germany on the Frankfurt Stock Exchange under the trading symbol “N8T”. On September 13, 2023, the last trading day prior to the filing of this Prospectus, the closing prices of the Common Shares on the CSE, the OTCQB and the Frankfurt Stock Exchange were \$0.68, US\$0.52 and €0.47, respectively.

**Unless specified in the applicable Prospectus Supplement, there is no market through which the Subscription Receipts, Warrants, Units and Debt Securities may be sold and purchasers may not be able to resell the Subscription Receipts, Warrants, Units and Debt Securities purchased under this Prospectus and the Prospectus Supplement. This may affect the pricing of the Subscription Receipts, Warrants, Units and Debt Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Subscription Receipts, Warrants, Units and Debt Securities and the extent of issuer regulation. See “*Risk Factors*”.**

**Prospective investors should be aware that the purchase of Securities may have tax consequences that may not be fully described in this Prospectus or in any Prospectus Supplement, and should carefully review the tax discussion, if any, in the applicable Prospectus Supplement and in any event consult with their own tax advisors before purchasing any of the Securities.**

**An investment in the Securities is highly speculative and is subject to a number of risks, including those risks described in this Prospectus and documents incorporated by reference into this Prospectus. See “*Risk Factors*” in this Prospectus and in the Company’s Annual Information Form and Interim MD&A (each as defined herein) incorporated by reference herein.**

**No person is authorized by the Company to provide any information or to make any representation other than as contained in this Prospectus in connection with the issue and sale of the Securities offered hereunder.**

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

Paul Ciullo, the Chief Financial Officer of the Company, and Patrick Gray, a director of the Company, each of whom resides outside of Canada, has appointed Gowling WLG (Canada) LLP, 1 First Canadian Place, 100 King Street West, Suite 1600, Toronto, Ontario, Canada, M5X 1G5, as agent for service of process in Canada. Prospective 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. See “*Risk Factors – Risks Related to an Offering – Enforcement of Civil Liabilities*”.

In this Prospectus, references to the “**Company**”, “**GenAI**”, “**we**”, “**us**” and “**our**” refer to Generative AI Solutions Corp. and/or, as applicable, one or more of its subsidiaries. The Company’s head office and registered office is located at 550 Burrard Street, Bentall 5, Suite 2300, Vancouver, British Columbia, Canada, V6C 2B5.

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## GENERAL MATTERS

Investors should rely only on the information contained in or incorporated by reference into this Prospectus or any applicable Prospectus Supplement. The Company has not authorized anyone to provide investors with different information. **Information contained on the Company's website shall not be deemed to be a part of this Prospectus or incorporated by reference herein or in any applicable Prospectus Supplement and may not be relied upon by prospective investors for the purpose of determining whether to invest in the Securities qualified for distribution under this Prospectus.** The Company is not making an offer of these Securities in any jurisdiction where the offer is not permitted. Investors should not assume that the information contained in this Prospectus is accurate as of any date other than the date on the front of this Prospectus or the date of the relevant document incorporated by reference. The Company's business, operating results, financial condition and prospects may have changed since that date.

The information contained on <https://www.genai-solutions.com/> is not intended to be included in or incorporated by reference herein, and prospective purchasers should not rely on such information when deciding whether or not to invest in any Securities.

In this Prospectus, unless stated otherwise or the context requires otherwise, all dollar amounts are expressed in Canadian dollars.

### CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Prospectus and the documents incorporated by reference herein constitute "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws (collectively, "**forward-looking statements**"). All statements other than statements of historical fact, including, without limitation, those regarding the Company's future financial position, business strategy, budgets, research and development, plans and objectives of management for future operations, and any statements preceded by, followed by or that include forward-looking terminology such as "expect", "believe", "likely", "may", "will", "should", "intend", "anticipate", "potential", "proposed", "estimate", "project", "continue", "plan", "aim" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy, are forward-looking statements.

Forward-looking statements include estimates, plans, expectations, opinions, forecasts, projections, targets, guidance, or other statements that are not statements of fact. The Company has based these forward-looking statements on current expectations and projections about future events and financial trends that they believe may affect the Company's financial condition, results of operations, business strategy and financial needs, as the case may be.

Such forward-looking statements are made as of the date of this Prospectus, or in the case of documents incorporated by reference herein, as of the date of each such document. Forward-looking statements in this Prospectus and the documents incorporated by reference herein include, but are not limited to, statements with respect to:

- the performance of the Company's business and operations;
- the intention to grow the business, operations and potential activities of the Company;
- the competitive and business strategies of the Company;
- the Company's anticipated operating cash requirements and future financing needs;
- the anticipated future gross revenues and profit margins of the Company's operations;
- the Company's expectations regarding its revenue, expenses and operations;
- the applicable laws, regulations and any amendments thereof;
- expectations with respect to the advancement and adoption of new products;
- the acceptance by customers and the marketplace of new products and solutions;
- the ability to attract new customers and develop and maintain existing customers;
- the ability to protect, maintain and enforce the Company's intellectual property rights;
- the ability to successfully leverage current and future strategic partnerships and alliances;
- the ability to attract and retain personnel;
- the anticipated labour and materials costs;
- the Company's competitive condition and expectations regarding competition, including pricing and demand expectations and the regulatory environment in which the Company operates;
- the anticipated trends and challenges in the Company's business and the markets and jurisdictions in which the Company operates;
- the general economic conditions associated with the outbreak of COVID-19;

- the completion of an Offering and the receipt of all regulatory and stock exchange approvals in connection therewith;
- the use of the net proceeds of an Offering; and
- the Company's business objectives and milestones and the anticipated timing of execution.

Forward-looking statements reflect the Company's current expectations and assumptions, and are subject to a number of known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should underlying factors or assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. In making the forward-looking statements included in this Prospectus, and the documents incorporated by reference herein, the Company has made various material assumptions, including, but not limited to:

- the general business, economic, financial market, regulatory and political conditions in which the Company operates will remain positive;
- the Company will continue to be in compliance with regulatory requirements;
- the tax treatment of the Company and its subsidiaries will remain constant and the Company will not become subject to any material legal proceedings;
- the Company will have sufficient working capital and be able to secure additional funding necessary for the continued operation and development of the Company; and
- key personnel will continue their employment with the Company and the Company will be able to obtain and retain additional qualified personnel, as needed, in a timely and cost-efficient manner.

Purchasers are cautioned that the above list of cautionary statements is not exhaustive. A number of factors could cause actual events, performance or results to differ materially from what is projected in forward-looking statements. The purpose of forward-looking statements is to provide the reader with a description of management's expectations, and such forward-looking statements may not be appropriate for any other purpose. You should not place undue reliance on forward-looking statements contained in this Prospectus or in any document incorporated by reference herein. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

**The forward-looking statements contained in this Prospectus and the documents incorporated by reference herein are expressly qualified in their entirety by the foregoing cautionary statement.** Investors should read this entire Prospectus, including the Annual Information Form, and each applicable Prospectus Supplement, and consult their own professional advisers to ascertain and assess the income tax and legal risks and other aspects associated with holding Securities.

## EXEMPTION

Pursuant to a decision of the *Autorité des marchés financiers* dated September 13, 2023, the Company was granted a permanent exemption from the requirement to translate into French this Prospectus as well as the documents incorporated by reference therein and any Prospectus Supplement to be filed in relation to an "at-the-market distribution". This exemption is granted on the condition that this Prospectus and any Prospectus Supplement (other than in relation to an "at-the-market distribution") be translated into French if the Company directly offers Securities to Québec purchasers in connection with an offering of Securities other than in relation to an "at-the-market distribution".

## TRADEMARKS AND SERVICE MARKS

This prospectus includes trademarks, trade names and service marks which are protected under applicable intellectual property laws for use in connection with the operation of our business, and which are the property of the Company. All other trade names, trademarks or service marks appearing in this Prospectus that are not identified as marks owned by us are the property of their respective owners. Solely for convenience, trademarks, service marks and trade names referred to in this prospectus may be listed without the ®, (TM) and (sm) symbols, however, we will assert, to the fullest extent under applicable law, our applicable rights in these trademarks, service marks and trade names.

## MARKETING MATERIALS

Any template version of marketing materials (as such terms are defined in National Instrument 41-101 — *General Prospectus Requirements*) that are utilized in connection with the distribution of Securities will be filed under the Company's profile on

[www.sedarplus.ca](http://www.sedarplus.ca) (SEDAR+). In the event that such marketing materials are filed after the date of the applicable Prospectus Supplement for the offering and before termination of the distribution of such Securities, such filed versions of the marketing materials will be deemed to be incorporated by reference into the applicable Prospectus Supplement for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

## MARKET AND INDUSTRY DATA

Market and industry data contained and incorporated by reference in this Prospectus or any applicable Prospectus Supplement concerning economic and industry trends is based upon good faith estimates of the Company's management or derived from information provided by industry sources. The Company believes that such market and industry data is accurate and that the sources from which it has been obtained are reliable. However, we cannot guarantee the accuracy of such information and we have not independently verified the assumptions upon which projections of future trends are based. While the Company is not aware of any misstatements regarding the industry data presented herein, the Company's estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under "*CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION*" and "*Risk Factors*" in this Prospectus.

## 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 on request without charge from Ryan Selby, the Corporate Secretary of the Company, at 550 Burrard Street, Bentall 5, Suite 2300, Vancouver, British Columbia, Canada, V6C 2B5, telephone 406-879-7632, and are also available electronically on SEDAR+.

The following documents of the Company filed with the securities commissions or similar authorities in Canada are incorporated by reference in this Prospectus:

1. the annual information form of the Company dated August 31, 2023 (the "**Annual Information Form**") in respect of the fiscal year ended February 28, 2023;
2. the unaudited interim consolidated financial statements of the Company and notes thereto as at and for the three months ended April 30, 2023 and 2022 (the "**Interim Financial Statements**");
3. the management's discussion and analysis of the Company for the three months ended April 30, 2023 and 2022 (the "**Interim MD&A**");
4. the audited consolidated financial statements of the Company and the notes thereto as at and for the twelve months ended February 28, 2023 and the thirteen months ended February 28, 2022, together with the auditor's report thereon (the "**Annual Financial Statements**");
5. the management's discussion and analysis of the Company for the twelve months ended February 28, 2023 and the thirteen months ended February 28, 2022 (the "**Annual MD&A**");
6. the material change report of the Company dated July 11, 2023, regarding the approval of Pulse AI Compute Solutions Inc. ("**Pulse AI**") to join the NVIDIA Inception Program ("**NVIDIA Program**") and its issuance of a purchase order for approximately US\$1.8 million of artificial intelligence ("**AI**" or "**artificial intelligence**") compute hardware to a confidential third party;
7. the material change report of the Company dated June 8, 2023, regarding the closing of a private placement financing of units of the Company;
8. the material change report of the Company dated May 11, 2023 regarding the entering into a definitive agreement with Global AI Billing Corp. ("**Global AI Billing**") on May 2, 2023, and the closing of the share purchase transaction with Global AI Billing on May 10, 2023;
9. the material change report of the Company dated April 27, 2023, regarding the closing of the Company's business combination (the "**Business Combination**") with Ultron Capital Corp. ("**Ultron**");
10. the section entitled "*Executive Compensation – Ultron*" in the listing statement of the Company dated April 17, 2023 (the "**Listing Statement**");
11. the audited consolidated financial statements of Ultron for the fiscal years ended January 31, 2023, 2022 and 2021 in the Listing Statement;

12. the management's discussion and analysis of Ultron for the fiscal year ended January 31, 2023 in the Listing Statement;
13. the management information circular dated March 10, 2023 in respect of the Company's annual general and special meeting of shareholders held on April 11, 2023; and
14. the material change report of the Company dated February 27, 2023, regarding the entering into a definitive business combination agreement dated effective February 16, 2023 between the Company, Ultron and 1399318 B.C. Ltd. ("**Subco**"), a wholly-owned subsidiary of the Company, in respect of the Business Combination (the "**Business Combination Agreement**").

Any document of the type referred to in Section 11.1 of Form 44-101F1 – *Short Form Prospectus* filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to 25 months from the date hereof shall be deemed to be incorporated by reference in this Prospectus.

Copies of the documents incorporated by reference herein will be available electronically on the Company's SEDAR+ profile, which can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca). The Company's filings through SEDAR+ are not incorporated by reference in the Prospectus except as specifically set out herein.

**Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus 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 subsequently filed document which also is or is deemed to be incorporated by reference in this Prospectus modifies or supersedes that 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 information set forth in the document that it modifies or supersedes. The making of 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.**

Upon our filing of a new annual information form and the related annual financial statements and management's discussion and analysis with, and where required, accepted by, the applicable securities regulatory authorities during the duration of this Prospectus, the previous annual information form, the previous annual financial statements and management's discussion and analysis and all interim financial statements, supplemental information, material change reports and information circulars filed prior to the commencement of our financial year in which the new annual information form is filed will be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of our Securities under this Prospectus. Upon interim consolidated financial statements and the accompanying management's discussion and analysis and any material change report being filed by us with the applicable securities regulatory authorities during the duration of this Prospectus, all interim consolidated financial statements and the accompanying management's discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

**A Prospectus Supplement containing the specific terms of any Securities offered thereunder will be delivered to purchasers of such Securities together with this Prospectus to the extent required under applicable securities laws and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement solely for the purposes of the Securities offered hereunder and thereunder.**

## THE COMPANY

Generative AI Solutions Corp. (formerly Idle Lifestyle Inc.) is a company existing under the laws of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). The Company's head office and registered office is located at 550 Burrard Street, Bentall 5, Suite 2300, Vancouver, British Columbia, Canada, V6C 2B5.

### Summary of the Business

The Company is an artificial intelligence technology company focused on developing and scaling artificial intelligence technology-based solutions across various industries. The Company's team is comprised of experienced AI researchers and engineers who are dedicated to creating innovative solutions that are both technically advanced and ethically responsible. Through collaboration with partners and customers, the Company aims to create solutions that are scalable, sustainable, and accessible to users.



The Company’s principal product is its proprietary **MAI CLOUD™** platform, through which the Company is developing a vertically integrated AI solutions business, with the development and commercialization of AI-powered tools and solutions for businesses and consumers across multiple industries. By leveraging our **MAI CLOUD™** platform and our expertise in machine learning, natural language processing and data analytics, we build versatile, high-performance tools that redefine efficiency, productivity and user experience.

Formerly, the Company was focused on the development of Classmate, an online artificial intelligence program that uses machine learning algorithms to analyze and interpret education data which is entered into its chat-style interface, with the objective of providing virtual machine-interface tutoring to high-school (grades 9-12) age, as well as junior-level university students. Classmate was acquired as part of the RRD Purchase Agreement and is currently under development. The development of Classmate began in the second calendar quarter of 2022. Currently, there is a beta version of Classmate that the Company expects to reasonably demonstrate the anticipated functionality of the final product in the fourth calendar quarter of 2023 or the first calendar quarter of 2024. The final version of Classmate is expected to analyze data works to provide real-time insights and recommendations to its users, enabling them to make data-driven decisions quickly and accurately.

As the Company continues to develop the Classmate product for the education industry, it will consider other industries or applications of its AI technology, primarily its **MAI CLOUD™** platform, which enables access to high-performance computing for a diverse range of AI applications across various sectors. In particular, the Company intends to use the **MAI CLOUD™** platform to perform AI computing tasks and hosting for its existing internal projects, including **TOBACCO TITAN™**, Global AI Newsire (as defined herein ) and Remitz (as defined herein), and for external projects and third-party organizations and customers.

**MAI CLOUD™**

Our proprietary **MAI CLOUD™** service is a culmination of computing capabilities integrated into a cloud-based solution designed to cater to a diverse range of AI applications.



The Classmate application incorporates natural language processing to provide users with AI generated answers to high-school and junior-level university questions.



**Tobacco Titan™**

**TOBACCO TITAN™** is being developed by GenAI Tobacco to deliver an AI-powered large language model for the tobacco industry. **TOBACCO TITAN™** will partner with select companies in the industry with access to various proprietary datasets, giving **TOBACCO TITAN™** a competitive advantage based on data uniqueness.



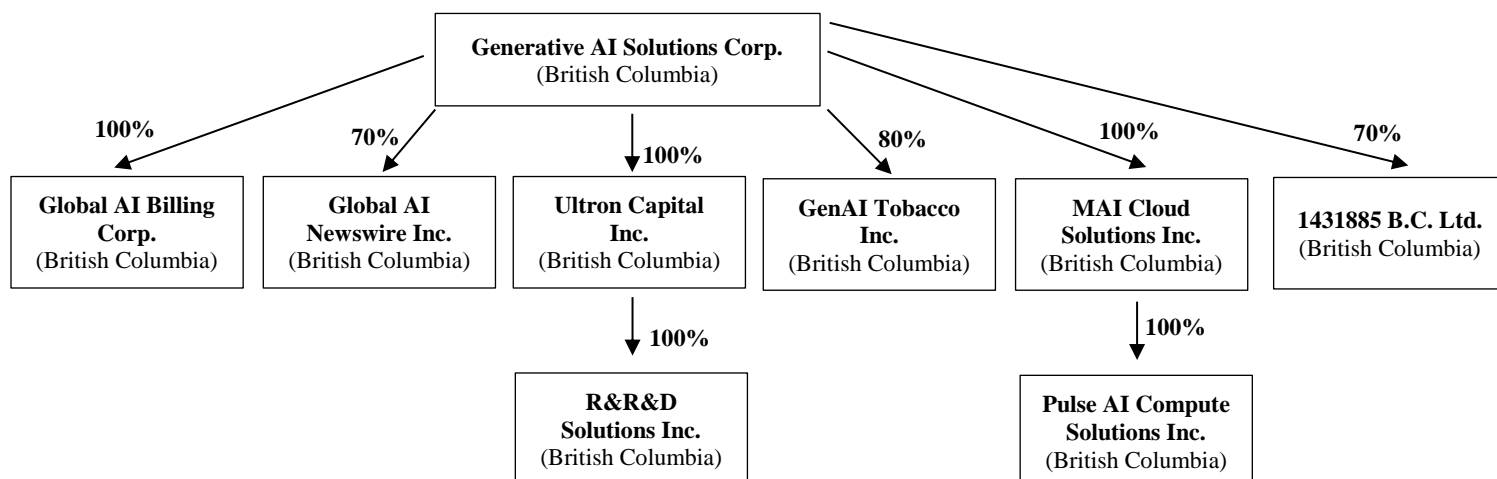
Global AI Newsire was created with the intention of developing a newswire analysis service that uses AI to deliver real-time information of publicly-listed companies to users, based on condensed summarized formats of press releases created using AI.



Remitz, a provider of automated revenue recovery services, has leveraged data-driven analytics and technologies to develop a unique approach to medical billing.

## Inter-Corporate Relationships

As at the date hereof, the Company's corporate structure consists of the following subsidiaries:



## Select Recent Developments

### *Business Combination*

On January 25, 2023, the Company entered into a letter of intent with Ultron proposing the Business Combination. On February 16, 2023, the Company entered into the Business Combination Agreement dated effective February 16, 2023 between the Company, Ultron and Subco, a wholly-owned subsidiary of the Company, in respect of the Business Combination, providing for the definitive terms and conditions of the reverse takeover of the Company by the shareholders of Ultron (“**Ultron Shareholders**”) and the change of business of the Company to the business of Ultron. Neither the Business Combination nor the Business Combination Agreement is a related party transaction under International Accounting Standards 24 — *Related Party Disclosures*.

On April 17, 2023 the Company completed the Business Combination, which was effected by way of a “three-cornered” amalgamation under the BCBCA (the “**Amalgamation**”) involving the Company, Ultron and Subco. Conditional to the completion of the Business Combination, the Company exchanged its then outstanding multiple voting shares of the Company on a 1:1000 basis for Class B shares of the Company (“**Class B Shares**”) and created a new class of Common Shares. In accordance with the terms of the Amalgamation, Ultron Shareholders received one Common Share for each common share of Ultron held. The Company received one (1) common share in the amalgamated entity (each, an “**Amalco Common Share**”), Ultron Capital Inc. (“**Amalco**”), for each common share of Subco held. As consideration for the issuance of the Common Shares to the Ultron Shareholders to effect the Amalgamation, Amalco issued to the Company one (1) additional Amalco Common Share for each Common Share so issued.

The board of directors of the Company was reconstituted to be comprised of Ryan Selby, Aaron Bowden and Patrick Gray. Ryan Selby was also appointed as Chief Executive Officer of the Company and Paul Ciullo was appointed as Chief Financial Officer and Corporate Secretary of the Company.

### *Marketing and Advertising Contract*

On May 2, 2023, the Company announced that it had engaged Gold Standard Media LLC and its affiliates to provide certain marketing services to the Company, including online marketing and advertising, for a term of 24 months commencing May 4, 2023, in exchange for a fee of US\$500,000 payable within 60 days of the commencement of the term.

### *Global AI Newswire*

On May 5, 2023, the Company announced the incorporation of Global AI Newswire Inc. (“**Global AI Newswire**”) and the engagement of Metachain Technologies Inc. (“**Metachain**”) to perform certain artificial intelligence development services in

connection with the development of Global AI Newswire’s newswire analysis service. In addition to an hourly fee to be determined by the parties, acting reasonably, additional Common Shares (“**Milestone Shares**”) may be issued to Metachain in the event that Metachain achieves specific business milestones related to the newswire service, based on the closing market price on the day immediately before the applicable business milestone being achieved.

On May 15, 2023, the Company announced that Global AI Newswire successfully completed beta version testing of its AI newswire service.

### ***Global AI Billing***

On May 10, 2023, the Company announced that it had entered into a definitive agreement with Global AI Billing and completed the purchase of all of the issued and outstanding securities of Global AI Billing, in exchange for the issuance of an aggregate of 7,500,000 Common Shares at a deemed price of \$0.72 per Common Share and the assumption of US\$1.25 million in existing liabilities of Global AI Billing, US\$500,000 of which was reorganized as a convertible debenture of the Company (the “**Convertible Debenture**”). The Convertible Debenture bears 5% interest per year, is convertible into Common Shares at a conversion price of \$0.79 per Common Share (subject to applicable securities laws and the policies of the CSE), has a term of 12 months and is secured against Global AI Billing’s 10% ownership interest in Remitz. The Company may also elect to satisfy the Convertible Debenture in full without payment by transferring 6.7% of its 10% ownership interest in Remitz, Inc. (“**Remitz**”), a medical billing provider that has developed proprietary AI technology to efficiently collect outstanding receivables on behalf of medical organizations in the U.S.

### ***Tobacco Titan™***

On May 23, 2023, the Company announced the incorporation of GenAI Tobacco Inc. (“**GenAI Tobacco**”), in which the Company holds an 80% ownership interest, which aims to develop a large language model tobacco product under the brand name Tobacco Titan™. Using various proprietary and public datasets, Tobacco Titan™ is being built with the goal of providing, among other artificial intelligence, product information, regulatory and compliance requirements, health and safety insights, and marketing and branding support to companies and individuals in the tobacco industry.

### ***Private Placement***

On June 6, 2023, the Company announced the closing of a non-brokered private placement of a total of 9,595,531 units of the Company (each, a “**Unit**”) at a price of \$0.56 per Unit for aggregate gross proceeds of \$5,373,497.36 (the “**Private Placement**”). Each Unit consists of one Common Share and one Common Share purchase warrant, with each warrant entitling the holder to acquire one additional Common Share at a price of \$1.65 for a period of two years from the date of issuance. The securities issued pursuant to the Private Placement are subject to a statutory hold period of four months and a day from the date of issuance, and as applicable, hold periods under applicable U.S. securities laws. The Company intends to use the gross proceeds of the Private Placement for general working capital purposes.

### ***MAI Cloud™***

On June 12, 2023, the Company announced the creation of MAI Cloud™, an artificial intelligence cloud service that will provide high-performance computing power for artificial intelligence computing requirements, to be developed and launched through MAI Cloud Solutions Inc. (“**MAI Cloud Solutions**”), a wholly-owned subsidiary of the Company. The Company intends to use the MAI Cloud™ platform to perform artificial intelligence computing tasks and hosting for its existing internal projects, including Classmate, Tobacco Titan™, Global AI Newswire and Remitz.

On July 13, 2023, the Company announced that MAI Cloud Solutions had entered into a purchase agreement dated July 12, 2023 with an arm’s length third party customer headquartered in Silicon Valley (the “**Customer**”), pursuant to which MAI Cloud Solutions has agreed to provide the Customer with access to approximately 350,000 hours per year of artificial intelligence compute services using H100 graphics processing units for a period of up to seven years, for a fee of approximately \$70,000 per month, subject to the terms and conditions of the definitive agreement.

On August 25, 2023, the Company announced that it had entered into a memorandum of understanding dated August 24, 2023 with the Customer (the “**Memorandum of Understanding**”) that is expected to result in the addition of approximately 17 million hours per year of AI compute time resources to be sold as services to an arm’s length third party resulting in the sale of approximately 85 million AI compute hours over the next five years. Pursuant to the terms of the Memorandum of Understanding, the Company and the Customer will use commercially reasonable efforts to negotiate a form of definitive

agreement, and the Company and MAI Cloud will use commercially reasonable efforts to obtain the required Graphics Processing Units within six months of the date of the Memorandum of Understanding.

### ***Pulse AI Compute***

On June 13, 2023, the Company announced that it had entered into a share purchase agreement dated June 13, 2023 with Minework Technologies Pte Ltd. (“**Minework**”), pursuant to which, MAI Cloud Solutions has agreed to purchase all of the issued and outstanding shares in the authorized share structure of Pulse AI held by Minework for an aggregate purchase price of \$1.5 million, payable to Minework through the issuance of 1,630,435 Common Shares (“**Consideration Shares**”) at a deemed price of \$0.92 per Consideration Share (the “**Pulse AI Transaction**”).

In accordance with the terms and conditions of the definitive agreement, the purchase price is payable to Minework upon closing through the issuance of 1,630,435 Common Shares (the “**Consideration Shares**”) at a deemed price of \$0.92 per Consideration Share, which Consideration Shares would be subject to certain contractual restrictions for a period of 12 months following the closing. The Company has also agreed to issue to Minework additional Common Shares as consideration in the event that Minework achieves specific business milestones, at a deemed price to be determined based on the closing market price of the Common Shares on the day immediately before the applicable business milestone is achieved.

On June 19, 2023, the Company announced the completion of the Pulse AI Transaction.

On July 10, 2023, the Company announced that Pulse AI had been approved to join the NVIDIA Inception Program.

### ***SpeakGPT***

On August 15, 2023, the Company announced that its wholly-owned subsidiary 1431885 B.C. Ltd. (“**143**”) had entered into an asset purchase agreement dated August 14, 2023 with Metachain to acquire certain intellectual property assets from Metachain, including all intellectual property rights, source code, interface and other elements of a software package required to operate an AI asset that will function as a virtual assistant mobile application expected to be marketed under the name “SpeakGPT”, in exchange for US\$60,000 to be settled through a cash payment of US\$50,000 and the issuance of 300 common shares of 143 at a deemed price of US\$33.33 per share, representing 30% of the issued and outstanding equity securities of 143 upon closing.

### ***DTC Eligibility***

On June 14, 2023, the Company announced Depository Trust Company (“**DTC**”) eligibility of its Common Shares in the U.S. DTC eligibility is expected to simplify the process of trading and enhance the liquidity of the Common Shares in the U.S.

### ***Business Objectives and Timelines***

As of the date of this Prospectus, there have been no variances to the business objectives and timelines disclosed in the Annual Information Form incorporated herein by reference.

## **CONSOLIDATED CAPITALIZATION**

The applicable Prospectus Supplement will describe any material changes, and the effect of such material changes, on the share and loan capitalization of the Company that will result from the issuance of Securities pursuant to each Prospectus Supplement.

The Company’s consolidated capitalization as at February 28, 2023, April 30, 2023 and the date hereof are set out in the following table:

	<b>February 28, 2023 (audited)</b>	<b>April 30, 2023 (unaudited)</b>	<b>September 14, 2023 (unaudited)</b>
<b>Share Capital</b>	Unlimited Subordinate Voting Shares and Multiple Voting Shares	Unlimited Common Shares and Class B Shares	Unlimited Common Shares and Class B Shares
<b>Subordinate Voting Shares</b>	4,733,706	-	-
<b>Multiple Voting Shares</b>	Nil	-	-
<b>Common Shares</b>	-	55,909,731	71,532,402

	<b>February 28, 2023</b> <b>(audited)</b>	<b>April 30, 2023</b> <b>(unaudited)</b>	<b>September 14, 2023</b> <b>(unaudited)</b>
<b>Class B Shares</b>	-	815,611	5,549,341
<b>Warrants</b>	430,511	430,511	9,863,031
<b>Options</b>	22,900	4,772,900	4,772,899
<b>Restricted Share Units</b>	Nil	Nil	Nil

### **USE OF PROCEEDS**

Unless otherwise indicated in the applicable Prospectus Supplement, the Company intends to use the net proceeds from the sale of Securities for working capital requirements or for other general corporate purposes. Each applicable Prospectus Supplement will contain specific information concerning the use of proceeds from that sale of Securities by the Company.

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 the Company's general funds, unless otherwise stated in the applicable Prospectus Supplement.

The Company has incurred negative cash flow from operating activities for its financial year ended April 30, 2023. Accordingly, the majority or all of the net proceeds of any offering of Securities under a Prospectus Supplement will be used to fund the proposed expenditures set out above or in the applicable Prospectus Supplement as well as other general working capital and administrative expenses which may cause the Company to continue to experience negative cash flow from its operating activities. See "*Risk Factors – Negative Cash Flow*".

Notwithstanding the above, the Company's management has broad discretion in the application of proceeds of an offering of Securities. On the basis of results obtained or for other sound business reasons, the Company may re-allocate funds as required. Accordingly, the Company's actual use of proceeds may vary significantly from any proposed use of proceeds disclosed in any applicable Prospectus Supplement. See "*Risk Factors – Discretion in the Use of Proceeds*".

### **DESCRIPTION OF SECURITIES BEING DISTRIBUTED**

The following is a brief summary of certain general terms and provisions of the Securities that may be offered pursuant to this Prospectus. This summary does not purport to be complete. The particular terms and provisions of the Securities as may be offered pursuant to this Prospectus will be set forth in the applicable Prospectus Supplement pertaining to such offering of Securities, and the extent to which the general terms and provisions described below may apply to such Securities will be described in the applicable Prospectus Supplement.

#### **Common Shares**

The authorized capital of the Company consists of an unlimited number of Common Shares. As at September 14, 2023, the Company had 71,532,402 Common Shares and 5,549,341 Class B Shares issued and outstanding.

Holders of Common Shares are entitled to dividends if, as and when declared by the board of directors of the Company, to receive notice of and one vote per Common Share at meetings of shareholders and, upon liquidation, dissolution or winding up of the Company, to share rateably in such assets of the Company as are distributable to the holders of Common Shares.

Common Shares may be sold separately or together with certain other Securities under this Prospectus. Common Shares may also be issuable on conversion, exchange, exercise or maturity of certain other Securities qualified for issuance under this Prospectus.

#### **Warrants**

Warrants may be offered separately or together with other Securities, as the case may be. Each series of Warrants may be issued under a separate warrant indenture or warrant agency agreement to be entered into between the Company and one or more banks or trust companies acting as Warrant agent or may be issued as stand-alone contracts. The applicable Prospectus Supplement will include details of such agreements, if any, governing the Warrants being offered. The Warrant agent, if any, will be expected to act solely as the agent of the Company and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. The following sets forth certain general terms and provisions of the

Warrants that may be offered under this Prospectus. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set forth in the applicable Prospectus Supplement.

A copy of any warrant indenture or any warrant agency agreement relating to an offering of Warrants will be filed by the Company with the relevant securities regulatory authorities in Canada after it has been entered into by the Company.

Each applicable Prospectus Supplement will set forth the terms and other information with respect to the Warrants being offered thereby, which may include, without limitation, the following (where applicable):

- the designation of the Warrants;
- the aggregate number of Warrants offered and the offering price;
- the designation, number and terms of the other Securities purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;
- the exercise price of the Warrants;
- the dates or periods during which the Warrants are exercisable;
- the designation and terms of any securities with which the Warrants are issued;
- if the Warrants are issued as a unit with another Security, the date on and after which the Warrants and the other Security will be separately transferable;
- any minimum or maximum amount of Warrants that may be exercised at any one time;
- whether such Warrants will be listed on any securities exchange;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- certain material Canadian tax consequences of owning the Warrants; and
- any other material terms and conditions of the Warrants.

## **Units**

The Company may issue Units comprised of one or more of the other Securities described herein in any combination. Each Unit may be issued so that the holder of the Unit is also the holder of each Security included in the Unit; thus, the holder of a Unit may have the rights and obligations of a holder of each included Security. Any Unit agreement under which a Unit may be 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.

Each applicable Prospectus Supplement will set forth the terms and other information with respect to the Units being offered thereby, which may include, without limitation, the following (where applicable):

- the designation, number and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately;
- any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units;
- certain material Canadian tax consequences of owning the Securities comprising the Units; and
- any other material terms and conditions of the Units.

## **Debt Securities**

The Debt Securities will be senior or subordinated unsecured indebtedness of the Company as described in the relevant Prospectus Supplement. If the Debt Securities are senior indebtedness, they will rank equally and rateably with all other unsecured indebtedness of the Company, from time to time issued and outstanding, which is not subordinated.

If the Debt Securities are subordinated indebtedness, they will rank equally and rateably with all other subordinated Debt Securities from time to time issued and outstanding. In the event of the insolvency or winding-up of the Company, the

subordinated Debt Securities will be subordinated and postponed in right of payment to the prior payment in full of all other liabilities and indebtedness of the Company, other than indebtedness that, by its terms, ranks equally with, or subordinate to, such subordinated Debt Securities.

Any convertible or exchangeable Debt Securities will be convertible or exchangeable only for other securities of the Company.

In conformity with applicable laws of Canada, for all bonds and notes of companies that are publicly offered, the Debt Securities will be governed by a document called an “indenture”. There will be a separate indenture for the senior Debt Securities and the subordinated Debt Securities. An indenture is a contract between a financial institution, acting on your behalf as trustee of the Debt Securities offered, and us. The trustee has two main roles. First, subject to some limitations on the extent to which the trustee can act on your behalf, the trustee can enforce your rights against us if we default on our obligations under the indenture. Second, the trustee performs certain administrative duties for us. The aggregate principal amount of Debt Securities that may be issued under each indenture is unlimited. A copy of the form of each indenture to be entered into in connection with offerings of Debt Securities will be filed with the applicable securities regulatory authorities in Canada when it is entered into. A copy of any indenture or supplement thereto entered into by us will be filed with securities regulatory authorities and will be available on our profile on SEDAR+.

This Prospectus does not qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items. For greater certainty, this Prospectus may qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or bankers’ acceptance rate, or to recognized market benchmark interest rates such as CORRA, SOFR, EURIBOR or a United States federal funds rate.

Selected provisions of the Debt Securities and the indenture(s) under which such Debt Securities will be issued are summarized below. This summary is not complete. The statements made in this Prospectus relating to any indenture and Debt Securities to be issued thereunder are summaries of certain anticipated provisions thereof and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable indenture. The indentures will not limit the amount of Debt Securities that we may issue thereunder. We may issue Debt Securities from time to time under an indenture in one or more series by entering into supplemental indentures or by our board of directors or a duly authorized committee authorizing the issuance. The Debt Securities of a series need not be issued at the same time, bear interest at the same rate or mature on the same date.

The Prospectus Supplement for a particular series of Debt Securities will disclose the specific terms of such Debt Securities, including the price or prices at which the Debt Securities to be offered will be issued. The terms and provisions of any Debt Securities offered under a Prospectus Supplement may differ from the terms described below, and may not be subject to or contain any or all of such terms. Those terms may include some or all of the following:

- the designation, aggregate principal amount and authorized denominations of such Debt Securities;
- the indenture under which such Debt Securities will be issued and the trustee(s) thereunder;
- the currency or currency units for which the Debt Securities may be purchased and the currency or currency unit in which the principal and any interest is payable (in either case, if other than Canadian dollars);
- whether such Debt Securities are senior or subordinated and, if subordinated, the applicable subordination provisions;
- the percentage of the principal amount at which such Debt Securities will be issued;
- the date or dates on which such Debt Securities will mature;
- the rate or rates per annum at which such Debt Securities will bear interest (if any), or the method of determination of such rates (if any);
- the dates on which any such interest will be payable and the record dates for such payments;
- any redemption term or terms under which such Debt Securities may be defeased;
- whether such Debt Securities are to be issued in registered form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;

- the place or places where principal, premium and interest will be payable;
- the designation and terms of any other Securities with which the Debt Securities will be offered, if any, and the principal amount of Debt Securities that will be offered with each Security;
- the securities exchange(s) on which such series of Debt Securities will be listed, if any;
- any terms relating to the modification, amendment or waiver of any terms of such Debt Securities or the applicable indenture;
- any change in the right of the trustee or the holders to declare the principal, premium and interest with respect to such series of debt securities to be due and payable;
- governing law;
- any limit upon the aggregate principal amount of the Debt Securities of such series that may be authenticated and delivered under the indenture;
- if other than the Company or the trustee, the identity of each registrar and/or paying agent;
- if the Debt Securities are issued as a Unit with another Security, the date on and after which the Debt Securities and other Security will be separately transferable;
- if the Debt Securities are to be issued upon the exercise of Warrants, the time, manner and place for such Securities to be authenticated and delivered;
- if the Debt Securities are to be convertible or exchangeable into other securities of the Company, the terms and procedures for the conversion or exchange of the Debt Securities into other securities; and
- any other specific terms of the Debt Securities of such series, including any events of default or covenants.

### **Subscription Receipts**

Subscription Receipts may be offered separately or together with other Securities, as the case may be. The Subscription Receipts may be issued under a subscription receipt agreement.

The applicable Prospectus Supplement will include details of any subscription receipt agreement covering the Subscription Receipts being offered. A copy of any subscription receipt agreement relating to an offering of Subscription Receipts will be filed by the Company with the relevant securities regulatory authorities in Canada after the Company has entered into it. 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 may include, without limitation, the following (where applicable):

- the number of Subscription Receipts;
- the price at which the Subscription Receipts will be offered;
- the terms, conditions and procedures for the conversion of the Subscription Receipts into other Securities;
- the designation, number and terms of the other Securities that may be exchanged upon conversion of each Subscription Receipt;
- the designation, number and terms of 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;
- terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- certain material Canadian tax consequences of owning the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts.



## PLAN OF DISTRIBUTION

### General

The Company may from time to time during the 25-month period that this Prospectus, including any amendments and supplements hereto, remains valid, offer for sale and sell up to an aggregate of \$40,000,000 in Securities hereunder.

The Securities may be sold by us (i) directly pursuant to applicable statutory exemptions, (ii) to or through underwriters or dealers, or (iii) through designated agents. The Prospectus Supplement relating to a particular offering of Securities will identify any underwriter, dealer or agent engaged in connection with the offering and sale of such Securities, and will set forth the terms of the offering of such Securities, including, to the extent applicable, any fees, discounts or any other compensation payable to underwriters, dealers or agents in connection with the offering, the method of distribution of the Securities, the purchase price of the Securities (or the manner of determination thereof if offered on a non-fixed price basis), the net proceeds to us and any other material terms of the plan of distribution (including sales in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102). Any initial offering price and discounts, concessions or commissions allowed or re-allowed or paid to underwriters, dealers or agents may be changed from time to time. Only underwriters named in the Prospectus Supplement are deemed to be underwriters in connection with our Securities offered by that Prospectus Supplement.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices or at non-fixed prices. If offered on a non-fixed price basis, the Securities may be offered at market prices prevailing at the time of sale, at prices determined by reference to the prevailing price of a specified security in a specified market or at prices to be negotiated with purchasers including sales in transactions that are deemed to be “at-the-market” distributions, including sales made directly on the CSE or other existing trading markets for the Securities, in which case the compensation payable to an underwriter, dealer or agent in connection with any such sale will be decreased by the amount, if any, by which the aggregate price paid for the Securities by the purchasers is less than the gross proceeds paid by the underwriter, dealer or agent to the Company. The price at which the Securities will be offered and sold may vary from purchaser to purchaser and during the period of distribution.

Sales of Securities under an “at-the-market distribution”, if any, will be made pursuant to an accompanying Prospectus Supplement. Sales of Securities under any “at-the-market” program will be made in transactions that are “at-the-market distributions” as defined in NI 44-102. The volume and timing of any “at-the-market distributions” will be determined at the Company’s sole discretion.

No underwriter or dealer involved in an “at-the-market distribution” 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 offered Securities or securities of the same class as the Securities distributed under the “at-the-market distribution”, including selling an aggregate number or principal amount of Securities that would result in the underwriter creating an over-allocation position in the Securities.

In connection with the sale of the Securities, underwriters, dealers or agents may receive compensation from the Company including in the form of underwriters’, dealers’ or agents’ fees, commissions or concessions. Underwriters, dealers and agents that participate in the distribution of the Securities may be deemed to be underwriters for the purposes of applicable Canadian securities legislation and any such compensation that they receive from the Company and any profit that they make on the resale of the Securities, may be deemed to be underwriting commissions.

Underwriters, dealers or agents who participate in the distribution of the Securities may be entitled, under agreements to be entered into with the Company, to indemnification by the Company against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments, which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

In connection with any offering of Securities, subject to applicable laws and other than an “at-the-market distribution”, the underwriters, dealers or agents, as the case may be, may over-allot or effect transactions which stabilize, maintain or otherwise affect the market price of the offered Securities at a level other than those which otherwise might prevail on the open market. Such transactions may be commenced, interrupted or discontinued at any time.

Unless specified in the applicable Prospectus Supplement, there is no market through which the Subscription Receipts, Warrants, Units and Debt Securities may be sold and purchasers may not be able to resell the Subscription Receipts, Warrants, Units and Debt Securities purchased under this Prospectus and the Prospectus Supplement. This may affect the pricing of the Subscription Receipts, Warrants, Units and Debt Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Subscription Receipts, Warrants, Units and Debt Securities and the extent of issuer regulation. See “*Risk Factors*”.

### **Offerings in the United States**

Unless otherwise specified in the applicable Prospectus Supplement, this Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Securities to, or for the account or benefit of, persons within the United States or U.S. Persons (as defined in Regulation S under the U.S. Securities Act). Unless otherwise specified in the applicable Prospectus Supplement, the Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold to, or for the account or benefit of, persons within the United States or U.S. Persons, unless the Securities are registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available. Each underwriter, dealer and agent who participates in the distribution will agree not to sell or offer to sell or to solicit any offer to buy any Securities to, or for the account or benefit of, persons within the United States or U.S. Persons, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws.

In addition, until 40 days after the commencement of an offering of Securities under any applicable Prospectus Supplement, an offer or sale of Securities within the United States by any dealer (whether or not participating in the offering of Securities) may violate the registration requirements of the U.S. Securities Act if such offer is made otherwise than in reliance on an exemption from the registration requirements of the U.S. Securities Act.

### **EARNINGS COVERAGE RATIOS**

Earnings coverage ratios will be provided in the applicable Prospectus Supplement(s) with respect to any issuance and sale of Debt Securities pursuant to this Prospectus.

### **PRIOR SALES**

Information regarding prior sales of Securities will be provided as required in a Prospectus Supplement with respect to the issuance of Securities pursuant to such Prospectus Supplement.

### **TRADING PRICE AND VOLUME**

Information regarding trading price and volume of the Securities will be provided as required for all of the Company’s issued and outstanding Securities that are listed on any securities exchange, as applicable, in each Prospectus Supplement.

### **CERTAIN FEDERAL INCOME TAX CONSIDERATIONS**

The applicable Prospectus Supplement will include a general summary of certain Canadian federal income tax consequences which may be applicable to a purchaser of Securities offered thereunder. Investors should read the tax discussion in any Prospectus Supplement with respect to a particular offering and consult their own tax advisors with respect to their own particular circumstances.

### **RISK FACTORS**

**An investment in the Securities involves a high degree of risk and must be considered speculative due to the nature of the Company’s business and present stage of development and the fact that the Company expects negative cash flow. Before making an investment decision, prospective purchasers of Securities should carefully consider the information described in this Prospectus and the documents incorporated by reference herein, including the applicable Prospectus Supplement. There are certain risks inherent in an investment in the Securities, including the factors described below and under the heading “*Risk Factors*” in the Annual Information Form and under the heading “*Risks Factors*” in the Annual MD&A and the Interim MD&A, and any other risk factors described herein or in a document incorporated by reference herein, which investors should carefully consider before investing.** Additional risk factors relating to a specific offering of Securities will be described in the applicable Prospectus Supplement. Some of the factors described herein,

in the documents incorporated by reference herein, and/or the applicable Prospectus Supplement are interrelated and, consequently, investors should treat such risk factors as a whole. If any of the risk factors described herein, in the Annual Information Form, the Annual MD&A, the Interim MD&A, in another document incorporated by reference herein or in the applicable Prospectus Supplement occur, it could have a material adverse effect on the business, financial condition and results of operations of the Company. Additional risks and uncertainties of which the Company currently is unaware or that are unknown or that it currently deems to be immaterial could have a material adverse effect on the Company's business, financial condition and results of operation. The Company cannot assure purchasers that it will successfully address any or all of these risks. There is no assurance that any risk management steps taken will avoid future loss due to the occurrence of the risks described herein, in the Annual Information Form, the Annual MD&A, the Interim MD&A, in the other documents incorporated by reference herein or in the applicable Prospectus Supplement or other unforeseen risks.

#### *Global Economic Factors*

Global events such as the COVID-19 pandemic and the conflict in Ukraine have led to significant global economic volatility, including an inflationary environment and rapid increases in the costs of labour, consumables and equipment. As a result of this higher capital and operating cost environment, the Company will potentially face increased costs in connection with its business and operations. This could, in turn, impede the Company's ability to develop its technologies, or to achieve estimated production, revenue or cost levels, or to receive an adequate return on invested capital, any which could have a material adverse effect on its business, results of operations and financial condition.

#### **Risks Related to an Offering**

##### *An Investment in the Securities is Speculative*

An investment in the Securities and the Company's prospects generally, are speculative due to the risky nature of its business and the present state of its development. Investors may lose their entire investment and should carefully consider the risk factors described below and under the heading "Risk Factors" in the Annual Information Form.

##### *Discretion in the Use of Proceeds*

While detailed information regarding the use of proceeds from the sale of the Securities will be described in the applicable Prospectus Supplement, the Company will have broad discretion over the use of net proceeds from an offering by the Company of its securities. There may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary. In such circumstances, the net proceeds will be reallocated at the Company's sole discretion.

Management will have discretion concerning the use of proceeds as described in the applicable Prospectus Supplement as well as the timing of their expenditures. As a result, an investor will be relying on the judgment of management for the application of the proceeds. Management may use the net proceeds described in a Prospectus Supplement in ways that an investor may not consider desirable. The results and the effectiveness of the application of the proceeds are uncertain. If the proceeds are not applied effectively, the Company's results of operations may suffer.

##### *Additional Financing*

The continued development of the Company will require additional financing. There is no guarantee that the Company will be able to achieve its business objectives, including with respect to the expansion of its product offerings, completing future acquisitions, and entering into new markets. The Company intends to fund its business objectives by way of additional offerings of equity and/or debt financing as well as through anticipated positive cash flow from operations in the future. The failure to raise or procure such additional funds or the failure to achieve positive cash flow could result in the delay or indefinite postponement of current business objectives. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, will be on terms acceptable to the Company. If additional funds are raised by offering equity securities, existing shareholders could suffer significant dilution.

##### *Volatile Market Price of the Common Shares*

The market price of the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control. This volatility may affect the ability of holders of such securities to sell their securities at an advantageous price. Market price fluctuations in the Common Shares may be due to the Company's operating results failing to meet expectations of securities analysts or investors in any period, downward revision in securities

analysts' estimates, adverse changes in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by government and regulatory authorities, the Company or its competitors, along with a variety of additional factors. These broad market fluctuations may adversely affect the market price of the Common Shares.

Financial markets have at times historically experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Company's securities 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 deemed to be other than temporary, which may result in impairment losses. There can be no assurance that continuing fluctuations in 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.

#### *Negative Cash Flow*

The Company has a limited history of operations, and no history of earnings, cash flow or profitability. The Company has had negative operating cash flow for its financial year ended April 30, 2023 and since the Company's inception, and the Company will continue to have a negative operating cash flow for the foreseeable future. No assurance can be given that the Company will ever attain positive cash flow or profitability or that additional funding will be available for operations. If the Company continues to generate negative cash flow in the future, net proceeds from an offering of Securities under a Prospectus Supplement may need to be allocated to funding the negative cash flow in addition to the expenditures listed under the heading "Use of Proceeds".

#### *Risk Factors Related to Dilution*

The Company may issue additional Common Shares or securities that are convertible or exchangeable into Common Shares in the future, which may dilute a shareholder's holdings in the Company. The Company's articles permit the issuance of an unlimited number of Common Shares, and shareholders will have no pre-emptive rights in connection with such further issuance. The directors of the Company have discretion to determine the price and the terms of further issuances. Moreover, additional Common Shares will be issued by the Company on the exercise of options under the Company's stock option plan and upon the exercise of any issued and outstanding common share purchase warrants.

#### *Market for Securities*

There is currently no market through which the Securities, other than the Common Shares, may be sold. As a consequence, purchasers may not be able to resell the Warrants, Units, Debt Securities or Subscription Receipts purchased under this Prospectus and any Prospectus Supplement. This may affect the pricing of the Securities, other than the Common Shares, in the secondary market, the transparency and availability of trading prices, the liquidity of these securities and the extent of issuer regulation. There can be no assurance that an active trading market for the Securities, other than the Common Shares, will develop or, if developed, that any such market, including for the Common Shares, will be sustained. Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of their Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Common Shares on the trading markets, or that the Company will continue to meet the listing requirements of the CSE or any other public stock exchange.

#### *Profitability*

There is no assurance that the Company will earn profits in the future, or that profitability will be sustained. The Company's industry requires significant financial resources, and there is no assurance that future revenues will be sufficient to generate the funds required to continue the Company's business development and commercial activities. If the Company does not have sufficient capital to fund its operations, it may be required to reduce its research and development efforts or in the future reduce its marketing efforts or forego certain business opportunities.

#### *Debt Securities*

The Debt Securities may be unsecured and will rank equally in right of payment with all of the Company's other existing and future unsecured debt. The Debt Securities may be effectively subordinated to all of the Company's existing and future secured debt to the extent of the assets securing such debt. If the Company is involved in any bankruptcy, dissolution, liquidation or

reorganization, the secured debt holders would, to the extent of the value of the assets securing the secured debt, be paid before the holders of unsecured debt securities, including the debt securities. In that event, a holder of Debt Securities may not be able to recover any principal or interest due to it under the Debt Securities.

In addition, the collateral, if any, and all proceeds therefrom, securing any Debt Securities may be subject to higher priority liens in favor of other lenders and other secured parties which may mean that, at any time that any obligations that are secured by higher ranking liens remain outstanding, actions that may be taken in respect of the collateral (including the ability to commence enforcement proceedings against the collateral and to control the conduct of such proceedings) may be at the direction of the holders of such indebtedness.

#### *Enforcement of Civil Liabilities*

Our Chief Financial Officer, Paul Ciullo, and one of our directors, Patrick Gray, reside outside of Canada. As a result, it may be difficult for you to effect service of process upon any of them. It may also be difficult for you to enforce judgments obtained in Canadian courts against these individuals as they currently reside outside of Canada.

### **PROMOTERS**

Other than as described below, no person or company has been a “promoter” of the Company, as the term is contemplated under applicable corporate and securities laws, during the two years immediately preceding the date of this Prospectus.

Ryan Selby, who is the CEO, Corporate Secretary and a director of the Company, is considered to be a promoter of the Company, as the term is contemplated under the BCBCA and applicable securities laws, as he took the initiative in founding an organizing the business of the Company. For a description of the voting and equity securities of the Company held by Mr. Selby, all compensation received by Mr. Selby during the two most recently completed financial years of the Company ended February 28, 2023 and 2022, and certain disclosure required under applicable Canadian securities laws in respect of bankruptcies, cease trade orders, and other penalties or sanctions, please see the Annual Information Form, which is specifically incorporated by reference in this Prospectus, and accessible on the Company’s issuer profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **LEGAL MATTERS**

Certain legal matters in connection with the offering of the Securities will be passed upon by Gowling WLG (Canada) LLP on behalf of the Company. In addition, certain legal matters in connection with any Offering of Securities will be passed upon for any underwriters, dealers or agents by counsel to be designated at the time of the Offering by such underwriters, dealers or agents, as the case may be.

As at the date hereof, the designated professionals of Gowling WLG (Canada) LLP, as a group, beneficially own, directly or indirectly, less than one percent of the securities of the Company.

### **AUDITORS, TRANSFER AGENT AND REGISTRAR**

Manning Elliott LLP, auditors of the Company, have confirmed that they are independent of the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

Hay & Watson Chartered Professional Accountants, auditors of Ultron’s audited consolidated financial statements for the financial years ended January 31, 2023, 2022 and 2021, have confirmed that they are independent of Ultron and the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

The registrar and transfer agent for the Common Shares is Endeavor Trust Corporation located at 777 Hornby Street, Suite 702, Vancouver, British Columbia, Canada, V6Z 1S4.

### **STATUTORY AND CONTRACTUAL RIGHTS OF WITHDRAWAL AND RESCISSION**

Unless provided otherwise in a Prospectus Supplement, the following is a description of a purchaser’s statutory rights. Securities legislation in certain of the provinces and territories of Canada provides purchasers of the Securities with the right

to withdraw from an agreement to purchase the Securities, which right may be exercised within two business days after receipt or deemed receipt of this Prospectus, the accompanying Prospectus Supplement and any amendment relating to the Securities purchased by a purchaser. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contains a misrepresentation or are not sent or delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

Original purchasers of Securities under this Prospectus (as supplemented or amended) that are convertible, exchangeable or exercisable securities will be granted a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original purchasers to receive, in addition to the amount paid on original purchase of any Securities, the amount paid upon conversion, exchange or exercise, upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that both the conversion, exchange or exercise occurs, and the right of rescission is exercised, within 180 days of the date of the purchase of the Securities under this Prospectus (as supplemented or amended).

Purchasers of securities distributed under an "at-the-market distribution" by the Company do not have the right to withdraw from an agreement to purchase the securities and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the Prospectus, a Prospectus Supplement, and any amendment relating to the securities purchased by such purchaser because the Prospectus, a Prospectus Supplement, and any amendment relating to the securities purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of NI 44-102.

Any remedies under securities legislation that a purchaser of securities distributed under an "at-the-market distribution" by the Company may have against the Company or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the Prospectus, a Prospectus Supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the Prospectus or a Prospectus Supplement. A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal adviser.

In an offering of Securities, to the extent such securities are convertible, exchangeable or exercisable securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the Prospectus (as supplemented or amended) is limited, in certain provincial and territorial securities legislation, to the price at which the Securities are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces and territories of Canada, if the purchaser pays additional amounts upon conversion, exchange or exercise, as applicable, of the Security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories of Canada. The purchaser should refer to any applicable provisions of applicable provincial and territorial securities legislation for the particulars of this right of action for damages or consult with a legal advisor.

## CERTIFICATE OF THE COMPANY

Dated: September 14, 2023

This preliminary short form base shelf prospectus and amended and restated preliminary short form base shelf prospectus, together with the documents incorporated by reference, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by this preliminary short form base shelf prospectus and amended and restated preliminary short form base shelf prospectus and the supplement as required by the securities legislation of each of the provinces and territories of Canada.

*(signed) "Ryan Selby"*

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Ryan Selby  
Chief Executive Officer

*(signed) "Paul Ciullo"*

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Paul Ciullo  
Chief Financial Officer

### On behalf of the Board of Directors

*(signed) "Aaron Bowden"*

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Aaron Bowden  
Director

*(signed) "Patrick Gray"*

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Patrick Gray  
Director

## CERTIFICATE OF THE PROMOTER

Dated: September 14, 2023

This preliminary short form base shelf prospectus and amended and restated preliminary short form base shelf prospectus, together with the documents incorporated by reference, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by this preliminary short form base shelf prospectus and amended and restated preliminary short form base shelf prospectus and the supplement as required by the securities legislation of each of the provinces and territories of Canada.

*(signed) "Ryan Selby"*

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Promoter