

**NEPRA FOODS INC.  
OVERNIGHT MARKETED PUBLIC OFFERING OF UNITS**

**TERM SHEET**

**March 10, 2022**

**NOT FOR GENERAL DISTRIBUTION IN THE UNITED STATES**

*A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the applicable Canadian securities regulatory authorities in certain provinces of Canada, excluding Quebec. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities. The preliminary short form prospectus is still subject to completion. Copies of the preliminary prospectus may be obtained from Canaccord Genuity Corp. at [ecm@cgf.com](mailto:ecm@cgf.com). There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.*

*This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, the final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision. Information has been incorporated by reference in the preliminary short form prospectus from documents filed with securities commissions or similar authorities in Canada.*

*The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act) absent registration or an applicable exemption from the registration requirements. This term sheet shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.*

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<b>Issuer:</b>	Neptra Foods Inc. (the "Company").
<b>Listing:</b>	The Company's common shares currently trade under the ticker symbol "NPRA" on the Canadian Securities Exchange (the "Exchange").
<b>Offering:</b>	Underwritten "best efforts" overnight marketed short form prospectus offering of units of the Company (the "Offered Securities") for gross proceeds of a minimum of C\$3,000,000 (the "Offering").
<b>Issue Price:</b>	C\$● per Offered Security (the "Issue Price").
<b>Offered Securities:</b>	Each Offered Security shall be comprised of one common share of the Company (a "Common Share") and one Common Share purchase warrant (each, a "Warrant").
<b>Warrants:</b>	Each Warrant shall be exercisable to acquire one Common Share at an exercise price of C\$● per Common Share for a period of 36 months from the Closing Date (the "Warrant Expiry Date").

<b>Warrant Acceleration Right:</b>	In the event the volume weighted average share price of the Common Shares is greater than C\$● per Common Share, subject to adjustments in certain events, for a period of 10 consecutive trading days on the Exchange at any time following the closing of the Offering but prior to the Warrant Expiry Date, the Company may, within 10 business days of the occurrence of such event, accelerate the Warrant Expiry Date by giving notice (a "Warrant Acceleration Notice") to the holders of the Warrants, and issuing a concurrent press release, and, in such case, the Warrant Expiry Date shall be the date specified by the Company in the Warrant Acceleration Notice, provided such date shall not be less than 30 trading days following delivery of the Warrant Acceleration Notice.
<b>Over-Allotment Option:</b>	The Underwriters shall have the option (the "Over-Allotment Option"), exercisable in whole or in part at any time within 30 days following Closing Date, to subscribe for up to 15% of the Offered Securities at a price equal to the Issue Price.
<b>Use of Proceeds:</b>	The net proceeds of the Offering will be used for increasing production capacity, new product development, the launch of the additional products in the foodservice industry and retail stores, marketing and general working capital.
<b>Offering Jurisdictions</b>	The Offered Securities will be offered for sale to purchasers: (i) in such provinces of Canada, except Quebec, as may be determined by the Underwriters and the Company, by way of a short form prospectus (the "Prospectus"), (ii) in the United States to accredited investors (each, a "U.S. Accredited Investor") meeting one or more of the criteria in Rule 501(a) of Regulation D under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or a U.S. Accredited Investor that also qualifies as a qualified institutional buyer as defined in Rule 144A under the U.S. Securities Act pursuant to available exemptions from the registration requirements under the U.S. Securities Act, and (iii) those offshore jurisdictions which are agreed to by the Company pursuant to available prospectus and registration exemptions in accordance with applicable laws. The Company will prepare a U.S. wrap to the Prospectus in connection with sales to persons in the United States, if deemed necessary by the Underwriters.
<b>Eligibility:</b>	Eligible for RRSP, RESP, RRIF, TFSA and DPSP accounts.
<b>Exchange Listing:</b>	The Company will apply to list the common shares underlying the Units as well as the Warrant Shares on the Exchange. The Company will also apply to list Warrants on the Exchange. Listing

will be subject to fulfilling all the listing requirements of the Exchange. There can be no guarantee that the Company will obtain conditional approval or listing of the Warrants on the Exchange.

**Commission:** The Underwriters will receive a cash commission equal to 7.0% of the aggregate gross proceeds of the Offering (including the Over-Allotment Option). The Underwriters will also receive warrants exercisable within 36 months from the Closing Date to acquire that number of Offered Securities which is equal to 7.0% of the number of Offered Securities sold under the Offering (including the Over-Allotment Option), at an exercise price equal to the Issue Price.

**Underwriters:** Canaccord Genuity Corp., as sole book runner and lead underwriter, and, if applicable, on behalf of a syndicate of underwriters.

**Closing Date:** On or about ●, 2022 (the "Closing Date").