

The securities offered hereunder will be issued under exemptions from the prospectus requirements of the applicable securities laws of each of the provinces and territories of Canada, and the rules, regulations and policies thereunder and will be subject to certain resale restrictions. Persons who will be acquiring securities pursuant to this Offering Memorandum will not have the benefit of the review of the material by the securities commissions or other similar authorities in Canada.



Form 45-106F2

Offering Memorandum for Non-Qualifying Issuers

Date: April 26, 2021

THE ISSUER

Name:	SureNano Science Ltd. (“SureNano”)		
Head Office:	Address: #350-1650 WEST 2 ND AVENUE, Vancouver BC V6J 4R3		
Phone: (604) 428-5171	Email: info@surenano.com	Fax: n/a	
Currently listed or quoted? No	These securities do not trade on any exchange or market.		
Reporting issuer? No	SEDAR filer?		No

THE OFFERING

Securities offered:	Special Warrants
Price per security:	\$0.25
Minimum offering:	Special Warrants for gross proceeds of \$200,000
Maximum offering:	Special Warrants for gross proceeds of \$1,500,000 Funds available under the offering may not be sufficient to accomplish our proposed objectives.
Minimum Subscription amount:	\$250
Payment terms:	To the Issuer’s counsel
Proposed closing date(s):	On or before June 20, 2021
Selling agent?	No. There is currently no selling agent for this Offering, but the Issuer reserves the right to retain one or more selling agents during the course of this Offering.

Resale Restrictions

You will be restricted from selling your securities for an indefinite period. See Item 10 “*Resale Restrictions*”.

Purchaser’s Rights

You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 “*Purchasers’ Rights*”.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8 “Risk Factors.”

GLOSSARY

The following terms appear throughout this Offering Memorandum. Care should be taken to read each term in the context of the particular provision of this Offering Memorandum in which such term is used.

“ Affiliate ” or “ Affiliates ”	has the same meaning as in the <i>Securities Act</i> (British Columbia).
“ Audit Committee ”	means the audit committee of SureNano Science Ltd.
“ CAD ”	means Canadian dollar.
“ CEO ”	means chief executive officer.
“ CFO ”	means chief financial officer.
“ Closing ”	means a closing of the sale of Special Warrants as we may determine from time to time.
“ Common Share ” or “ Common Shares ”	means a common share in the capital of SureNano Science Ltd.
“ Date of Closing ”	means in respect of any Special Warrants, the date upon which the subscription for such Special Warrants are accepted by us.
“ Fiscal Year ”	means each consecutive period of 12 months ending on March 31.
“ IFRS ”	means International Financial Reporting Standards as issued by the International Accounting Standards Board.
“ Licence ”	Means the Company’s exclusive licence to the SureNano Surfactant in Canada, as described under “Material Agreements” below.
“ Licensed Producer ”	means a Canadian Licensed Producer of cannabis pursuant to the Cannabis Act (S.C. 2018, c. 16)
“ Licensor ”	means 1150641 B.C. Ltd.,
“ Offering ”	means this offering of Special Warrants.
“ Offering Memorandum ”	means this offering memorandum.
“ Offering Price ”	means \$0.25 per Special Warrant.
“ Risk Acknowledgment Form ”	means the risk acknowledgment form attached to the Subscription Agreement.
“ Shareholder ” or “ Shareholders ”	means those investors whose subscriptions to purchase Special Warrants are accepted by us and thereafter at any particular time the persons entered in our central securities register as holders of Common Shares and the singular form means one such registered holder.
“ Securities Commission ”	means the securities regulatory authorities in each of the Canadian provinces in which the Offering will be conducted.

“Special Warrant”	means a security entitling the holder to acquire, without additional payment, one Common Share on the earlier of: (a) the first business day following the day on which a receipt for a final prospectus has been issued by or on behalf of the last of the securities regulatory authorities in a province of Canada or such other jurisdiction(s) as may be determined by us; or (b) the 240 th day following the date of issuance of the Special Warrants.
“Subscriber”	means a subscriber for the Special Warrants offering under the Offering.
“Subscription Agreement”	means the subscription agreement attached hereto, pursuant to which a subscriber subscribes for Special Warrants under the Offering.
“Subscription Price”	means \$0.25 per Special Warrant.
“SureNano Surfactant”	Has the meaning given to it in Item 3 “Business of SureNano Science Ltd.” “Our Business” below.
“U.S.”	means the United States of America.
“USD”	means United States dollar.
“we”, “our”, “us”, “SureNano”, or “the Issuer”	means SureNano Science Ltd.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum includes forward-looking information with respect to SureNano. In particular, the information contained in the sections called “Use of Available Funds,” “Long Term Objectives” and “Short Term Objectives and How the Issuer Intends to Achieve Them” may constitute “forward-looking information” for the purpose of securities legislation, as it contains statements of our the intended course of conduct and our future operations. These statements are based on assumptions made by management about the success of the plan for our business in certain market conditions. Investors are cautioned that the assumptions made and the success of our business are subject to a number of mitigating factors. Economic, legal and market conditions may change, which may materially impact the success of our intended strategies as well as our actual course of conduct. Investors are urged to read Item 8 “Risk Factors” for a discussion of other factors that will impact the Company.

In particular, this Offering Memorandum contains forward-looking statements pertaining to the following:

- completion and results of our business plan;
- capital and general expenditures;
- expectations regarding our ability to raise capital; and,
- treatment under governmental regulatory regimes.

Forward-looking statements pertaining to our need for and ability to raise capital in the future are based on the projected costs of carrying out our business plan, management’s experience with raising funds and current market circumstances.

Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this Offering Memorandum:

- risks inherent in our operations;
- uncertainties associated with changing laws and regulations

- competition for customers and capital, among other things; and
- the other factors discussed under Item 8 “*Risk Factors*”.

This list of factors should not be construed as exhaustive. Although the Issuer has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information and statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information and statements.

Note Regarding Industry Information

In certain sections of this Offering Memorandum, including without limitation "Item 2 – Business of SureNano Science Ltd.", the Issuer provides certain historical, market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information as well as industry data prepared by management on the basis of its knowledge of the industry in which the Issuer intends to operate (including management's estimates and assumptions relating to the industry based on that knowledge). This third-party source information is derived from publicly available information sources that the Issuer believes are predominantly independent in nature. The Issuer believes that the provision of this third-party source information is relevant to the Issuer's activities, given its intended operations (either ongoing or planned) in the areas in question, however, readers are cautioned that there is no certainty that any of the Issuer's activities in these areas will be successful to the extent to which operations in the areas in which the third-party source information is derived from were successful, or at all. Further, estimates of historical growth rates in the markets where we operate are not necessarily indicative of future growth rates in such markets.

MARKETING MATERIALS

"OM marketing materials" (as such term is defined in National Instrument 45-106 – Prospectus Exemptions of the Canadian Securities Administrators) are incorporated into this Offering Memorandum by reference. OM marketing materials, if any, shall be filed and available on the Issuer's SEDAR profile, at www.sedar.com, during any effective period of this Offering Memorandum. At this point in time, there are no marketing materials being distributed to potential investors.

TRADEMARKS AND TRADE NAMES

We have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Third party trademarks, service marks, trade names or products used or displayed in this prospectus belong to the holders and are not intended to, and do not imply a relationship with, or endorsement or sponsorship by us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but these references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names.

INTERPRETATION

Words importing the singular number include the plural and vice versa, and words importing the masculine, feminine or neuter gender include the other genders.

CURRENCY

All dollar amounts referenced in this Offering Memorandum are expressed in Canadian dollars, unless otherwise indicated.

SURENANO SCIENCE LTD.

To date, equity financings have provided our funds.

We have taken the following steps to develop our business: (1) entered into the Letter of Intent with the Licensor for the exclusive rights to commercialize the SureNano Surfactant in Ontario (2) entered into the Licensing Agreement for the exclusive rights to commercialize the SureNano Surfactant in all of Canada (3) spent \$100,000 in License payments and (4) commenced sales of SureNano Surfactant to a Licensed Producer.

ITEM 1: USE OF AVAILABLE FUNDS

FUNDS

The following table discloses the funds available as a result of the offering:

		Assuming min. offering (\$200,000)	Assuming estimated max. offering (\$1,500,000)
A.	Amount to be raised by this offering	200,000	1,500,000
B.	Selling commissions and fees	14,000	105,000
C.	Estimated offering costs (e.g., legal, accounting, audit.)	46,000	70,000
D.	Available funds: $D = A - (B+C)$	140,000	1,325,000
E.	Additional sources of funding required ⁽¹⁾	900,000	900,000
F.	Working capital deficiency	0	0
G.	Total: $G = (D+E) - F$	1,040,000	2,225,000

Notes:

- (1) This is the approximate amount of funds the Issuer has in cash on the date of this Offering Memorandum, less current liabilities due within 30 days. The Issuer has completed several prior private placements and may continue to complete additional private placements during and following the completion of this Offering. See Item 4 "Capital Structure" "Prior Sales".

USE OF AVAILABLE FUNDS

The following table provides a detailed breakdown of how the Issuer intends to use the available funds during the twelve (12) months following the Closing:

Description of intended use of available funds listed in order of priority	Assuming min. offering (\$200,000) (\$)	Assuming max. offering (\$1,500,000) (\$)
Remaining costs associated with the Offering	10,000	10,000
Research and Development ⁽¹⁾	150,000	350,000
Sales	50,000	150,000
Marketing	100,000	200,000
License Payment	100,000	100,000
General and Administrative Expenses ⁽²⁾ (12 months)	180,000	180,000
General Legal	80,000	120,000
Accounting	25,000	25,000
Office Rent ⁽³⁾	30,000	30,000
Office Equipment	20,000	20,000
Office Supplies	13,000	13,000
Travel	12,000	12,000
Unallocated Working Capital	270,000	1,015,000
Total: Equal to G in the Funds table above	1,040,000	2,225,000

Notes:

- (1) Our projected minimum Research and Development expenses for the 12 months after the Closing Date are:

	Assuming min. offering (\$200,000) (\$)	Assuming max. offering (\$1,500,000) (\$)
Chemist fees	60,000	120,000
Shelf Life / Can Study	40,000	40,000
Stability Study	30,000	30,000
Supplies	20,000	60,000
Product development/enhancement		100,000
Total	150,000	350,000

(2) Our projected General and Administrative expenses for the 12 months after the Closing Date are:

• Management Fees ⁽³⁾	\$120,000
• Wages	\$24,000
• Regulatory Fees	\$16,000
• Transfer Agent	\$12,000
• Miscellaneous	\$8,000
TOTAL:	<hr/> \$180,000

Management Fees are to be comprised of the following:
Charles MaLette (Related Party) – CEO, annual fees of \$60,000; and
James Bordian (Related Party) – CFO, annual fees of \$60,000.

(3) Office Rent – Payable to Core Process Solutions Inc., \$2,500 per month. Core Process Solutions Inc. is an Affiliate of the Issuer, with Charles MaLette as a director, CEO and controlling shareholder.

Subject to the success of our research and development program and sales efforts, we may use some of our unallocated working capital for or toward the acquisition of the European or other rights to sell and otherwise commercialize SureNano™ surfactant.

Pending utilization of the available funds, we intend to invest the funds in short-term, interest-bearing obligations with a major Canadian financial institution.

We have a history of negative cash flow and losses, and we do not expect that to change in the short term. All of our operations will be funded by the proceeds from this Offering and sales of our securities. Our net available funds will be sufficient to fund our operations for 12 months.

REALLOCATION

We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons.

ITEM 2: BUSINESS OF SURENANO SCIENCE LTD.

STRUCTURE

The Company was incorporated in British Columbia pursuant to the Business Corporations Act (British Columbia) on January 14, 2021.

OUR BUSINESS

The Company is a nanotechnology supply company with the exclusive licence to sell and otherwise commercialize the SureNano™ surfactant (the “**SureNano Surfactant**”) in Canada. The SureNano Surfactant is a ready-to-mix food grade compound that provides the base for high performance nano-emulsions to create homogeneous and stable products while maximizing bioavailability, clarity, and taste.

While SureNano is focussing on Licensed Producers as its target market, the SureNano Surfactant contains no cannabis or controlled substances.

To date, equity financings have provided the Company's funds.

SureNano has taken the following steps to develop our business:

- 1) entered into the Letter of Intent, dated January 27, 2021, to obtain distribution rights to SureNano Surfactant in Ontario;
- 2) arranged for the ongoing manufacture and delivery of the SureNano Surfactant through Caldic Canada Inc.;
- 3) entered into the Licensing Agreement, dated February 19, 2021, with the Licensor for the exclusive licence to do the following in the territory of Canada:
 - (a) to make, have made, use, offer to sell, sell, and import products containing or utilizing the Sure Nano Surfactant and its underlying technology and intellectual property; and,
 - (b) to grant or enter into licenses, sub-licenses or agreements with third parties with respect to the exploitation of the SureNano Surfactant.
- 3) paid \$100,000 to the Licensor in two License Payments;
- 4) obtained the account to supply SureNano Surfactant to a Licensed Producer; and,
- 5) completed private placement financings for \$1,032,000.50 in exchange for the issuance of 19,700,100 common shares.
- 6) received first order for SureNano Surfactant from a Licensed Producer for a total of \$36,000 of the product in March, 2021.

For a record of prior share issuances and funds acquired from those sales, please see Item 4 "Capital Structure" "Prior Sales."

Products

The Company is the exclusive Canadian licensee of the SureNano Surfactant. The SureNano Surfactant is used in the creation of nanoemulsions of oils extracted from biological materials. The nanoemulsions can then be used in food, cosmetics, pharmaceutical drugs or other applications. SureNano is focussing on the legal cannabis industry as its target market as it sees a need in those industries for more sophisticated molecular agents to create better nanoemulsions from cannabis oil that, in turn, will result in better cannabis products. The SureNano Surfactant itself does not contain any cannabis or other controlled substance.

A Surfactant, or *surface-active agent*, is a compound that, with sufficient agitation, lowers the surface tension between two liquids or between a liquid and a solid. Surfactants are amphiphilic, meaning that they contain hydrophilic (water-loving) head groups and hydrophobic (water-hating, or oil-loving) tails. Surfactants absorb at the interface between oil and water, thereby decreasing the surface tension. Surfactants are used in the processing of hundreds of food and cosmetic products available for sale in Canada.

The SureNano Surfactant is 100% plant derived and contains only six ingredients. The ingredients are all natural and do not contain any synthetic compounds. The SureNano Surfactant is compliant with FDA and Health Canada requirements for use in food, beverages and cosmetics in Canada and the United States.

Nanoemulsions are increasingly common in the traditional food and beverage industries and are in hundreds of consumer products in North America today. Source: <https://www.intechopen.com/books/some-new-aspects-of-colloidal-systems-in-foods/nanoemulsions-in-food-industry>. The safety of nanoemulsions as a food ingredient and as a pharmaceutical drug delivery system is well established and accepted by both the U.S. FDA and Health Canada.

SureNano Surfactant is a stable molecular agent, meaning that our customers can rely on its dependability for their processing operations.

In addition to the attributes of the SureNano Surfactant listed above, use of the SureNano Surfactant in an oil-in-water emulsification increases the bioavailability of the components of the oil relative to a traditional emulsion. The first stage of the digestion of lipids (oils and fats) by the body is to isolate nano scale particles of the lipid in the small intestine and to surround them with a water friendly coating. It is this natural process that is mimicked in the production of a nanoemulsion using SureNano Surfactant. As a result, when a nanoemulsion is consumed, the first stage of digestion is not necessary, and the lipid nanoparticles can be readily absorbed as though the body made them, but more quickly, consistently and with more efficiency than when someone consumes a non-nanoemulsified lipid.

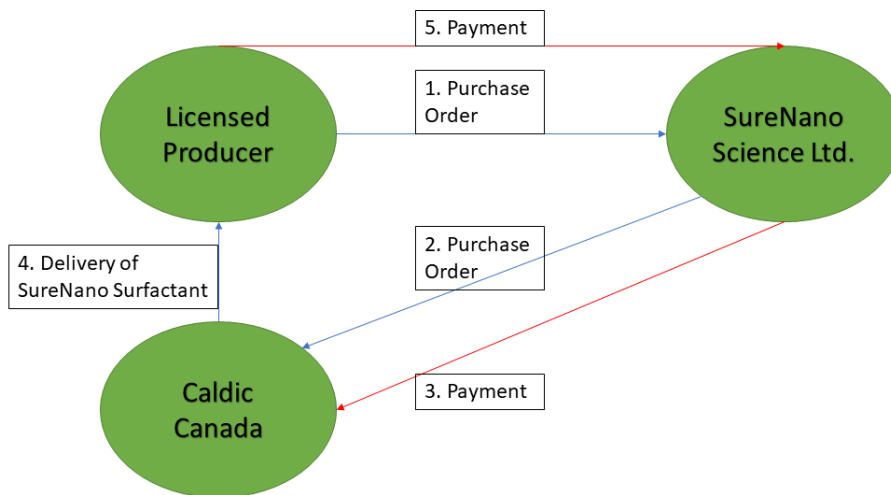
Operations

SureNano operates out of Vancouver B.C. It currently operates through an administration office and uses salespeople on a consulting basis. Caldic Canada Inc., in Mississauga Ontario, is the manufacturer and supplier of the SureNano Surfactant.

A Licensed Producer can make an order for SureNano Surfactant through a purchase order to a salesperson, head office or via email. SureNano will contact the Licensed Producer to confirm the purchase order and will process the order and send it to Caldic. There are no complicated and expensive licensing agreements, unlike the business model adopted by many other companies in similar businesses in Canada.

Once Caldic manufactures the SureNano Surfactant, it arranges delivery direct to the Licensed Producer. Payment for the SureNano Surfactant depends on the terms negotiated between the Company and the Licensed Producer. Normal payment terms are that payment is due in 14 days following delivery.

The Company's process for the sale of SureNano Surfactant is illustrated in the diagram below, with the major steps numbered from 1 to 5 in order of occurrence:



- SureNano receives a purchase order from a Licensed Producer;
- SureNano acknowledges the purchase order and submits an order with Caldic;
- Caldic confirms the order from SureNano including vendor and delivery instructions;
- Caldic makes the order over the following 10 days;
- Caldic submits a Sales Order invoice to SureNano with costs and estimated delivery;
- SureNano sends an electronic payment to Caldic before Caldic will ship the SureNano Surfactant;
- Caldic sends tracking information to SureNano once the SureNano Surfactant has shipped;
- SureNano issues an invoice to the Licensed Producer once the SureNano Surfactant has been shipped by Caldic; and,
- Terms of payment by the Licensed Producer to SureNano is between 14 to 30 days following delivery of the product.

SureNano Surfactant is manufactured by Caldic Canada. Caldic does the following:

- sources and supplies the ingredients (except 1)
- blends, tests and guarantees the product
- delivers SureNano Surfactant to the buyer

The Licensor sources the one ingredient of the SureNano Surfactant that is not supplied by Caldic. The Licensor orders the one ingredient and has it shipped directly to Caldic. It is the most expensive raw material in the ingredients and therefore the Licensor has agreed to buy and supply this ingredient. The Company is responsible for the cost of this one ingredient when the Licensor has ordered it.

Research and Development

The Company is currently initiating laboratories to test the shelf life and stability of cannabis beverages using SureNano Surfactant. The tests have been requested by Licensed Producers with which SureNano is in discussions regarding potential product orders.

Once the Company has engaged a laboratory to start the can test study, results are expected to be completed within 120 days of the date of this Offering Memorandum. The results will be available throughout the can test study as milestones are met. The results will be used and made available to the Company's customers and potential customers.

Market

The Canadian Market

A 2019 Deloitte report entitled "Nurturing new growth - Canada gets ready for Cannabis 2.0" states that the annual Canadian market for edibles and alternative cannabis products is worth C\$2.7 billion. It states that the vast majority of this market will be cannabis extract-based products, including edibles, which it estimates is worth \$1.7 billion alone. It recognizes is significant opportunity elsewhere, including cannabis-infused beverages (C\$529 million), topicals (C \$174 million), concentrates (C\$140 million), tinctures (C \$116 million), and capsules (C \$114 million.) Deloitte's report states that this sizeable market potential will take some time to be realized.

The Company's SureNano Surfactant could be used in the production of any of the edible and alternative cannabis products envisioned in the Deloitte report.

SureNano is focussing on the legal cannabis industry in Canada as its target market. There are currently more than 140 Licensed Producers licensed to produce cannabis oils, edibles and beverages in Canada. Several Licensed Producers, including Organigram, Aurora Cannabis Inc., Canopy Growth Corporation and others are already working with nanoemulsions.

As of October 17, 2020, cannabis oil is no longer a separate product class under *Schedule 4* of the *Cannabis Act*. Oil products have been reclassified either as cannabis extracts, edibles or topical products, depending on the intended use.

The Global Market

In a report dated Sep, 2020, (<https://www.fiormarkets.com/report/nanoemulsions-market-by-type-small-molecule-surfactant-protein-stabilized-emulsions-418831.html>) Fior Markets estimates that the global nanoemulsions market is expected to grow from USD 2.34 billion in 2019 to USD 5.59 billion by 2027.

The Fior Markets report states that some of the notable players in the global nanoemulsions market are Keystone Foods, Frutarom Group, WILD Flavors and Specialty Ingredients, Nestle S.A., The Kraft Heinz Company, AQUANOVA AG, Jamba, Unilever Group, Shemen Industries Ltd and DuPont. It also states that product advancements and launches by companies functioning in the market are anticipated to propel the requirement for nanoemulsion over the forecast period. Constant research and development activities are anticipated to create demand for nanoemulsions in the pharmaceutical industry.

In a March 2, 2020, article entitled "Global nanoemulsion market growth contributes to cannabis industry" (<https://www.healtheuropa.eu/global-nanoemulsion-market-growth-contributes-to-cannabis-industry/98147/>), Health Europa states that Transparency Market Research predicts that an the global nanoemulsion market will grow. It further states that recent industry reports show that the recreational cannabis beverage industry is on the rise, and nanoemulsion-infused beverages are leading to the development of drinkable cannabis products that are both potent and fast acting.

While the Company is focusing on the Canadian cannabis market, the trend of an increase in the global nanoemulsion market, and the cannabis nanoemulsion market in particular, is relevant. Canada is part of

the global nanoemulsion market and several Licensed Producers are already producing products using nanoemulsions. Furthermore, in the event that the Licensor determines to license or otherwise grant, sell or dispose of licenses and rights to the SureNano Surfactant in Europe, the Company will be in a position to determine whether to exercise its right of first refusal of those rights during the term of the Licensing Agreement.

Marketing Plans and Strategies

SureNano is currently supplying one Licensed Producer with its surfactant. It intends to Market the SureNano Surfactant to the more than 140 Licensed Producers that are licensed to produce cannabis oils, edibles and beverages in Canada. This will take a large sales campaign but the Company believes that a substantial number of Licensed Producers would benefit from using the SureNano Surfactant and will become regular customers after trying the product.

Following the Offering, SureNano intends to spend \$150,000 to engage, train and deploy salespeople to contact all Licensed Producers to sell the SureNano Surfactant. In the event of sales, the Company will pay the successful salesperson of a commission at rates to be determined. The Company intends to maintain a minimum of two sales people at all times to manage the accounts and increase sales. As sales targets are met, the Company will increase the sales team and marketing materials to develop relationships with the Licensed Producers and continue marketing SureNano Surfactant throughout Canada.

Current and Prospective Competitors

There are many competitors in the market that have different formulas for their surfactants, including Virtosa, Sorse Technology, EmbarkNano, and Industrial Sonomechanics, LLC,

All of the Company's current and prospective competitors offer surfactants for the creation of nanoemulsions in the cannabis industry. The Company believes that its surfactant is equal to or superior for many applications to those offered by its competitors. It is currently undertaking research and development program to establish the performance and quality of its surfactant. Please see "Research and Development" above.

The market for surfactants is by no means saturated as many Licensed Producers are just embarking on their development of nanoemulsions and searching for the best methods and ingredients for them to produce their nanoemulsions and products. The Company believes that its surfactant can be competitive and capture some of the market share.

DEVELOPMENT OF BUSINESS

On February 19, 2021, the Company entered into a licensing agreement (the "Licensing Agreement") with 1150641 B.C. Ltd. (the "Licensor"), the owner of the SureNano Surfactant, whereby the Company was granted an exclusive license and right to produce, distribute, and enter into sub-licenses or agreements within Canada with respect to the SureNanoTM surfactant. The Company was also granted the first right of refusal over licenses and rights to the Product in Europe over the life of the Licensing Agreement. The Licensing Agreement is for an initial term of 10 years, with an option to renew for an additional 10 years upon the Company providing written notice to the Licensor prior to the expiration of the initial term.

In consideration for the exclusive license and rights, the Company agreed to pay the following:

- (a) \$50,000 within 3 business days of signing the Licensing Agreement (paid);
- (b) \$50,000 on March 31, 2021 (paid);
- (c) \$50,000 on June 30, 2021; and
- (d) \$50,000 on September 30, 2021.

The Company also agreed to pay an on-going royalty to the Licensor, calculated as 25% of net sales, which are payable within 30 days of the end of each fiscal quarter. In the event any royalty is not paid when due, interest on such unpaid amount will be payable at a rate of 8% per annum. During the period ended March 31, 2021, the Company recognized royalty expenses of \$9,000.

From January 14, 2021 to March 16, 2021, we raised a total of \$1,032,000.50 through private placement sale of 19,700,100 of our common shares. Please see “Prior Sales” below for more information.

LONG TERM OBJECTIVES

Over the long term, the Company intends to increase sales of SureNano Surfactant in terms of the number of customers and the volume purchased by customers. To accomplish this, the Company intends to engage salespeople to contact the Licensed Producers and discuss the benefits to them in using the SureNano Surfactant as well as educate as needed on the details of use of the SureNano Surfactant in their current and future cannabis products. This will take an estimated two years and require approximately \$500,000.

The Company also intends to exercise its right of first refusal to obtain the exclusive rights to commercialize the SureNano Surfactant in Europe. In order to do this, the Company will need to research the market size of each European country and determine the major cannabis companies. We do not have an estimate at this time of the cost of exercising those rights in Europe but we expect it to be greater than the \$200,000 cost for the Canadian rights. We will need to have a separate sales team to be able to market SureNano Surfactant in Europe. Once we negotiate the price for the Europe licensing rights, the Company estimates it will need approximately \$250,000 to be able to hire the sales team.

SHORT TERM OBJECTIVES AND HOW WE INTEND TO ACHIEVE THEM

Our short-term goals over the next 12 months are as follows:

- Engage salespeople
- Increase Sales
- Marketing Campaign
- Complete Research & Development Program

The following table discloses how we intend to meet our objectives for the next 12 months:

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete (\$)
Engage salespeople ⁽¹⁾	July 2021	
Maintain salespeople	12 months	150,000
Marketing Campaign	12 months	150,000
Complete shelf life/can test study	12 months	50,000 ⁽²⁾
Complete stability study	12 months	40,000 ⁽²⁾
License Payment #3	June 30, 2021	50,000
License Payment #4	September 30, 2021	50,000

⁽¹⁾Will be done in-house at no additional cost.

⁽²⁾The cost of supplies for these studies is included here at an estimated \$10,000 *per* study.

MATERIAL AGREEMENTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by us, or which affect us, since our incorporation on January 14, 2021:

1. Letter of Intent with 1150641 B.C. Ltd., dated January 27, 2021

This Letter of Intent has now been replaced by the Licensing Agreement. It made us the master distributor of SureNano Surfactant in Ontario for a period of ten years in exchange for a payment of \$50,000, which was converted to the first licence payment under the Licensing Agreement.

2. Licensing Agreement with 1150641 B.C. Ltd. (the “Licensor”), dated February 19, 2021

This agreement gives us the exclusive licence and rights in Canada, with no reservation of the continued right to use by the Licensor in Canada, to:

(a) have made, use, offer to sell, sell, and import products containing or utilizing SureNano Surfactant and their underlying technology and intellectual property; and,

(b) grant or enter into licenses, sub-licenses or agreements with third parties with respect to the exploitation of the SureNano Surfactant.

(the “**Licence**”)

In this agreement, the Licensor also grants to the Company the first right of refusal over licenses and rights to the SureNano Surfactant in Europe over the life of this agreement, including the renewal. In the event that the Licensor determines to license or otherwise grant, sell or dispose of licenses and rights to the SureNano Surfactant in Europe, the Licensor will notify the Company and give it 30 calendar days to give notice to the Licensor of its wish to acquire such rights and, in the event such notice is given to the Licensor, a further 60 calendar days to agree and conclude the terms of the acquisition of such rights with the Licensor. In the event that the notice described above is not sent by the Company within the 30-day period or the terms of the acquisition of the

rights are not agreed to between the Parties within the further 60-day period, the Licensor will be free to offer the rights in question to third parties.

The cost of the Licence is \$200,000, paid in four equal installments:

- (a) \$50,000 within 3 business days of signing this Agreement (paid);
- (b) \$50,000 on March 31, 2021 (paid);
- (c) \$50,000 on June 30, 2021; and,
- (d) \$50,000 on September 30, 2021.

The Company must pay the Licensor a royalty of 25% of net sales.

The Licensor was an arm’s-length party to the Company at the time of the Licensing Agreement. On April 23, 2021, Mr. Mark Scott, co-founder and president of the Licensor, agreed to and became a director of the Company.

ITEM 3: INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

COMPENSATION AND SECURITIES HELD

The following table discloses information about each of our directors, officers and promoters and each person who, as of April 23, 2021, directly or indirectly, beneficially owns or controls 10% or more of any class of our voting securities:

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by Issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the Issuer held after completion of min. offering	Number, type and percentage of securities of the Issuer held after completion of max. offering
Charles “Bud” MaLette <i>Vancouver, BC</i>	Director, Chief Executive Officer, President and promoter	Incorporation to March 31, 2021: \$Nil April 1, 2021 to March 31, 2022: \$60,000	5,100,000 Common Shares (25%)	5,100,000 Common Shares (25%)
James Bordian <i>Surrey, BC</i>	Director Chief Financial Officer	Incorporation to March 31, 2021: \$Nil April 1, 2021 to March 31, 2022: \$60,000	Nil	Nil
Mark Scott <i>Vancouver, BC</i>	Director	Incorporation to March 31, 2021: \$Nil	Nil	Nil

		April 1, 2021 to March 31, 2022: \$Nil		
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MANAGEMENT EXPERIENCE

The following table discloses the principal occupations and past five years of experience of our directors and executive officers:

Name	Principal occupation and related experience
<p>Charles “Bud” MaLette <i>Vancouver, BC</i></p>	<p>Charles MaLette (age 75) was an Investment Advisor for more than 35 years with Canaccord Genuity Corp. He retired from Canaccord Genuity Corp. on December 31, 2018. He has many years investing in public companies in various industries, and analyzing and reviewing hundreds of public companies financial statements. Through his experience as an Investment Advisor, Mr. MaLette has become financially literate.</p> <p>Mr. MaLette, is the Chief Executive Officer, President and a Director of Stevens Gold Nevada Inc., a public company listed on the Canadian Securities Exchange under the symbol “SG.” Mr. MaLette will lead the Issuer in its day-to-day operations in marketing and promoting its equipment and services. Mr. MaLette graduated from the University of Calgary in 1970 with a degree in Economics. After receiving a teaching degree from the University of British Columbia in 1972 he taught high school for 9 years in Vancouver, B.C. Mr. MaLette joined Canaccord Genuity Corp. in 1983 as an Investment Advisor and resigned on December 31, 2018, to become the CEO and director of Core Process Solutions Inc. Mr. MaLette is also a director and secretary of the B.C. Thoroughbred Owners and Breeders Association.</p>
<p>James Bordian <i>Surrey, BC</i></p>	<p>James Bordian (age 78) is a retired Chartered Accountant and Certified Internal Auditor with over 40 years’ experience. During his career, Mr. Bordian has held senior management positions with US Plywood, Dillingham Corporation, Air Canada, and BC Hydro. Presently he is Vice President of a Vancouver-based private management-consulting firm offering financial accounting services. James Bordian has also held the following past positions: Director and Chairman of Audit and Finance Committee for Royal Aloha Vacation Club; Director and Treasurer of Grand Lakefront Resort Club Canada; and President of Institute of Internal Auditors – Vancouver Chapter. Mr. Bordian has extensive experience in income tax planning, budgeting, financial statement presentations and business evaluations.</p> <p>Mr. Bordian, is the Chief Financial Officer and a Director of Stevens Gold Nevada Inc., a public company listed on the Canadian Securities Exchange under the symbol “SG.”</p>

Name	Principal occupation and related experience
<p>Mark Scott <i>Vancouver, BC</i></p>	<p>Mr. Scott (age 50) is a co-founder and president of 1150641 BC Ltd. With a background in technology and computer science, he began investigating technologies within the cannabis industry in 2016.</p> <p>Mr. Scott identified water-solubility as being a key to the emerging consumable product sector of the industry. After researching the technologies that purported to resolve the inherent challenges, he selected nanoemulsions as the safest and most viable approach. For the last 5 years he has immersed himself in learning key aspects of physical chemistry and the biological mechanisms at work in the digestion of oils in the human body.</p>

PENALTIES, SANCTIONS AND BANKRUPTCY

- (a) Other than as stated below, there has been no penalty or sanction in effect during the last 10 years, or any cease trade order that has been in effect for a period of more than 30 consecutive days during the past 10 years against
- (i) any of our directors, executive officers or control persons, or
 - (ii) an issuer of which a person referred to in (i) above was a director, executive officer or control person at the time.

Charles MaLette and James Bordian are directors of Core Process Solutions Inc., formerly Critical CO2 Separations Inc., (“Core Solutions”) since June 11, 2018, July 11, 2018 and February 5, 2019 respectively. On February 11, 2019 Core Solutions was issued a Cease Trade Order by the British Columbia Securities Commission (“BCSC”). Core Solutions had provided investors with an offering memorandum dated November 8, 2018 (the “**2018 OM**”) and subsequently relied on the offering memorandum exemption in section 2.9 of National Instrument 45-106 *Prospectus and Registration Exemptions* to distribute securities. In the Cease Trade Order dated February 11, 2019, the BCSC stated that the 2018 OM was not completed in accordance with the regulations. The offering memorandum was amended pursuant, reoffered to investors and refiled. The Cease Trade Order was revoked on May 13, 2019.

There has been no declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, that has been in effect during the last 10 years with regard to any

- (i) of our directors, executive officers or control persons, or
- (ii) issuer of which a person referred to in (i) above was a director, executive officer or control person at that time.

LOANS

There are no debentures or loans, between us and our directors, management, promoters, or principal holders.

ITEM 4: CAPITAL STRUCTURE

SHARE CAPITAL

The following table provides information about our outstanding securities (including options, warrants and other securities convertible into shares):

Description of security	Number authorized to be issued	Price per security	Number outstanding as at April 26, 2021	Number outstanding after min. offering	Number outstanding after max. offering
Common Shares	unlimited	No par value	19,700,100	19,700,100	19,700,100
Special Warrants	unlimited	No par value	Nil	800,000	6,000,000
		Total:	19,700,100	20,500,100	25,700,100

Notes:

- (1) Each Special Warrant entitles the holder to acquire, without additional payment, one Common Share on the earlier of:
- (a) the first business day following the day on which a receipt for a final prospectus has been issued by or on behalf of the last of the securities regulatory authorities in a province of Canada or such other jurisdiction(s) as may be determined by us; or (b) the 240th day following the date of issuance of the Special Warrants.

LONG TERM DEBT SECURITIES

We have not issued any long term debt securities.

PRIOR SALES

The following table provides details of our prior sales of securities:

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
Jan 14, 2021	Common Shares	100	\$0.005	\$0.50
Jan 14, 2021	Common Shares	5,000,000	\$0.005	\$25,000
Feb 5, 2021	Common Shares	1,500,000	\$0.02	\$30,000
Feb 5, 2021	Common Shares	1,900,000	\$0.02	\$38,000
Feb 5, 2021	Common Shares	1,500,000	\$0.02	\$30,000
Feb 5, 2021	Common Shares	1,500,000	\$0.02	\$30,000
Feb 5, 2021	Common Shares	1,000,000	\$0.02	\$20,000
Feb 5, 2021	Common Shares	800,000	\$0.02	\$16,000
Feb 5, 2021	Common Shares	1,500,000	\$0.02	\$30,000
Feb 5, 2021	Common Shares	1,900,000	\$0.02	\$38,000
Mar 16, 2021	Common Shares	120,000	\$0.25	\$30,000
Mar 16, 2021	Common Shares	20,000	\$0.25	\$5,000
Mar 16, 2021	Common Shares	20,000	\$0.25	\$5,000

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
Mar 16, 2021	Common Shares	440,000	\$0.25	\$110,000
Mar 16, 2021	Common Shares	100,000	\$0.25	\$25,000
Mar 16, 2021	Common Shares	80,000	\$0.25	\$20,000
Mar 16, 2021	Common Shares	500,000	\$0.25	\$125,000
Mar 16, 2021	Common Shares	140,000	\$0.25	\$35,000
Mar 16, 2021	Common Shares	80,000	\$0.25	\$20,000
Mar 16, 2021	Common Shares	400,000	\$0.25	\$100,000
Mar 16, 2021	Common Shares	20,000	\$0.25	\$5,000
Mar 16, 2021	Common Shares	200,000	\$0.25	\$50,000
Mar 16, 2021	Common Shares	40,000	\$0.25	\$10,000
Mar 16, 2021	Common Shares	100,000	\$0.25	\$25,000
Mar 16, 2021	Common Shares	40,000	\$0.25	\$10,000
Mar 16, 2021	Common Shares	60,000	\$0.25	\$15,000
Mar 16, 2021	Common Shares	100,000	\$0.25	\$25,000
Mar 16, 2021	Common Shares	100,000	\$0.25	\$25,000
Mar 16, 2021	Common Shares	20,000	\$0.25	\$5,000
Mar 16, 2021	Common Shares	120,000	\$0.25	\$30,000
Mar 16, 2021	Common Shares	200,000	\$0.25	\$50,000
Mar 16, 2021	Common Shares	200,000	\$0.25	\$50,000
	Total	19,700,100		\$1,032,000.50

ITEM 5: SECURITIES OFFERED

TERMS OF SECURITIES

The Securities in this Offering are Special Warrants in our capital. Each Special Warrant is being sold at a price of \$0.25.

The Special Warrants will automatically convert into our Common Shares and will be deemed to have been exercised without any further action or payment on the part of the Subscriber on the earlier of: (a) the first business day following the day on which a receipt for a final prospectus has been issued by or on behalf of the last of the securities regulatory authorities in a province of Canada or such other jurisdiction(s) as may be determined by us; or (b) the 240th day following the date of issuance of the Special Warrants.

Once the Special Warrants automatically convert, the Subscriber will hold the same number of our Common Shares that they held in Special Warrants and the Special Warrants will cease to exist.

Our common shares have the following characteristics:

- (a) Each of our Common Shares entitles the Shareholder to have one vote for each share he holds or represents in every vote of Shareholders of our Common Shares.
- (b) Each of our Common Shares entitles the Shareholder to participate equally, share for share, in a distribution of our assets or property on liquidation, dissolution or windup.

SUBSCRIPTION PROCEDURE

- (a) A purchaser can subscribe for the securities being offered by completing the attached Subscription Agreement and Risk Acknowledgment Form and paying the subscription proceeds to our legal counsel using a method of payment described in the Subscription Agreement. Subscription proceeds must be paid to our legal counsel by certified cheque, bank draft, money order or wire transfer. Wire instructions are attached to the Subscription Agreement.
- (b) The securities are being offered for sale to qualified purchasers in the Provinces of Alberta, British Columbia, Ontario, Manitoba, Saskatchewan, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island and the territories of Nunavut, Yukon and Northwest Territories and such other jurisdictions as the Issuer may decide, in reliance upon exemptions from the prospectus requirements of applicable securities legislation.
- (c) The Subscription proceeds will be held in trust for two days.

ITEM 6: INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

ITEM 7: COMPENSATION PAID TO SELLERS AND FINDERS

We intend to pay finder's fees in connection with this offering. The finder's fee is expected to be 7%, paid in cash. The following table sets out the finder's fees that the Issuer expects to pay in connection with this offering:

Finder's Fee	7% Cash
Minimum Offering (\$200,000)	\$14,000
Estimated Maximum Offering (\$1,500,000)	\$150,000

ITEM 8: RISK FACTORS

An investment in the securities offered hereunder should be considered highly speculative due to the nature of our business and the present stage of development. The acquisition of any of the securities of the Company involves a high degree of risk and should be undertaken only by knowledgeable and sophisticated investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An

investment in the securities of the Company should not constitute a major portion of an individual's investment portfolio and should only be made by persons who can afford a total loss of their investment. Prospective investors should consult with their professional advisors to assess an investment in the Issuer.

In evaluating us and our business, investors should carefully consider, in addition to the other information contained in this Offering Memorandum, the following risk factors. These risk factors are not a definitive list of all risk factors associated with an investment in the Company or in connection with our operations.

Investment Risks

High Risk, Speculative Nature of Investment

An investment in the Common Shares carries a high degree of risk and should be considered speculative by purchasers. We have no history of earnings, have limited cash reserves, a limited business history, have not paid dividends, and are unlikely to pay dividends in the immediate or near future. We are in the “start-up” phase of our business. Our operations are not sufficiently established such that we can mitigate the risks associated with our planned activities.

Dilution of Shareholdings

Purchasers of the Special Warrants offered hereby will experience an immediate dilution in the net tangible book value of the Special Warrants from the Offering Price of this Offering.

No Established Market

There is currently no market through which our securities may be sold and purchasers may not be able to resell the Common Shares purchased under this Offering Memorandum. Even if a market develops, there is no assurance that the price of the Common Shares offered under this Offering Memorandum, will reflect the market price of the Common Shares once a market has developed. There is no assurance that the Company will ever list or that a market will ever develop.

Resale Restrictions

The Special Warrants acquired in this Offering and the underlying common shares will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation. See Item 10 “Resale Restrictions” below for more information.

Uncertainty of Use of Proceeds

Although we have set out our intended use of proceeds from this Offering, the same are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds. See “*Forward-Looking Statements*” for more details.

Prospect of Dividends

We do not anticipate that any dividends will be paid on our common shares in the foreseeable future. As such, investors may not realize a return on their investment.

No Regulatory Authority Review

Purchasers of the Special Warrants will not have the benefit of a review of this Offering Memorandum by any regulatory authority.

Issuer Risks

Limited Operating and Revenue History, No History of Profits

We have a limited history of operations, no history of cash flow or profitability and only a nominal history of revenue. We have no source of operating cash flow and no assurance that additional funding will be available for expenses when required. There is no guarantee that we will operate our business successfully and obtain enough customers to justify our ongoing expenses. If we do not generate substantial revenue, we may be unable to sustain our operations, in which case we will become insolvent and investors will lose their investment.

Negative Cash Flow

We have a history of negative cash flow and losses, and we do not expect that to change in the short term. We have had negative operating cash flow since our date of incorporation, and we will continue to have negative operating cash flow for the foreseeable future. No assurance can be given that we will ever attain positive cash flow or profitability.

Management Experience

Our success is currently largely dependent on the performance of our directors and officers. The business of supplying surfactants for nanoemulsion to the cannabis industry is a new business and it has yet to be seen whether our management will operate well in it. While our management has some related experience, there are many unknowns. Our management may lack the management or technical expertise required to make this business a success. The experience of these individuals is a factor that will contribute to our potential success and growth. We will initially be relying on our board members, as well as independent consultants, for certain aspects of our business. The amount of time and expertise expended on our affairs by each of our management team and our directors will vary according to our needs. We do not intend to acquire any key man insurance policies and there is, therefore, a risk that the death or departure of any member of management, our board, or any key consultant, could have a material adverse effect on our future. Investors who are not prepared to rely on our management team should not invest in our securities.

Supply Risk

Delays in the delivery of ingredients to the manufacturer or of the product to customers could have a material, negative impact on the Company's operations. The Company currently relies on one manufacturer to source most ingredients and manufacture and deliver the SureNano Surfactant to its customers. The Company also currently relies on one supplier for the ingredient that it sources and sends to the manufacturer. There are many other manufacturers and suppliers that the Company could engage to source ingredients and produce and deliver the SureNano Surfactant but changing manufacturers or

suppliers could cause significant delays and expense. There could be delays to the production and delivery of product to customers, which could lose customers and have a negative impact on the Company's financial position.

Industry Risks

Public Health Crisis

The Company's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics, pandemics or other health crises, such as COVID-19. As at the date of this Offering Memorandum, the global reactions to the spread of COVID-19 which led to, among other things, significant restrictions on travel, quarantines, temporary business closures and a general reduction in consumer activity, which were being eased, are now starting to be re-instated. Provincial governments in the provinces of British Columbia and Ontario, where many of the Company's current and potential customers are located are starting to re-initiate closures of certain non-essential services and restrictions on activities. Each such province has designated the production of cannabis as an essential service and, accordingly, the Licensed Producers' facilities remain open and in production. However, there can be no certainty that this will remain the case. The risks to the Company of such public health crises also include risks to employee and contractor health and safety and a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak. The Company has taken what it believes to be appropriate safety precautions at to safeguard the health of its employees and contractors, including remote work plans. Widespread uncertainty, government restrictions on personal mobility and the other impacts of the COVID-19 crisis on the Company, together with the potential of individuals to contract COVID-19 and/or be subject to quarantine may have an impact on the ability of the Company to function. Although certain administrative functions and sales can be conducted remotely, other functions, such as, the manufacture and delivery of the SureNano Surfactant cannot be conducted remotely and may be adversely impacted by any resulting decrease in the availability of individuals to do the jobs.

Such public health crises can also result in disruptions and volatility in financial markets and global supply chains as well as declining trade and market sentiment and reduced mobility of people, all of which could impact cannabis product prices, interest rates, credit ratings, credit risk and inflation. These factors could negatively impact the Company's customers and potential customers and negatively impact their desire and ability to purchase our products. In addition, the Company's business may be impacted by supply chain disruptions caused by the COVID-19 crisis, including the delivery of essential ingredients for the Company's products or the delivery of the Company's products to customers.

All of these potential results of the COVID-19 crisis could have a negative impact on the Company's potential to earn revenue. While these effects are expected to be temporary, the duration of the disruptions to business and the related financial impact cannot be estimated with any degree of certainty at this time. Although a number of jurisdictions reduced restrictions on businesses during summer of 2020 due to recent resurgences in cases many jurisdictions have re-imposed restrictions of varying degrees. There can be no certainty as to the effectiveness of such restrictions or as to their length. At this point, the extent to which COVID-19 may impact the Company is uncertain; however, it is possible that COVID-19 could have a material adverse effect on the Company's business, results of operations and financial condition.

Competition

The Company faces competition from other companies, some of which have longer operating histories and greater financial resources, and manufacturing and marketing experience than the Company. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition and financial performance of the Company.

Because of the early stage of the industry in which the Company operates, the Company expects to face additional competition from new entrants. If the number of users of legal cannabis edibles, topicals and extracts, including cannabis beverages, in Canada increases, the Company expects that competition will become more intense, as more competitors enter the market and target the cannabis industry. To remain competitive, the Company may require additional investment in research and development, marketing, sales and customer support. Failure to maintain or adequately support such efforts in the future on a competitive basis could materially and adversely affect the business, financial condition and financial performance of the Company.

The Company's success depends on its ability to attract and retain customers. There are many factors which could impact the Company's ability to attract and retain customers, including but not limited to competition in the industry, the Company's ability to continually produce a desirable and effective product, the successful implementation of the Company's customer-acquisition plan and the continued growth in the aggregate number of customers using nanoemulsions and selecting the Company's SureNano Surfactant as part of its process.

The success of the Company's product offering depends on a number of factors, including the Company's ability to: (a) accurately anticipate customer needs; (b) successfully commercialize its product; (c) price its product competitively; (d) manufacture and deliver its product in sufficient volumes and in a timely manner; and (e) differentiate its product from those of competitors. In the event that the Company is not successful in these endeavours, it will fail to obtain market share, which will have a material adverse effect on the Company's revenue, financial condition and financial performance.

ITEM 9: REPORTING OBLIGATIONS

We are not required to send you any documents on an annual or ongoing basis.

We are not a “reporting issuer” as defined in the applicable securities legislation and the continuous reporting requirements of those statutes do not generally apply to us.

ITEM 10: RESALE RESTRICTIONS

For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec, Saskatchewan and Yukon:

The Special Warrants and the underlying Common Shares (the “Securities”) will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Securities unless you comply with an exemption from the prospectus and registration requirements under Securities legislation.

Restricted Period – For trades in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec, Saskatchewan and Yukon, the certificates representing the Securities will be subject to and bear a restrictive legend in substantially the following form:

Unless permitted under securities legislation, you cannot trade the Securities before the date that is 4 months and a day after the date [insert name of issuer or other term used to refer to the Issuer becomes a reporting issuer in any province or territory of Canada.

Manitoba Resale Restrictions - For trades in Manitoba:

Unless permitted under securities legislation, you must not trade the Securities without the prior written consent of the regulator in Manitoba unless

- (a) we have filed a prospectus with the regulator in Manitoba with respect to the Securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or
- (b) you have held the Securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

ITEM 11: PURCHASER'S RIGHTS

If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

- (1) **Two Day Cancellation Right** – You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the agreement to buy the securities.
- (2) **Statutory Rights of Action in the Event of a Misrepresentation** – If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue us, each of our directors as of the Date of this Offering Memorandum and every person or company who signed this Offering Memorandum:
 - (a) to cancel your agreement to buy these securities and return the amount you paid for the securities in the Offering (“Rescission”), or,
 - (b) for damages against us.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, your damages will be limited to the amount you paid for the securities in the Offering.

There are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action for Rescission within 180 days after you signed the subscription agreement. In the case of any other action, you must commence your action on or before the earlier of 180 days after learning of the misrepresentation and three years after you signed the subscription agreement.

If you sue for damages, the amount you may recover will not exceed the price that you paid for your securities and will not include any part of the damages that we prove does not represent the depreciation in value of the securities resulting from the misrepresentation.

ITEM 12: FINANCIAL STATEMENTS

SURENANO SCIENCE LTD.

Financial statements

For the period from incorporation on January 14, 2021 to March 31, 2021

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of SureNano Science Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SureNano Science Ltd. (the "Company"), which comprise the statement of financial position as at March 31, 2021 and the statement of operation and comprehensive loss, statement of changes in equity and statement of cash flows for the period from incorporation on January 14, 2021 to March 31, 2021 and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2021, and its financial performance and its cash flows for the period from incorporation on January 14, 2021 to March 31, 2021 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without qualifying our opinion, we draw attention to Note 1 to the financial statements which indicates the existence of a material uncertainty that may cast significant doubt about SureNano Science Ltd.'s ability to continue as a going concern.

Information other than the Consolidated Financial Statements and the Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information, other than the consolidated financial statements and our auditor's report thereon, included in Management's discussion and analysis report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's discussion and analysis report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Mickey Goldstein.

HARBORSIDE CPA LLP

Vancouver, British Columbia
April 19, 2021

Harbourside CPA, LLP
Chartered Professional Accountants

SURENANO SCIENCE LTD.Statement of financial position
(Expressed in Canadian dollars)

	March 31, 2021 \$
ASSETS	
Current assets	
Cash	929,011
Accounts receivable	37,800
Total assets	966,811
LIABILITIES AND SHAREHOLDERS' EQUITY	
Current liabilities	
Accounts payable and accrued liabilities	17,323
Total liabilities	17,323
Shareholders' equity	
Share capital	1,032,000
Deficit	(82,512)
Total shareholders' equity	949,488
Total liabilities and shareholders' equity	966,811

Nature of operations and continuance of business (Note 1)

Approved and authorized for issuance on behalf of the Board of Directors on April 19, 2021:

/s/ "Charles MaLette"

Charles MaLette, Director

(The accompanying notes are an integral part of these financial statements)

SURENANO SCIENCE LTD.Statement of operations and comprehensive loss
(Expressed in Canadian dollars)

	For the period from incorporation on January 14, 2021 to March 31, 2021 \$
Revenue	36,000
Cost of goods sold	(1,342)
Gross profit	34,658
Expenses	
License fee (Note 3)	100,000
Office and miscellaneous	506
Professional fees	6,739
Royalties (Note 3)	9,000
Total expenses	116,245
Net loss before taxes	(81,587)
Income tax expense	(925)
Net loss and comprehensive loss for the period	(82,512)
Loss per share, basic and diluted	(0.01)
Weighted average shares outstanding	13,854,000

(The accompanying notes are an integral part of these financial statements)

SURENANO SCIENCE LTD.Statement of changes in equity
(Expressed in Canadian dollars)

	Share capital		Deficit \$	Total shareholders' equity \$
	Number of shares	Amount \$		
Balance, January 14, 2021 (date of incorporation)	–	–	–	–
Common shares issued for cash	19,700,100	1,032,000	–	1,032,000
Net loss for the period	–	–	(82,512)	(82,512)
Balance, March 31, 2021	19,700,100	1,032,000	(82,512)	949,488

(The accompanying notes are an integral part of these financial statements)

SURENANO SCIENCE LTD.

Statement of cash flows

(Expressed in Canadian dollars)

	For the period from incorporation on January 14, 2021, to March 31, 2021 \$
Operating activities	
Net loss for the period	(82,512)
Changes in non-cash operating working capital:	
Accounts receivable	(37,800)
Accounts payable and accrued liabilities	17,323
Net cash used in operating activities	(102,989)
Financing activities	
Proceeds from issuance of common shares	1,032,000
Net cash provided by financing activities	1,032,000
Change in cash	929,011
Cash, beginning of period	–
Cash, end of period	929,011

(The accompanying notes are an integral part of these financial statements)

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

1. Nature of Operations and Continuance of Business

SureNano Science Ltd. (the “Company”) was incorporated under the Business Corporations Act in British Columbia on January 14, 2021. The principal business of the Company is the sale and distribution of the SureNano™ surfactant, which is a ready-to-mix food grade compound that provides the base for high performance nano-emulsions to create incredibly homogeneous and stable products while maximizing bioavailability, clarity, and taste. The Company has an exclusive license to distribute the SureNano™ surfactant within Canada (Note 3). The Company’s head office is located at 350 – 1650 West 2nd Avenue, Vancouver, British Columbia.

These financial statements have been prepared on a going concern basis which assumes that the Company will realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. Realization values may be substantially different from carrying values as shown and these financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. As at March 31, 2021, the Company has negative cash flow from operations, and has an accumulated deficit of \$82,512. The Company expects to incur further losses in the development of its business. The Company’s ability to continue as a going concern is dependent upon its ability in the future to achieve profitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. These factors indicate the existence of a material uncertainty that may cast doubt on the Company’s ability to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. These adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

2. Significant Accounting Policies

(a) Statement of Compliance and Basis of Presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is the Company’s functional currency.

(b) Use of Estimates and Judgments

The preparation of these financial statements in conformity with IFRS requires the Company’s management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include the recovery of accounts receivable, and unrecognized deferred income tax assets. Actual results could differ from those estimates.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(b) Use of Estimates and Judgments (continued)

Judgments made by management include the factors used to determine the assessment of whether the going concern assumption is appropriate. The assessment of the going concern assumption requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

(c) Cash and Cash Equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents. As at March 31, 2021, the Company has no cash equivalents.

(d) Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, and accounts payable and accrued liabilities.

The Company follows the requirements of IFRS 9, *Financial Instruments* ("IFRS 9"). IFRS 9 utilizes a model for recognition and measurement of financial instruments in a single, forward-looking "expected loss" impairment model.

(i) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI - equity investment; or at fair value through profit and loss ("FVTPL"). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(i) Classification and subsequent measurement (continued)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

- Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of operations and comprehensive loss.
- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of operations and comprehensive loss. Any gain or loss on derecognition is recognized in the statement of operations and comprehensive loss.
- Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of operations and comprehensive loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of operations and comprehensive loss.
- Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of operations and comprehensive loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to the statement of operations and comprehensive loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of operations and comprehensive loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of operations and comprehensive loss. Any gain or loss on derecognition is also recognized in the statement of operations and comprehensive loss.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(ii) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognized in its consolidated statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the statement of operations and comprehensive loss.

(iii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iv) Impairment

Financial assets and contract assets

The Company recognizes loss allowances for expected credit losses ("ECL") on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets (as defined in IFRS 15).

The Company measures loss allowances on amounts receivable at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(iv) Impairment (continued)

Financial assets and contract assets (continued)

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(iv) Impairment (continued)

Financial assets at amortized cost

Financial assets at amortized cost are non-derivative financial assets which are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition. Subsequent to initial recognition, financial assets are measured at amortized cost using the effective interest method, less any impairment.

Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless designated as fair value through profit or loss.

Impairment of Financial Assets

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

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account.

When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are offset against the allowance account. Changes in the carrying amount of the allowance account are recognized in the consolidated statement of operations. Loss allowances are based on the lifetime ECL's that result from all possible default events over the expected life of the trade receivable, using the simplified approach.

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

(e) Inventory

Inventory is stated at the lower of cost or net realizable value. Appropriate consideration is given to obsolescence, excessive levels, deterioration, and other factors in evaluating net realizable value. Inventory consists of extraction SureNano™ surfactant for resale. At March 31, 2021, the Company had no inventory.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(f) Revenue

The Company generates revenue from the sale of SureNano™ surfactant. The time between invoicing and when payment is due is not significant and none of the Company's contracts contain a significant financing component.

The Company follows IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15"), to recognize its revenue. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15 the Company's accounting policy for revenue recognition is as follows: i) identify the contract with the customer; ii) identify the performance obligation(s) in the contract; iii) determine the transaction price; iv) allocate the transaction price to the performance obligation(s); and (v) recognize revenue when (or as) performance obligation(s) are satisfied.

For product sales, revenue is recognized immediately upon providing the customer with the product. Revenue is measured based on the price specified in the Company's invoice provided to the customer. The Company does not have any multiple-element revenue arrangements. Revenue is presented net of discounts and sales and other related taxes.

(g) Foreign Currency Translation

The Company's functional currency and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the statement of operations.

(h) Income Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

2. Significant Accounting Policies (continued)

(i) Loss Per Share

Basic loss per common share is computed by dividing their respective net loss by the weighted average number of common shares outstanding during the period. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on the income per share. The dilutive effect of convertible securities is reflected in the diluted loss per share by application of the "if converted" method. The dilutive effect of outstanding incentive stock options and their equivalents is reflected in the diluted loss per share by application of the treasury stock method. At March 31, 2021, there were no dilutive securities.

(j) Comprehensive Loss

Comprehensive loss is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in the statement of operations.

(k) Recent Accounting Pronouncements

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. Licensing Agreement

On February 19, 2021, the Company entered into a licensing agreement (the "Licensing Agreement") with 1150641 B.C. Ltd. ("1150641"), whereby the Company was granted an exclusive license and right to produce, distribute, and enter into sub-licenses or agreements within Canada with respect to the SureNano™ surfactant (the "Product"), which is owned by 1150641. The Company was also granted the first right of refusal over licenses and rights to the Product in Europe over the life of the Licensing Agreement. The Licensing Agreement is for an initial term of 10 years, with an option to renew for an additional 10 years upon the Company providing written notice to 1150641 prior to the expiration of the initial term.

In consideration for the exclusive license and rights, the Company agreed to pay the following:

- (a) \$50,000 within 3 business days of signing the Licensing Agreement (paid);
- (b) \$50,000 on March 31, 2021 (paid);
- (c) \$50,000 on June 30, 2021; and
- (d) \$50,000 on September 30, 2021.

The Company also agreed to pay an on-going royalty calculated as 25% of net sales, which are payable within 30 days of the end of each fiscal quarter. In the event any royalty is not paid when due, interest on such unpaid amount will be payable at a rate of 8% per annum. During the period ended March 31, 2021, the Company recognized royalty expense of \$9,000.

4. Share Capital

Authorized: Unlimited number of common shares without par value.

- (a) On January 14, 2021, the Company issued 5,000,100 common shares at \$0.005 per share for gross proceeds of \$25,000.
- (b) On February 5, 2021, the Company issued 11,600,000 common shares at \$0.02 per share for gross proceeds of \$232,000.
- (c) On March 16, 2021, the Company issued 3,100,000 common shares at \$0.25 per share for gross proceeds of \$775,000.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

5. Capital Management

The Company's objectives when managing capital are to raise the necessary equity financing to fund its projects and to manage the equity funds raised which best optimizes its programs and the interests of its equity shareholders at an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may raise additional equity funds. The Company is not subject to externally imposed capital requirements.

6. Fair Value Measurements and Risk Management

(a) Fair Values

The Company classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1 - quoted prices in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.: as prices) or indirectly (i.e.: derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data.

The Company has recorded its cash at fair value using level 1 inputs. The fair values of the Company's other financial instruments, which include accounts receivable, and accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(b) Credit Risk

Credit risk is the risk of a loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including accounts receivable. Accounts receivable consists of trade receivables from customers. The carrying amount of these financial assets represents the maximum credit exposure.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

The Company manages liquidity risk by maintaining sufficient cash balances and adjusting its operating budget and expenditure. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term and other specific obligations.

(d) Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

SURENANO SCIENCE LTD.

Notes to the consolidated financial statements

For the period from incorporation on January 14, 2021, to March 31, 2021

(Expressed in Canadian Dollars)

6. Fair Value Measurements and Risk Management (continued)

(d) Market Risk (continued)

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rates for the Company is considered minimal. The Company has no interest bearing borrowings.

(ii) Foreign Exchange Rate Risk and Interest Rate Risk

The Company is not currently exposed to foreign exchange rate risk or interest rate risk.

(iii) Price Risk

The Company is not exposed to significant price risk.

7. Related Party Disclosure

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company has determined that its key management personnel are the members of the Company's current and former Board of Directors and its executive officers.

During the period ended March 31, 2021 the Company did not incur any transactions with key management personnel.

8. Income Taxes

The following table reconciles the expected income tax recovery at the Canadian statutory income tax rates to the amounts recognized in the statement of operations and comprehensive loss for the period ended March 31, 2021:

	2021 \$
Canadian statutory income tax rate	11%
Income tax recovery at statutory rate	(8,975)
Tax effect of:	
Change in unrecognized deferred income tax assets	9,900
Income tax provision	925

The significant components of deferred income tax assets and liabilities are as follows:

	2021 \$
Deferred income tax assets:	
Licence fees	9,900
Unrecognized deferred income tax assets	(9,900)
Net deferred income tax asset	—

Tax attributes are subject to review and potential adjustment by tax authorities.

ITEM 13: DATE AND CERTIFICATE

Dated April 26, 2021

This offering memorandum does not contain a misrepresentation.

/s/ Charles MaLette

Charles MaLette
CEO, President, Secretary and Director

/s/ James Bordian

James Bordian
CFO and Director

/s/ Mark Scott

Mark Scott
Director

/s/ Charles MaLette

Charles MaLette
Promoter