ARWAY CORPORATION

Form 2A - Listing Statement

October 24, 2022

FORM 2A

LISTING STATEMENT

GLOSSARY

"Amalco" *means the amalgamated entity resulting from the Amalgamation.*

"Amalgamation" *means the amalgamation pursuant to which FinanceCo and Subco shall amalgamate and continue as Amalco, and each FinanceCo Share (other than those FinanceCo Shares held by shareholders of FinanceCo exercising their applicable dissent rights) and each FinanceCo Warrant will be exchanged for one Spinco Share and one Spinco Warrant, respectively.*

"AR" *means augmented reality.*

"Arrangement" *means the plan of arrangement to be effected in accordance with the terms and conditions of the Arrangement Agreement pursuant to which, amongst other matters, Nextech and the shareholders of Nextech will be issued Spinco Shares in consideration for the transfer to the Issuer of (a) all right, title and interest in and to the Spinout Assets; and (b) the Spinout Liabilities.*

"Arrangement Agreement" *means the agreement dated as of July 29, 2022 between the Issuer, Nextech and FinanceCo governing the terms and conditions of the Arrangement.*

"Audit Committee" *means the audit committee of the Board.*

"BCBCA" *means the Business Corporations Act (British Columbia) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.*

"Board" *means the board of directors of the Issuer.*

"CAGR" *means compound annual growth rate.*

"Carve-Out Financial Statements" *means the audited carve-out financial statements related to the Spinout Assets for the fiscal years ended July 31, 2020, 2021 and 2022.*

"CSE" *means the Canadian Securities Exchange.*

"DC&P" *means disclosure controls and procedures.*

"Effective Date" *means the date on which the last of all necessary documents to effect the Arrangement have been filed with the Registrar of Companies under the BCBCA.*

"Effective Time" *means 12:01 a.m. (Pacific time) on the Effective Date.*

"Eligible Person" *shall have the meaning ascribed thereto in item 9.1 hereof.*

"Escrow Agreement" *shall have the meaning ascribed thereto in item 11.1 hereof.*

"Fairness Opinion" *means the valuation and fairness opinion dated August 19, 2022 prepared by RwE Growth Partners Inc.*

"FinanceCo" *means 1373222 B.C. Ltd., a company existing under the laws of the Province of British Columbia.*

"FinanceCo Share" *means a common share of FinanceCo.*

"FinanceCo Warrant" *means a share purchase warrant of FinanceCo, each entitling the holder thereof to acquire one FinanceCo Share at an exercise price of C$0.50 for a period of three years from the date of issuance.*

"Financial Statements" *means the audited consolidated financial statements of the Issuer for the period from incorporation of the Issuer on July 15, 2022 to August 31, 2022.*

"IASB" *means the International Accounting Standards Board.*

"ICFR" *means internal control over financial reporting.*

"IFRS" *means International Financial Reporting Standards, as adopted by the International Accounting Standards Board.*

"IFRSIC" *means the IFRS Interpretations Committee.*

"IPIN" *means indoor positioning and navigation.*

"Issuer" *means Arway Corporation, a company existing under the laws of the Province of Ontario.*

"Listing Date" *means the date the Spinco Shares are listed on the CSE.*

"MD&A" *means management's discussion and analysis.*

"New Shares" *shall have the meaning ascribed thereto in item 3.2 hereof*

"Nextech" *means Nextech AR Solutions Corp., a company existing under the laws of the Province of British Columbia.*

"NI 52-109" *means National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.*

"NI 52-110" *means National Instrument 52-110 Audit Committees.*

"NP 46-201" *means National Policy 46-201 — Escrow for Initial Public Offerings.*

"Option Plan" *means the stock option plan of the Issuer.*

"PLAN" *means positioning, localization and navigation.*

"Private Placement" *means the non-brokered private placement which was completed by FinanceCo as a condition of the completion of the Arrangement, pursuant to which FinanceCo issued 6,629,554 Subscription Receipts at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of C$1,657,388.50*

"Pro Rata Share Distribution" *shall have the meaning ascribed thereto in item 3.2 hereof.*

"Release Conditions" *means the satisfaction or waiver, by the Issuer, Nextech and FinanceCo, as applicable, of all conditions precedent to the completion of the Arrangement.*

"Release Deadline" *means the earlier of ((i) 5:00 p.m. (Toronto time) on November 15, 2022; and (ii) the date the Arrangement is terminated in accordance with its terms.*

"Shares for Services Distribution" *shall have the meaning ascribed thereto in item 3.2 hereof.*

"Spinco Share" *means a common share of the Issuer.*

"Spinco Warrant" *means a share purchase warrant of the Issuer, each entitling the holder to acquire one (1) Spinco Share at an exercise price of C$0.50 for a period of three years from the date of issuance.*

"Spinout Assets" *means all direct and indirect assets of Nextech utilized in connection with the creation of an all-in-one no code real-world Meta verse creation tool and mobile app ARWay (formerly Aritize Maps), with a self-generating augmented reality mapping solutions for both consumers and brands, and all business, corporate, legal and accounting books, records and documents used in connection with the foregoing and related undertakings.*

"Spinout Liabilities" *means all liabilities or obligations (contingent or otherwise) (other than any liability or obligation for taxes) in respect (but only in respect) of the Spinout Assets (including the operations or activities in connection therewith).*

"Subco" *means 1373221 B.C. Ltd., a company existing under the laws of the Province of British Columbia and a wholly-owned subsidiary of the Issuer.*

"Subscription Receipt" *means a subscription receipt of FinanceCo issued pursuant to the Private Placement, each of which will automatically convert upon the satisfaction or waiver of the Release Conditions prior to the Release Deadline into one Unit at no additional cost to, and without further action by, the holder of such Subscription Receipt.*

"Tax Act" *means the Income Tax Act (Canada).*

"Unit" *means a unit of FinanceCo issuable upon conversion of a Subscription Receipt, with each Unit being comprised of one (1) FinanceCo Share and one FinanceCo Warrant.*

"UWB" *means ultrawideband.*

"VPS" *means visual position system.*

1. Table of Contents

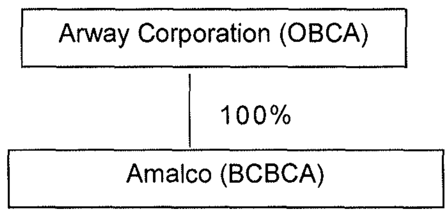
1.	Table of Contents	6
2.	Corporate Structure	7
3.	General Development of the Business	7
4	Narrative Description of the Business	10
5.	Selected Consolidated Financial Information	19
6.	Management's Discussion and Analysis	20
7.	Market for Securities	50
8.	Consolidated Capitalization	51
9.	Options to Purchase Securities	51
10.	Description of the Securities	53
11.	Escrowed Securities	55
12.	Principal Shareholders	57
13	Directors and Officers	57
14.	Capitalization	62
15.	Executive Compensation	66
16.	Indebtedness of Directors and Executive Officers	67
17.	Risk Factors	67
18.	Promoters	81
19.	Legal Proceedings	82
20.	Interest of Management and Others in Material Transactions	82
21.	Auditors, Transfer Agents and Registrars	82
22.	Material Contracts	82
23	Interest of Experts	83
24.	Other Material Facts	84
25.	Financial Statements	84

2. Corporate Structure

2.1 *The full corporate name of the Issuer is "Arway Corporation". The registered and head office of the Issuer is located at 501-121 Richmond Street West, Toronto, Ontario, M5H 2K1.*

2.2 *The Issuer was incorporated as "1000259749 Ontario Inc." under the Business Corporations Act (Ontario) on July 15, 2022. Effective August 3, 2022, the name of the Issuer was changed to "Arway Corporation" pursuant to articles of amendment.*

2.3 *The Issuer will have no subsidiaries other than as follows:*



2.4 *The Issuer is not requalifying following a fundamental change or proposing an acquisition, amalgamation, merger, reorganization or arrangement other than as described under item 3 below.*

2.5 *The Issuer is not a non-corporate issuer or an issuer incorporated outside of Canada.*

3. General Development of the Business

3.1 *Currently, the Issuer has no assets or operations. Prior to the effective date of the Arrangement, the Issuer will not carry on any business except as contemplated by the Arrangement Agreement dated as of July 29, 2022 between the Issuer, Nextech and Finance Co. After the effective date of the Arrangement, the Issuer will be engaged in the business of developing and operating the ARway application. ARway is a mobile app, all-in-one no code real-world Metaverse creation tool, with self-generating AR mapping solutions for consumers and brands alike. The ARway offering will be paired with a no-code web based Creator Portal and SDK to form the Metaverse Experience Builder Platform (MEBP). Creators can map, author and publish various Metaverse experiences ranging from wayfinding, to an array of AR experiences for exclusive branded activations.*

The ARway app was originally developed by ARWAY Ltd., a private company founded by Baran Korkmaz and Nikhil Sawlani, with all code development of ARWay SDK and Web Studio with custom pilot projects. Nextech subsequently acquired ARWAY Ltd. on August 26, 2021 in consideration of the issuance of an aggregate of 609,666 common shares in the capital of Nextech at a deemed value of C$2.06 per share. The common shares of Nextech issued in *consideration of the acquisition are subject to certain contractual restrictions on trading for a period of up to 23 months from the date of issuance. Concurrent with the closing of the acquisition, Mr. Korkmaz joined Nextech as Product Manager, AR, and Mr. Sawlani joined as Software Engineer, AR of Nextech, each focusing on further development of the ARway app through the balance of 2021 and into 2022.*

For the balance of the current fiscal year ending December 31, 2022, the development of a no-code spatial computing platform with out-of-box wayfinding and navigation features is expected to be developed for the ARway app.

3.2 *Effective July 29, 2022, Nextech, the Issuer and FinanceCo entered into the Arrangement Agreement pursuant to which they are proposing to effect the Arrangement whereby Nextech and the shareholders of Nextech will be issued Spinco Shares in consideration for the transfer to the Issuer of (a) all right, title and interest in and to the Spinout Assets; and (b) the Spinout Liabilities.*

The provisions of the Arrangement Agreement are the result of negotiations between representatives of Nextech and the Issuer. Pursuant to the Arrangement Agreement, at the effective time of the Arrangement:

- *Nextech will transfer the Spinout Assets to the Issuer and the Issuer will assume the Spinout Liabilities in accordance with the Arrangement Agreement in exchange for the issuance of an aggregate of 15,999,900 Spinco Shares to Nextech (resulting in Nextech holding an aggregate of 16,000,000 Spinco Shares, inclusive of 100 Spinco Shares held by Nextech as of the date of this Listing Statement);*

- *an aggregate of 4,000,000 Spinco Shares shall be distributed to the shareholders of Nextech on a pro rata basis, as further detailed below;*

- *Nextech will undertake a reorganization of its share capital by:*

  - *renaming and redesignating all of the issued and unissued common shares of Nextech as Class A Common Shares; and*

  - *creating a new class consisting of an unlimited number of new shares (the **"New Shares);***

- *each shareholder of Nextech will exchange each Class A Common Share held immediately following the reorganization described above for (A) one New Share, and (B) such shareholder's pro rata share of an aggregate of 4,000,000 Spinco Shares to be distributed amongst all such shareholders (the **"Pro Rata Share Distribution),** and such shareholders shall cease to be the holders of the Class A Common Shares so exchanged;*

- *the authorized share capital of Nextech shall be amended to delete the Class A Common Shares; and*

- *the Amalgamation will be completed pursuant to which FinanceCo and Subco shall amalgamate and continue as Amalco, and each FinanceCo Share (other than those FinanceCo Shares held by shareholders of FinanceCo exercising their applicable dissent rights) and each FinanceCo Warrant will be exchanged for one Spinco Share and Spinco Warrant, respectively. Each Spinco Warrant shall be exercisable to acquire one (1) additional Spinco Share at an exercise price of C$0.50 for a period of three years from the date of issuance.*

*Immediately following completion of the Arrangement, Nextech intends to transfer an aggregate of 3,000,000 of the 16,000,000 Spinco Shares which it holds to certain service providers of Nextech in consideration of their past services to Nextech and other indebtedness (the **"Shares for Services Distribution),** as follows:*

Name/Position with Nextech	***Number of Spinco Shares to be Received***
Evan Gappelberg, Chief Executive Officer	*2,475,000(1)*
Baran Korkmaz, Consultant	*250,000(2)*
Nikhil Sawlani, Consultant	*250,000(2)*
Ronald Oginski, Consultant	*25,000(3)*

(1) These Spinco Shares will be transferred to Mr. Gappelberg or as he may otherwise direct, in consideration of past services provided by Mr. Gappelberg in identifying, acquiring and developing the Spinout Assets.
(2) These Spinco Shares will be transferred to two of the original founders of the ARway application, in partial consideration of indebtedness owing.
(3) These Spinco Shares will be transferred to a consultant of Nextech in consideration of past services.

As a condition of the completion of the Arrangement, FinanceCo completed the Private Placement pursuant to which it issued 6,629,554 Subscription Receipts at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of C$1,657,388.50. Each Subscription Receipt will automatically convert upon the satisfaction or waiver of the Release Conditions prior to the Release Deadline into Units at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit being comprised of one (1) FinanceCo Share and one FinanceCo Warrant, with each FinanceCo Warrant being exercisable to acquire one (1) additional FinanceCo Share at an exercise price of C$0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the

Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to Finance Co. Immediately following the conversion of the Subscription Receipts, FinanceCo will amalgamate with Subco pursuant to the Amalgamation and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Issuer on a 1:1 basis.

Alternatively, each Subscription Receipt will terminate in the event that the Release Conditions are not satisfied by the Release Deadline. On termination of the Subscription Receipts, the gross proceeds of the Private Placement shall be returned to the purchasers pro rata without any deduction or interest and the Subscription Receipts shall be automatically cancelled.

It is intended that the proceeds raised pursuant to the Private Placement will be used for further development and promotion of the ARway app and related products, and for general corporate purposes. The Private Placement closed on October 19, 2022.

The Arrangement is anticipated to close on October 25, 2022.

The Fairness Opinion in respect of the Arrangement has been prepared by RwE Growth Partners. In preparing the Fairness Opinion for the proposed Arrangement, RwE Growth Partners considered the proposed terms of the transaction, relevant industry and economic factors, background information relating to both the Issuer and Nextech and the Spinout Assets, and conducted research into recent market transactions involving assets and companies somewhat comparable to the Spinout Assets. Based upon and subject to the assumptions, limitations and qualifications set out in the Fairness Opinion, RwE Growth Partners is of the opinion that, as of August 19, 2022, the Arrangement is fair, from a financial point of view, to the shareholders of the Issuer. A copy of the Fairness Opinion is available for inspection at the offices of Nextech during regular business hours at 121 Richmond Street West, Suite 501, Toronto, Ontario, M5H 2K1.

3.3 *The Issuer is not aware of any trends, commitments or events reasonably expected to have a material effect on its business, other than as set forth under the heading "Risk Factors" below*

4 Narrative Description of the Business

4.1 *The Spinout Assets to be acquired by the Issuer pursuant to the Arrangement are comprised of Nextech's direct and indirect right, title and 100% interest in and to an all-in-one no code real-world Meta verse creation tool and mobile app named ARway, with a self-generating augmented reality mapping solutions and wayfinding for both consumers and brands that are persistent and tied to real* *world locations. The Spinout Assets will be transferred from Nextech to the Issuer pursuant to the Arrangement Agreement in exchange for Spinco Shares as further detailed above. Pursuant to the Arrangement Agreement and an asset purchase agreement, the Issuer will also be transferred all business, corporate, legal and accounting books, records and documents used in the conduct of and related to the undertakings of the Spinout Assets, and the Issuer will also assume the Spinout Liabilities. The Spinout Assets have associated values and costs reflected in the Carve-Out Financial Statements referenced at Section 25 of this Listing Statement.*

With the ARway mobile app, anyone can spatially map their location within minutes, and populate it with interactive 3D content, augmented reality navigation, audio, text, images and more. The Issuer will provide a number of pre-loaded 3D objects, and creators can also upload their own OBJ/GLB files, and create their own 3D objects to populate their Metaverse. The platform has a VPS which Nextech refers to as Mapping and Localization where users can map and enable VPS in any area through the platform. Occlusion, Depth Sensing and segmentation are also available. Users can share their Metaverse with others, creating a new level of immersive interactivity for social, branding, advertising, gaming and more Metaverse experiences. Features in the ARway Creator Portal will include:

- *AR navigation - brands and creators can now author augmented reality navigation paths for large scale maps in real time.*
- *Multiple creators - creators can collaborate in the authoring of Metaverse experiences from across the globe in real time.*
- *Version control - the option to save map edits and version control, which will allow creators to control what changes to the maps will be released publicly.*
- *Analytics - creators can gauge the success of their creations against set objectives by analyzing consumption data.*

The platform will consist of the following components:

***1. ARway App** — All-in-one Metaverse design mobile application on IOS and Android which enables:*

a. the capture of physical locations (spatial mapping)
b. visual positioning of AR content by drag/drop; and
c. viewing of spatial experiences at the location after they have been published

2. ***Creator Portal** — Web-based studio-to-author and design Metaverse experiences at large scale with no-code required. The Creator Portal will allow creators to build:*

a. ***MetaMaps*** — *Digital blueprint of physical environment that enable the user to orient, way find and interact with location-persistent AR;*
b. ***Spatials*** *- Location-anchored AR content that can be used for interactive activations, gamification, marketing campaigns, and more to engage with visitors in the right place at the right time; and*
c. ***Location Intelligence*** *- Deep insights into customer behavior and comprehensive location-based analytics for optimized venue layouts and positioning of marketing campaigns to improve traffic & maximize revenue*

3. ARwayKit SDK *- Creator tools to leverage point cloud technology and build spatial experiences that incorporate real-time depth estimating and occlusion in third party and white label apps. Toolkit includes code libraries and APIs for developer to replicate functionality of ARway App.*

The app has successfully been used and showcased at major events including:

- ***"Reality Hack" at MIT:*** *Nextech teamed up with the Massachusetts Institute of Technology (MIT) for the XR Hackathon, "Reality Hack" where ARway was used as the main Metaverse platform. MIT event organizers used ARway for their participants, providing engaging event information, immersive event updates, and indoor augmented reality wayfinding, allowing participants to navigate their way around the event. In addition, hackers got access to the ARway platform, where they used the Company's immersive technology to build their projects. A team that used ARway received the silver prize at the hackathon.*

- ***RC Show by Restaurants Canada:*** *The RC Show is one of the biggest events of the year for the foodservice and hospitality industry. As an official partner of the event, the ARway 3D/AR technology was on full display to the entire food, beverage and restaurant industry.*

The ARway app has an extensive number of use cases for augmenting physical spaces in the Meta verse, including gamification, events and tradeshows, art galleries, universities, retail stores, shopping centres, office buildings, transport, public spaces, sports stadiums, museums, restaurants, rental properties, real estate, and more.

Business Objectives and Milestones

With the funds available to it as described below under the sub-heading "Total Available Funds" and "Principal Purposes of Funds Available", the Issuer intends to, during the 12 months following completion of the Arrangement:

- *complete its application for listing of the Spinco Shares on the CSE which is anticipated to occur in October 2022; and*

- *further develop and commercialize the Spinout Assets as detailed below under the heading "Milestones", across various industries including commercial real estate, entertainment venues, academic institutions, hospitality, events and exhibitions, and more.*

Milestones

Set forth below are a series of milestones which the Issuer will target over the 12 month period following the completion of the Arrangement in order to achieve its above-noted objectives, together with anticipated timelines and estimated costs.

Milestone/Event	***Estimated Timeline***	***Estimated Cost (in*** C$)
Creator Portal — Development of MetaMaps		
• *Create maps of up to 1,500 m² in size, drop location pins and create guided tours for wayfinding and navigation*	*Q4 2022*	*58,000*
• *Create maps of unlimited size, connect multiple floors and multiple buildings*	*Q1 2023*	*88,000*
• *Increase scale of wayfinding creation by ingesting 3D CAD floorplans of facilities*	*Q2 2023*	*66,000*
• *Increase scale of wayfinding creation by integrating other navigation technologies (GPS, BLE, UWB, WiFi, etc.)*	*Q3 2023*	*74,000*
Creator Portal — Development of Spatials		
• *Add content including images, audio, interactive hotspots, 2D floorplans, 3D models (w/animation)*	*Q4 2022*	*50,000*
• *Additional content including videos (uploaded, linked and livestream)*	*Q12023*	*81,000*
• *Additional content including advanced 3D experiences downloaded from Unity platform; Spatials will also be triggered by GPS location proximity and QR code scans*	*Q2 2023*	*103,000*
• *Additional content capability including advanced 3D model and filetypes (GLTF) and human holograms*	*Q3 2023*	*96,000*
Creator Portal — Development of Location Intelligence		
• *Analyze visitor behaviour during specific times and at specific locations*	*Q4 2022*	*58,000*
• *Visualize visitor behaviour with heatmaps*	*Q12023*	*59,000*
• *Analyze visitor behaviour with AR content and measure dwell time*	*Q2 2023*	*51,000*
• *Analyze industry specific datapoints*	*Q3 2023*	*51,000*
ARwayKit SDK		
• *Mimic ARway app capabilities*	*Q4 2022*	*19,000*
• *Templated app screens for fast creation*	*Q1 2023*	*22,000*
• *Advanced occlusion and depth perception, data collection of app user's location, usage, and behaviour; Social media sharing of screen recordings and capture*	*Q2 2023*	*29,000*
• *Out of box integrations and advanced data collection of usage analytics*	*Q3 2023*	*29,000*

Based on the development and commercialization milestones noted above, the Issuer intends to establish and enhance its customer base in the following industries over the 12 month period following the completion of the Arrangement:

Target Industry	*Estimated Timeline*
Pre-commercialization activities with 30 Early Adopters from various Industries	*Q4 2022*
Museums, Galleries & Exhibitions *Sporting Venues* *Commercial Real Estate — Retail, corporate offices & campuses*	*Q1 2023*
University & college campuses *Events & Exhibitions* *Marketing, Digital & XR agencies*	*Q2 2023*
Healthcare institutes — Hospitals, labs, rehabs *Travel hubs — Airports, Train stations* *Hospitality — Hotels, cruise ships, movie theaters, casinos*	*Q3 2023*

Due to the nature of the technology business, budgets are regularly reviewed with respect to both the success of the commercialization of technology products and other opportunities which may become available to the Issuer on a going forward basis. Accordingly, as time progresses, the Issuer may alter its business objectives and/or may focus on other developments or opportunities that may arise from time to time, although the Issuer has no present plans in this respect.

Total Available Funds

Pursuant to the terms of the Arrangement Agreement, following completion of the Arrangement and based upon aggregate gross proceeds of C$1,657,388.50 raised from the Private Placement, and all anticipated expenses of the Arrangement to be funded by Nextech, it is anticipated that the Issuer will have available cash of approximately C$1,657,388.50 upon completion of the Arrangement.

Principal Purposes of Funds Available

The following table summarizes expenditures anticipated by the Issuer required to achieve its business objectives during the 12 months following completion of the Arrangement and the proposed listing of the Spinco Shares on the CSE.

Principal Purpose	*Amount (C$)([1]*

Development and commercialization of the Creator Portal (see "Business Objectives and Milestones — Milestones" above)	*$835,000*
Development and commercialization of the ARwayKit SDK (see "Business Objectives and Milestones — Milestones" above)	*$99,000*
General and administrative expenses	*$566, 000(2)*
Unallocated funds	*$157, 388.50*
Total	***$1,657,388.50***

(1) All amounts presented in Canadian dollars.

(2) Consists of transfer agent fees ($20,000), legal fees ($40,000), audit costs ($70,000), estimated management and consulting fees ($356,000), insurance expenses ($20,000),office administration and other miscellaneous expenses ($60,000). The estimated management and consulting fees in the aggregate amount of $356,000 is an approximation only, and has been based upon the amount anticipated to be expended on non-development related salaries and fees following the completion of the Arrangement, including with respect to sales and marketing, investors relations and other corporate activities, CEO and CFO salaries and other operational expenses. The Issuer has not committed to any specific allocation of this amount as of the date of this Listing Statement and intends to allocate such funds appropriately as its business develops.

The Issuer intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for the Issuer to achieve its objectives or to pursue other exploration and development opportunities. See "Risk Factors".

(2) *The ARway app is expected to reach the commercial production stage in the fourth quarter of 2022, with the Creator Portal and ARwayKit SDK expected to be developed over the ensuing 12 months as set forth above under the heading "Business Objectives and Milestones — Milestones". Accordingly, no significant revenues have been generated by the Spinout Assets over the two most recently completed fiscal years.*

The principal markets which the Issuer intends to target for commercialization of the Spinout Assets include commercial real estate, entertainment venues, academic institutions, hospitality, events and exhibitions, and others as further detailed under the heading "Business Objectives and Milestones — Milestones". See also "Production and Sales" below.

The initial version of the ARway application was acquired by Nextech by way of acquisition in August, 2021, and was subsequently advanced internally by Nextech to its present stage of development. Following the completion of the Arrangement, the Issuer intends to further develop the Spinout Assets as set forth above under the heading "Business Objectives and Milestones —Milestones". Upon completion of the Arrangement, the Issuer will have no direct employees. Accordingly, the Issuer expects to rely on and engage consultants *with all requisite skill and knowledge on a contract basis, as well as administrative and technical support services to be provided by Nextech.*

(3) *The Spinout Assets belong to the PLAN market, also known as IPIN.*

PLAN Industry Overview

The PLAN market is US$4.24 B in size with a CAGR of 23.89%, and is composed of four segments: (i) Indoor Navigation & Maps (40% of all segments); (ii) Indoor Location Based Analytics (28% of all segments); (iii) Asset & People Tracking (23% of all segments); and (iv) (9% of all segments). End-Users of the PLAN market can be found across various industries with Retail, Smart Office, and Healthcare generating 71% of the total revenue for 2022 (-US$3B) and Manufacturing & Logistics, Travel & Hospitality, Public Spaces, and others generating the balance (-US$1.24B) (Source: 2022-2029 Global Indoor Positioning and Indoor Navigation (IPIN) Professional Market Research Report by Maia Research).

The Issuer believes that the key market drivers for the PLAN market are (i) improving customer navigation & wayfinding; (ii) increasing employee productivity; (iii) driving revenue through proximity marketing; and (iv) improving venue safety & accessibility.

There are over 20 notable players in the PLAN market, with top five players generating -30% of total revenue, being Google, Esri, Apple, Qualcomm, and Motorola, with the majority of PLAN revenue (-80%) is generated by United States, Europe, and China markets. Upon entering the PLAN market, the expected profit margin can range from -55 to -75% across all participants (Source: 2022-2029 Global Indoor Positioning and Indoor Navigation (IPIN) Professional Market Research Report by Maia Research).

Positioning and Competitive Differentiators

Upon completion of the Arrangement, the Issuer will be seeking to enter the Indoor Navigation & Maps segment of the PLAN market, which is US$1.69 B in size with 24.75% CAGR (Source: 2022-2029 Global Indoor Positioning and Indoor Navigation (IPIN) Professional Market Research Report by Maia Research). The Issuer will target the largest segment of PLAN end-users (Retail, Smart Offices, and Healthcare), as well as industries currently untouched by PLAN, which include Sporting Venues, Museums & Art Galleries, Tradeshows, Universities, Storage Facilities, and Entertainment Industries, thus seeking to capture a larger market share and generate more revenue.

The current technology stack relied upon by participants in the PLAN market generally consists of UWB, BLE Beacons, and WiFi, which is expensive and hardware-based. The Issuer intends to seek a competitive advantage through *the introduction of its hardware-free, inexpensive, and lightweight 3D point cloud technology that can be created with a smartphone. In addition, current PLAN capabilities are limited to 2D blue dot navigation and wayfinding, push-notification proximity marketing, and little to no AR abilities, while the Issuer will offer no-code AR-based MetaMaps, Meta Tours and Spatials.*

Buyer and User Profiles

The ARway app and associated technology are:

built for properties and brands who:

- *want to (i) identify, understand, and meet consumers evolving expectations; (ii) improve the layout and safety of their venue and optimize consumer foot traffic; and (iii) unlock more revenue opportunities; and*
- *are Decision Makers*

(ii) purchased by CIOs, CTOs, CMOs, CXOs & Directors of Sponsorship/Revenue/Sales who:

- *want to (i) champion innovation for their consumers by removing friction from their journey and elevating their overall experience while interacting with the venue; and (ii) create more value for their partners and sponsors; and*
- *are Buyers;*

(iii) brought to life by creators with little to no coding skills (e.g. Facilities Managers, Art Curators, etc.) who:

- *want to (i) create exciting AR. spatial experiences with little to no coding required; and (ii) receive support as required and have access to ample resources to enable them to create maps and author experiences; and*
- *are Creators; and*

(iv) consumed by all property visitors with smart phones who:

- *want to (i) reduce friction and save time while navigating the large venue; (ii) feel a sense of connection with the space through personalized content and special offers; and (iii) have on-the-go access to information about products/locations; and consumers.*

Development and Production

The initial version of the ARway application was acquired by Nextech by way of acquisition in August, 2021, and was subsequently advanced internally by Nextech to its present stage of development. Following the completion of the Arrangement, the Issuer intends to further develop the Spinout Assets as set forth above under the heading "Business Objectives and Milestones —Milestones". Upon completion of the Arrangement, the Issuer will have no direct employees. Accordingly, the Issuer expects to rely on and engage consultants with all requisite skill and knowledge on a contract basis, as well as administrative and technical support services to be provided by Nextech.

The Issuer's intellectual property rights will be important to its business. In accordance with industry practice, the Issuer plans to protect its proprietary products, technology and competitive advantage through a combination of contractual provisions and trade secrets, patents, copyright and trademark laws in Canada, and the United States and other jurisdictions in which it conducts its business, as applicable. The Issuer will also utilize confidentiality agreements, assignment agreements and license agreements with employees and third parties, which limit access to and use of its intellectual property, where appropriate.

(4) *The Issuer's technology business plan will leverage an early, first mover advantage in the AR market to target various market segments, including Sporting Venues, Museums & Art Galleries, Retail, Hospitality, Workspaces/ Universities, Airports, Hospital, Amusement Parks and Exhibition Venues. The Issuer believes it will be competitively positioned and while it does not believe that any specific competitor offers the distinct value proposition and integrated capabilities that it will offer, the market that makes up the Spatial Computing industry is rapidly evolving and highly competitive. Notably, the Issuer will compete with Positioning, Localization and Navigation solution providers. The Issuer has identified the following entities as the key competitors in the AR industry. All information below is estimated and based on the Issuer's knowledge, information and belief unless otherwise stated.*

- *Matterport (NASDAQ: MTTR) sells 3D cameras and virtual tour software platform help you digitize your building, automatically create 3D tours, 4K print quality photos for real-estate.*
- *Immersal - Immersal is a Spatial Mapping and Visual Positioning solution. It enables developers to build AR experiences and applications.*
- *Indoor Atlas - IndoorAtlas's patented magnetic technology uses natural anomalies of the geomagnetic field to pinpoint locations indoors. IndoorAtlas provides solutions to developers to build location based apps and scale their plans globally.*

- *Dent Reality- Dent Reality's AR platform brings AR into physical locations, enabling every business to serve their customers on a one-to-one basis, with guidance and information to supercharge their experience.*
- *Inpixon (NASDAQ:INPX) This company provides indoor positioning and data analytics to improve security, manage assets, and discover opportunities by combining data from the physical and digital worlds.*

See also "Positioning and Competitive Differentiators" above.

(5) *The Issuer does not carry on any lending operations.*

(6) *There have been no results of any bankruptcy, or any receivership or similar proceedings against the Issuer, FinanceCo or Subco, or any voluntary bankruptcy, receivership or similar proceedings by the Issuer, FinanceCo or Subco.*

(7) *The Issuer has not been engaged in any material restructuring transaction since its incorporation, other than as described above with respect to the Arrangement.*

(8) *The Issuer has not implemented any social or environmental policies.*

4.2 *The Issuer has no asset backed securities outstanding.*

4.3 *The Issuer has no mineral projects.*

4.4 *The Issuer has no oil and gas operations.*

5. Selected Consolidated Financial Information

5.1 *The following table is a summary of selected consolidated annual financial information of the Issuer for the period from incorporation of the Issuer on July 15, 2022 to August 31, 2022, derived from the Financial Statements.*

Revenue	Nil
Net Income (Loss)	Nil
Basic and diluted earnings from continuous operations (loss) per share	Nil
Total Assets	$1
Total Liabilities	Nil

Upon completion of the Arrangement, the Spinout Assets will form the primary business of the Issuer. As a result, the Carve-Out Financial Statements are *included in this Listing Statement. The Financial Statements and the Carve-Out Financial Statements were prepared in accordance with International Financial Reporting Standards. The following tables set out selected financial information in respect of the Spinout Assets as at and for the for the fiscal years ended July 31, 2020, 2021 and 2022 (audited), all of which is qualified by the more detailed information contained in the Carve-Out Financial Statements.*

	Fiscal Year ended July 31, 2020	**Fiscal Year ended July 31, 2021**	**Fiscal Year ended July 31, 2022**
Revenue	25,766	9,302	6,199
Net Loss	65,490	257,566	559,737
Basic and diluted net loss per share	N/A	N/A	N/A
Total Assets	141,106	3,693	Nil
Total Liabilities	91,969	91,914	Nil

5.2 *The Issuer was incorporated on July 15, 2022 and each of Subco and FinanceCo was incorporated on July 28, 2022. No quarterly information is available.*

5.3 *The Issuer has not dividends since its incorporation. While there are no restrictions precluding the Issuer from paying dividends, it does not have a source of cash flow and anticipates using all available cash resources towards its stated business objectives as set forth above. The Board will determine if and when dividends should be declared and paid in the future based on the Issuer's financial position, financial requirements and other conditions existing at the relevant time.*

5.4 *The Issuer's financial statements have not been prepared in accordance with foreign GAAP.*

6. Management's Discussion and Analysis

A. MD&A of the Issuer for the Period from Incorporation on July 15, 2022 to August 31, 2022

Introduction

The following MD&A of the financial condition and results of the operations of the Issuer constitutes management's review of the factors that affected the Issuer's financial and operating performance for the period from the date of incorporation of the Issuer on July 15, 2022 to August 31, 2022. This MD&A has been prepared in compliance with the *requirements of National Instrument 51-102 — Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited financial statements of the Issuer for the period from the date of incorporation of the Issuer on July 15, 2022 to August 31, 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The consolidated financial statements have been prepared in accordance with IFRS issued by the IASB and interpretations of the IFRIC. Information contained herein is presented as of September 1, 2022, unless otherwise indicated.*

For the purposes of preparing this MD&A, management, in conjunction with the Board, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Spinco Shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

*Further information about the Issuer and its operations can be obtained from the offices of the Issuer, or from **www.sedar.com.***

Description of Business

Currently, the Issuer has no assets or operations. Prior to the Effective Date of the Arrangement, the Issuer will not carry on any business except as contemplated by the Arrangement Agreement. After the Effective Date, the Issuer will be engaged in the business of developing and operating the ARway application. ARway is a mobile app, all-in-one no code real-world Metaverse creation tool, with self-generating AR mapping solutions for consumers and brands alike. The ARway offering will be paired with a no-code web based Creator Portal and SDK to form the Metaverse Experience Builder Platform (MEBP). Creators can map, author and publish various Metaverse experiences ranging from wayfinding, to an array of AR experiences for exclusive branded activations.. To date, the Issuer has not earned any revenue from operations.

The principal assets of the Issuer as of the Effective Date will consist of a 100% interest in the Spinout Assets. The Issuer is not currently a reporting issuer and the Spinco Shares are not listed on any stock exchange. If the Arrangement is completed as proposed, the Issuer expects that it will be a reporting issuer in each of the Provinces of Canada other than Quebec.

Operational Highlights

The Issuer was incorporated as "1000259749 Ontario Inc." under the Business Corporations Act (Ontario) on July 15, 2022. Effective August 3, 2022, articles of amendment were filed to change the name of the Issuer to "Arway Corporation".

Effective July 29, 2022, Nextech, the Issuer and FinanceCo entered into the Arrangement Agreement pursuant to which they are proposing to effect the Arrangement whereby Nextech and the shareholders of Nextech will be issued Spinco Shares in connection with the transfer to the Issuer of: (a) the Spinout Assets; and (b) the Spinout Liabilities. The provisions of the Arrangement Agreement are the result of negotiations between representatives of Nextech and the Issuer. Pursuant to the Arrangement Agreement, at the Effective Time:

- *Nextech will transfer the Spinout Assets to the Issuer and the Issuer will assume the Spinout Liabilities in accordance with the Arrangement Agreement in exchange for the issuance of an aggregate of 15,999,900 Spinco Shares to Nextech (resulting in Nextech holding an aggregate of 16,000,000 Spinco Shares, inclusive of 100 Spinco Shares held by Nextech as of the date of this Listing Statement);*

- *an aggregate of 4,000,000 Spinco Shares shall be distributed to the shareholders of Nextech on a pro rata basis, as further detailed below;*

- *Nextech will undertake a reorganization of its share capital by:*

    - *renaming and redesignating all of the issued and unissued common shares of Nextech as Class A Common Shares; and*

    - *creating a new class consisting of an unlimited number of New Shares;*

- *each shareholder of Nextech will exchange each Class A Common Share held immediately following the reorganization described above for (A) one New Share, and (B) such shareholder's pro rata share of an aggregate of 4,000,000 Spinco Shares to be distributed amongst all such shareholders pursuant to the Pro Rata Share Distribution;*

- *the authorized share capital of Nextech shall be amended to delete the Class A Common Shares; and*

- *the Amalgamation will be completed pursuant to which FinanceCo and Subco shall continue as Amalco, and each FinanceCo Share (other than those FinanceCo Shares held by dissenting shareholders of FinanceCo) and each FinanceCo Warrant will be exchanged for one Spinco Share and one Spinco Warrant, respectively.*

Immediately following completion of the Arrangement, Nextech intends to transfer an aggregate of 3,000,000 of the 16,000,000 Spinco Shares which it holds to certain service providers of Nextech pursuant to the Shares for Services Distribution.

As a condition of the completion of the Arrangement, FinanceCo intends to complete a non-brokered Private Placement of a minimum of 6,000,000 Subscription Receipts at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of C$1,500,000. Each Subscription Receipt will automatically convert upon the satisfaction of the Release Conditions prior to the Release Deadline into Units at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit being comprised of one (1) FinanceCo Share and one FinanceCo Warrant, with each FinanceCo Warrant being exercisable to acquire one (1) additional FinanceCo Share at an exercise price of C$0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to Finance Co. Immediately following the conversion of the Subscription Receipts, FinanceCo will amalgamate with Subco pursuant to the Amalgamation and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Issuer on a 1:1 basis.

Alternatively, each Subscription Receipt will terminate in the event that the Release Conditions are not satisfied prior to the Release Deadline. On termination of the Subscription Receipts, the gross proceeds of the Private Placement shall be returned to the purchasers pro rata without any deduction or interest and the Subscription Receipts shall be automatically cancelled.

It is intended that the proceeds raised pursuant to the Private Placement will be used for further development and promotion of the ARway app and related products, and for general corporate purposes.

Current and Future Plans Related to the Spinout Assets

With the funds available to it upon completion of the Arrangement pursuant to the Private Placement, the Issuer intends to, during the 12 months following completion of the Arrangement:

- *complete its application for listing of the Spinco Shares on the CSE, which is anticipated to occur in October 2022; and*
- *further develop and commercialize the Spinout Assets as detailed below under the heading "Milestones", across various industries including commercial real estate, entertainment venues, academic institutions, hospitality, events and exhibitions, and more.*

Milestones

Set forth below are a series of milestones which the Issuer will target over the 12 month period following the completion of the Arrangement in order to achieve its above-noted objectives, together with anticipated timelines and estimated costs.

Milestone/Event	***Estimated Timeline***	***Estimated Cost (in C$)***
Creator Portal — Development of MetaMaps		
• *Create maps of up to 1,500 m² in size, drop location pins and create guided tours for wayfinding and navigation*	*Q4 2022*	*58,000*
• *Create maps of unlimited size, connect multiple floors and multiple buildings*	*Q1 2023*	*88,000*
• *Increase scale of wayfinding creation by ingesting 3D CAD floorplans of facilities*	*Q2 2023*	*66,000*
• *Increase scale of wayfinding creation by integrating other navigation technologies (GPS, BLE, UWB, WiFi, etc.)*	*Q3 2023*	*74,000*
Creator Portal — Development of Spatials		
• *Add content including images, audio, interactive hotspots, 2D floorplans, 3D models (w/animation)*	*Q4 2022*	*50,000*
• *Additional content including videos (uploaded, linked and livestream)*	*Q1 2023*	*81,000*
• *Additional content including advanced 3D experiences downloaded from Unity platform; Spatials will also be triggered by GPS location proximity and QR code scans*	*Q2 2023*	*103,000*
• *Additional content capability including advanced 3D model and filetypes (GLTF) and human holograms*	*Q3 2023*	*96,000*
Creator Portal — Development of Location Intelligence		
• *Analyze visitor behaviour during specific times and at specific locations*	*Q4 2022*	*58,000*
• *Visualize visitor behaviour with heatmaps*	*Q1 2023*	*59,000*
• *Analyze visitor behaviour with AR content and measure dwell time*	*Q2 2023*	*51,000*
• *Analyze industry specific datapoints*	*Q3 2023*	*51,000*
ARwayKit SDK		
• *Mimic ARway app capabilities*	*Q4 2022*	*19,000*
• *Templated app screens for fast creation*	*Q1 2023*	*22,000*
• *Advanced occlusion and depth perception, data collection of app user's location, usage, and behaviour; Social media sharing of*	*Q2 2023*	*29,000*
screen recordings and capture		

• *Out of box integrations and advanced data collection of usage analytics*	*Q3 2023*	*29,000*

Based on the development and commercialization milestones noted above, the Issuer intends to establish and enhance its customer base in the following industries over the 12 month period following the completion of the Arrangement:

Target Industry	***Estimated Timeline***
Pre-commercialization activities with 30 Early Adopters from various Industries	*Q4 2022*
Museums, Galleries & Exhibitions *Sporting Venues* *Commercial Real Estate — Retail, corporate offices & campuses*	*Q1 2023*
University & college campuses *Events & Exhibitions* *Marketing, Digital & XR agencies*	*Q2 2023*
Healthcare institutes — Hospitals, labs, *rehabs Travel hubs — Airports, Train stations* *Hospitality — Hotels, cruise ships, movie theaters, casinos*	*Q3 2023*

Due to the nature of the technology business, budgets are regularly reviewed with respect to both the success of the commercialization of technology products and other opportunities which may become available to the Issuer on a going forward basis. Accordingly, as time progresses, the Issuer may alter its business objectives and/or may focus on other developments or opportunities that may arise from time to time, although the Issuer has no present plans in this respect.

Trends

Management regularly monitors economic conditions and estimates their impact on the Issuer's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Apart from these and the risk factors noted under the *heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Issuer's business, financial condition or results of operations.*

Environmental Liabilities

The Issuer is not aware of any environmental liabilities or obligations associated with its current or future assets.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, the Issuer does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of the Issuer, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

There are no proposed transactions of a material nature being considered by the Issuer, other than the Arrangement. See "Operational Highlights" above.

Selected Annual Financial Information

The following is selected financial data derived from the audited financial statements of the Issuer as at August 31, 2022 and for the period from the incorporation of the Issuer on July 15, 2022 to August 31, 2022.

Description	***Period Ended August 31, 2022 $***
Total revenues	*nil*
Total loss (1)(2)	*nil*
Net loss per common share — basic and diluted (3)(4)	*nil*

Description	*As at August 31, 2022 $*
Total assets	*1*
Total non-current financial liabilities	*nil*
Distribution or cash dividends (5)	*nil*

(1) Loss from continuing operations attributable to owners of the parent, in total;
(2) Loss attributable to owners of the parent, in total;
(3) Loss from continuing operations attributable to owners of the parent, on a per-share and diluted per share basis;
(4) Loss attributable to owners of the parent, on a per-share and diluted per-share basis; and
(5) Declared per-share for each class of share.

Discussion of Operations

Period from Date of Incorporation (July 15, 2022) to August 31, 2022

There was no revenue or expenses during the period. The Issuer's objective as a company is described above in Operational Highlights.

Liquidity and Capital Resources

As at August 31, 2022, the Issuer had total assets of $1, total liabilities of nil and a net equity position of $1. The activities of the Issuer, principally the proposed acquisition and development of the Spinout Assets, are expected to be financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants, as well as future revenue generated by the Spinout Assets. There is no assurance that future equity capital or revenue will be available to the Issuer in the amounts or at the times desired by the Issuer or on terms that are acceptable to it, if at all. See "Risk Factors" below.

The Issuer has no current operating revenues and therefore must utilize its cash reserves, funds obtained from the issuance of share capital, exercise of warrants and stock options and other financing transactions to maintain its capacity to meet ongoing operating activities until it commences revenue generating activities. As of August 31, 2022, the Issuer had 100 Spinco Shares issued and outstanding, and no options or warrants outstanding.

As a condition of the completion of the Arrangement, the Private Placement must be completed to raise aggregate minimum gross proceeds of $1,500,000, which funds will become available to the Issuer as of the Effective Date. These funds are expected to be sufficient to pay the Issuer's liabilities and fund its operations as currently projected for at least the12 months following completion of the Arrangement. See also "Milestones" above. However, there can be no assurance that adequate funding or revenue will be available in the future, or under terms favourable to the Issuer. The Issuer's discretionary activities do have considerable scope for flexibility in terms of the amount and timing of expenditure, and expenditures may be adjusted accordingly.

Transactions with Related Parties

Related parties include the Board, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Other than the issuance of 100 Spinco Shares to Nextech upon incorporation on July 15, 2022, the Issuer did not give effect to any transactions with related parties during the period from the date of its incorporation (July 15, 2022) to August 31, 2022. As at August 31, 2022, Nextech owns and controls 100 Spinco Shares representing 100% of the total issued and outstanding Spinco Shares as at such date.

Financial Instruments

The Issuer does not currently, and has not since its date of incorporation, utilized any financial instruments.

(a) Credit Risk

On a going forward basis, it is expected that the financial instruments that will potentially subject the Issuer to a significant concentration of credit risk will consist primarily of cash. The Issuer intends to mitigate its exposure to credit loss by placing its cash with major financial institutions and believes that its credit risk exposure will be limited.

(b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices and consists of two types of risk: interest rate risk and other price risk.

- *(i) Interest rate risk arises because of changes in market interest rates.*
- *(ii) Other price risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are*

caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Issuer's cash is expected to be subject to minimal risk of changes in value.

(c) Liquidity Risk

Liquidity risk is the risk that the Issuer will not be able to meet its obligations associated with financial liabilities as they come due. The Issuer's investment policy is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. The Issuer does not have any amounts payable or other liabilities as of the date of this MD&A. The Issuer will monitor its liquidity position and budget future expenditures in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

Share Capital

As at the date of this MD&A, the Issuer has 100 issued and outstanding Spinco Shares, and no warrants or options outstanding.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited financial statements; and (ii) the audited financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Issuer, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under NI 52-109, the Venture Issuer Basic Certificate filed by the Issuer does not include representations relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial

reporting and the preparation of audited financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

The Issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Outlook

Although there can be no assurance that additional funding will be available to the Issuer, the completion of the Private Placement to raise aggregate minimum gross proceeds of $1,500,000 is a condition to the completion of the Arrangement. Accordingly, assuming that the minimum Private Placement is completed in this regard, the Issuer anticipates being adequately funded to complete its plans for the near term as outlined under the heading "Milestones". See also "Risk Factors".

Additional Information

*Additional information regarding the Issuer will be available upon completion of the Arrangement on SEDAR at **www.sedar.com.***

Additional Disclosure for Venture Issuers Without Significant Revenue

Office and general expenses

The Issuer did not incur any general and administrative expenses during the period from its incorporation on July 15, 2022 to August 31, 2022.

B. MD&A of FinanceCo for the Period from Incorporation on July 28, 2022 to August 31, 2022

Introduction

The following MD&A of the financial condition and results of the operations of FinanceCo constitutes management's review of the factors that affected FinanceCo's financial and operating performance for the period from the date of incorporation of FinanceCo on July 28, 2022 to August 31, 2022. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 — Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited *financial statements of FinanceCo for the period from the date of incorporation of FinanceCo on July 28, 2022 to August 31, 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The consolidated financial statements have been prepared in accordance with IFRS issued by the IASB and interpretations of the IFRIC. Information contained herein is presented as of September 1, 2022, unless otherwise indicated.*

*For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors of FinanceCo (the **"FinanceCo Board"),** considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the FinanceCo Shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the FinanceCo Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.*

Further information about FinanceCo and its operations can be obtained from the offices of Finance Co.

Description of Business

Currently, FinanceCo has no assets or operations. FinanceCo was incorporated as a special purpose financing vehicle for the sole purpose of completing the Private Placement in connection with the Arrangement. Prior to the Effective Date of the Arrangement, FinanceCo will not carry on any business except as contemplated by the Arrangement Agreement, namely the completion of the Private Placement as further described below. To date, FinanceCo has not earned any revenue from operations.

FinanceCo is not currently a reporting issuer and the FinanceCo Shares are not listed on any stock exchange.

Operational Highlights

FinanceCo was incorporated under the BCBCA on July 28, 2022.

Effective July 29, 2022, Nextech, the Issuer and FinanceCo entered into the Arrangement Agreement pursuant to which they are proposing to effect the Arrangement whereby Nextech and the shareholders of Nextech will be issued Spinco Shares in connection with the transfer to the Issuer of: (a) the Spinout Assets; and (b) the Spinout Liabilities. The provisions of the Arrangement Agreement are the result of negotiations between representatives of Nextech and the Issuer. Pursuant to the Arrangement Agreement, at the Effective Time:

- *Nextech will transfer the Spinout Assets to the Issuer and the Issuer will assume the Spinout Liabilities in accordance with the Arrangement Agreement in* *exchange for the issuance of an aggregate of 15,999,900 Spinco Shares to Nextech (resulting in Nextech holding an aggregate of 16,000,000 Spinco Shares, inclusive of 100 Spinco Shares held by Nextech as of the date of this Listing Statement);*

- *an aggregate of 4,000,000 Spinco Shares shall be distributed to the shareholders of Nextech on a pro rata basis, as further detailed below;*

  Nextech will undertake a reorganization of its share capital by:

  - *renaming and redesignating all of the issued and unissued common shares of Nextech as Class A Common Shares; and*

  - *creating a new class consisting of an unlimited number of New Shares;*

- *each shareholder of Nextech will exchange each Class A Common Share held immediately following the reorganization described above for (A) one New Share, and (B) such shareholder's pro rata share of an aggregate of 4,000,000 Spinco Shares to be distributed amongst all such shareholders pursuant to the Pro Rata Share Distribution;*

- *the authorized share capital of Nextech shall be amended to delete the Class A Common Shares; and*

- *the Amalgamation will be completed pursuant to which FinanceCo and Subco shall continue as Amalco, and each FinanceCo Share (other than those FinanceCo Shares held by dissenting FinanceCo shareholders) and each FinanceCo Warrant will be exchanged for one Spinco Share and one Spinco Warrant, respectively.*

Immediately following completion of the Arrangement, Nextech intends to transfer an aggregate of 3,000,000 of the 16,000,000 Spinco Shares which it holds to certain service providers of Nextech pursuant to the Shares for Services Distribution.

As a condition of the completion of the Arrangement, FinanceCo intends to complete a non-brokered Private Placement of a minimum of 6,000,000 Subscription Receipts at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of C$1,500,000. Each Subscription Receipt will automatically convert upon the satisfaction of the Release Conditions prior to the Release Deadline into Units at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit being comprised of one (1) FinanceCo Share and one FinanceCo Warrant, with each FinanceCo Warrant being exercisable to acquire one (1) additional

FinanceCo Share at an exercise price of C$0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to FinanceCo. Immediately following the conversion of the Subscription Receipts, FinanceCo will amalgamate with Subco pursuant to the Amalgamation and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Issuer on a 1:1 basis.

Alternatively, each Subscription Receipt will terminate in the event that the Release Conditions are not satisfied prior to the Release Deadline. On termination of the Subscription Receipts, the gross proceeds of the Private Placement shall be returned to the purchasers pro rata without any deduction or interest and the Subscription Receipts shall be automatically cancelled.

It is intended that the proceeds raised pursuant to the Private Placement will be used by the Issuer for further development and promotion of the ARway app and related products, and for general corporate purposes. Upon completion of the Amalgamation, FinanceCo will amalgamate with Subco and continue as a wholly-owned subsidiary of the Issuer, and is not currently expected to conduct any further business.

Trends

Management regularly monitors economic conditions and estimates their impact on FinanceCo's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on FinanceCo's business, financial condition or results of operations.

Environmental Liabilities

FinanceCo is not aware of any environmental liabilities or obligations associated with its current or future assets.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, FinanceCo does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the financial performance or financial condition of FinanceCo, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

There are no proposed transactions of a material nature being considered by FinanceCo, other than the Arrangement and Private Placement. See "Operational Highlights" above.

Selected Annual Financial Information

The following is selected financial data derived from the audited financial statements of FinanceCo as at August 31, 2022 and for the period from the incorporation of FinanceCo on July 28, 2022 to August 31, 2022.

Description	***Period Ended August 31, 2022 $***
Total revenues	*nil*
Total loss (1)(2)	*nil*
Net loss per common share — basic and diluted (3)(4)	*nil*

Description	***As at August 31, 2022 $***
Total assets	*1*
Total non-current financial liabilities	*nil*
Distribution or cash dividends (5)	*nil*

(1) Loss from continuing operations attributable to owners of the parent, in total;
(2) Loss attributable to owners of the parent, in total;
(3) Loss from continuing operations attributable to owners of the parent, on a per-share and diluted per share basis;
(4) Loss attributable to owners of the parent, on a per-share and diluted per-share basis; and
(5) Declared per-share for each class of share.

Discussion of Operations

Period from Date of Incorporation (July 28, 2022) to August 31, 2022

There was no revenue or expenses during the period. FinanceCo's objective as a company is described above in Operational Highlights.

Liquidity and Capital Resources

As at August 31, 2022, FinanceCo had total assets of $1, total liabilities of $nil and a net equity position of $1. The activities of FinanceCo consist solely of the proposed completion of the Private Placement and Arrangement. There is no assurance that future equity capital will be available to FinanceCo in the amounts or at the times desired by FinanceCo or on terms that are acceptable to it, if at all. See "Risk Factors" below.

FinanceCo has no current operating revenues and no liabilities. As of August 31, 2022, FinanceCo had one (1) FinanceCo Share issued and outstanding, and no options or warrants outstanding.

As a condition of the completion of the Arrangement, the Private Placement must be completed to raise aggregate minimum gross proceeds of $1,500,000, which funds will become available to FinanceCo as of the Effective Date, and after which Amalco is not expected to engage in any further business activities. However, there can be no assurance that the Private Placement will be completed as currently proposed or at all. See "Risk Factors".

Transactions with Related Parties

Related parties include the FinanceCo Board, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Other than the issuance of one (1) FinanceCo Share to the sole shareholder of FinanceCo, FinanceCo did not give effect to any transactions with related parties during the period from the date of its incorporation (July 28, 2022) to August 31, 2022.

Financial Instruments

FinanceCo does not currently, and has not since its date of incorporation, utilized any financial instruments.

(a) Credit Risk

On a going forward basis, it is expected that the financial instruments that will potentially subject FinanceCo to a significant concentration of credit risk will consist primarily of cash. FinanceCo intends to mitigate its exposure to credit loss by placing its cash with major financial institutions and believes that its credit risk exposure will be limited.

(b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices and consists of two types of risk: interest rate risk and other price risk.

(i) Interest rate risk arises because of changes in market interest rates.

(ii) Other price risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

FinanceCo's cash is expected to be subject to minimal risk of changes in value.

(c) Liquidity Risk

Liquidity risk is the risk that FinanceCo will not be able to meet its obligations associated with financial liabilities as they come due. FinanceCo's investment policy is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. FinanceCo does not have any amounts payable or other liabilities as of the date of this MD&A. FinanceCo will monitor its liquidity position and budget future expenditures in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

Share Capital

As at the date of this MD&A, FinanceCo has one (1) issued and outstanding FinanceCo Share, and no warrants or options outstanding.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited financial statements; and (ii) the audited financial statements fairly present in all material respects the financial condition, financial performance and cash flows of FinanceCo, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under NI 52-109, the Venture Issuer Basic Certificate filed by FinanceCo does not include representations *relating to the establishment and maintenance of DC&P and ICFR, as defined in NI 52109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:*

controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(iv) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of audited financial statements for external purposes in accordance with the issuer's generally accepted accounting principles (IFRS).

FinanceCo's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Outlook

Although there can be no assurance that additional funding will be available to FinanceCo, the completion of the Private Placement to raise aggregate minimum gross proceeds of $1,500,000 is a condition to the completion of the Arrangement. Accordingly, assuming that the minimum Private Placement is completed in this regard, FinanceCo anticipates being able to complete the Arrangement as currently proposed. See also "Risk Factors".

Additional Information

*Additional information regarding FinanceCo will be available upon completion of the Arrangement on SEDAR at **www.sedar.com.***

Additional Disclosure for Venture Issuers Without Significant Revenue

Office and general expenses

FinanceCo did not incur any general and administrative expenses during the period from its incorporation on July 28, 2022 to August 31, 2022.

C. MD&A for the Issuer's Business for the Fiscal Years Ended July 31, 2020, 2021 and 2022

Introduction

*The following MD&A of the financial condition and results of the business to be conducted by the Issuer upon completion of the Arrangement (the **"Business')** constitutes management's review of the factors that affected the financial and operating performance of the Business for the fiscal years ended July 31, 2020, 2021 and 2022. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 — Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited financial statements of the Business for the fiscal years ended July 31, 2020, 2021 and 2022, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The consolidated financial statements have been prepared in accordance with IFRS issued by the IASB and interpretations of the IFRIC. Information contained herein is presented as of September 1, 2022, unless otherwise indicated.*

For the purposes of preparing this MD&A, management, in conjunction with the Board, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Spinco Shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

*Further information about the Issuer and the Business can be obtained from the offices of thelssuer, or from **www.sedar.com.***

Description of Business

Currently, the Business operates within Nextech as an integrated division developing the ARway application. After the Effective Date, the Issuer will operate the Business which will consist of the development and operation of the Spinout Assets which include the ARway application. ARway is a mobile app, all-in-one no code real-world Metaverse creation tool, with self-generating AR mapping solutions for consumers and brands alike. The ARway offering will be paired with a no-code web based Creator Portal and SDK to form the Metaverse Experience Builder Platform (MEBP). Creators can map, author and publish various Metaverse experiences ranging from wayfinding, to an array of AR experiences for exclusive branded activations. To date, the Business has not earned any revenue from operations.

The principal components of the Business as of the Effective Date will consist of a 100% interest in the Spinout Assets. The Issuer is not currently a reporting issuer and *the Spinco Shares are not listed on any stock exchange. If the Arrangement is completed as proposed, the Issuer expects that it will be a reporting issuer in each of the Provinces of Canada other than Quebec.*

Trends

Management regularly monitors economic conditions and estimates their impact on the Business and incorporates these estimates in both short-term operating and longer-term strategic decisions. Apart from these and the risk factors noted under the heading "Risk Factors", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Business.

Environmental Liabilities

The Issuer is not aware of any environmental liabilities or obligations associated with the Business.

Off-Balance-Sheet Arrangements

As of the date of this MD&A, there are no off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the Business, including, and without limitation, such considerations as liquidity and capital resources.

Proposed Transactions

There are no proposed transactions of a material nature being considered with respect to the Business, other than the Arrangement and the proposed milestones set out above. See "Operational Highlights" and "Milestones".

Selected Annual Financial Information

The following is selected financial data derived from the Carve-Out Financial Statements as at, and for the fiscal years ended, July 31, 2020, 2021 and 2022.

Description	***Fiscal Year Ended July 31, 2022 $***	***Fiscal Year Ended July 31, 2021 $***	***Fiscal Year Ended July 31, 2020 $***
Total revenues	*6,199*	*9,302*	*25,766*
Total loss (1)(2)	*559,737*	*257,566*	*65,490*
Net loss per common share — basic and diluted (3)(4)	*N/A*	*N/A*	*N/A*

Description	*As at July 31, 2022 $*	*As at July 31, 2021 $*	*As at July 31, 2020 $*
Total assets	*nil*	***3,693***	*141,106*
Total non-current financial liabilities	*nil*	*86,715*	*87,955*
Distribution or cash dividends [(5)]	*nil*	*nil*	*nil*

(1) Loss from continuing operations attributable to owners of the parent, in total;
(2) Loss attributable to owners of the parent, in total;
(3) Loss from continuing operations attributable to owners of the parent, on a per-share and diluted per share basis;
(4) Loss attributable to owners of the parent, on a per-share and diluted per-share basis; and
(5) Declared per-share for each class of share.

Disclosure of Internal Controls

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence to ensure that (i) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited financial statements; and (ii) the audited financial statements fairly present in all material respects the financial condition, financial performance and cash flows of the Business, as of the date of and for the periods presented.

*In contrast to the certificate required for non-venture issuers under **NI** 52-109, the Venture Issuer Basic Certificate filed in respect of the Carve-Out Financial Statements does not include representations relating to the establishment and maintenance of DC&P and ICFR, as defined in **NI** 52-109. In particular, the certifying officers filing such certificate are not making any representations relating to the establishment and maintenance of:*

(v) *controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and*

a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of audited financial statements for external *purposes in accordance with the issuer's generally accepted accounting principles (IFRS).*

The Issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in such certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Outlook

Although there can be no assurance that additional funding will be available, the completion of the Private Placement to raise aggregate minimum gross proceeds of $1,500,000 is a condition to the completion of the Arrangement. Accordingly, assuming that the minimum Private Placement is completed in this regard, it is anticipated that the Business will be adequately funded to complete the plans for the near term as outlined under the heading "Milestones". See also "Risk Factors".

Additional Information

*Additional information regarding the Business will be available upon completion of the Arrangement on SEDAR at **www.sedar.com.***

Fiscal Year Ended July 31, 2022

Operational Highlights

During the year, the Business achieved several milestones including as follows:

- *Delivered Guildhall Project: Mini Metaverse in the city of London in October 2021 as a paid white label project, that was live for approximately 6 months.*
- *BETA launch of the ARway app an all-in-one Metaverse creation app where users can create, edit, and experience location-based AR experience. The app was launched as public BETA towards end of January 2022 for both iOS and Android Platforms.*
- *Public launch of the full version of the ARway app was released in mid-April 2022 with extra features including creation and viewing of AR navigation/wayfinding, available for both Android and iOS platforms.*
- *Public launch of ARway Web Studio on June 30, 2022; ARway Web Studio is a web-based tool for managing and remote authoring of location-based AR experiences and includes other features such as analytics and account management.*

- *Early adopter/closed BETA launch of ARway SDK - ARwayKit Unity SDK for integration of ARway features into existing apps in mid-July 2022 to few early adopters; the SDK is available for both Android and iOS.*

Effective July 29, 2022, Nextech, the Issuer and FinanceCo entered into the Arrangement Agreement pursuant to which they are proposing to effect the Arrangement whereby Nextech and the shareholders of Nextech will be issued Spinco Shares in connection with the transfer to the Issuer of: (a) the Spinout Assets; and (b) the Spinout Liabilities. The provisions of the Arrangement Agreement are the result of negotiations between representatives of Nextech and the Issuer. Pursuant to the Arrangement Agreement, at the Effective Time:

- *Nextech will transfer the Spinout Assets to the Issuer and the Issuer will assume the Spinout Liabilities in accordance with the Arrangement Agreement in exchange for the issuance of an aggregate of 15,999,900 Spinco Shares to Nextech (resulting in Nextech holding an aggregate of 16,000,000 Spinco Shares, inclusive of 100 Spinco Shares held by Nextech as of the date of this Listing Statement);*

- *an aggregate of 4,000,000 Spinco Shares shall be distributed to the shareholders of Nextech on a pro rata basis, as further detailed below;*

- *Nextech will undertake a reorganization of its share capital by:*

    - *renaming and redesignating all of the issued and unissued common shares of Nextech as Class A Common Shares; and*

    - *creating a new class consisting of an unlimited number of New Shares;*

- *each shareholder of Nextech will exchange each Class A Common Share held immediately following the reorganization described above for (A) one New Share, and (B) such shareholder's pro rata share of an aggregate of 4,000,000 Spinco Shares to be distributed amongst all such shareholders pursuant to the Pro Rata Share Distribution;*

- *the authorized share capital of Nextech shall be amended to delete the Class A Common Shares; and*

- *the Amalgamation will be completed pursuant to which FinanceCo and Subco shall continue as Amalco, and each FinanceCo Share (other than those FinanceCo Shares held by dissenting FinanceCo shareholders) and each FinanceCo Warrant will be exchanged for one Spinco Share and one Spinco*

Warrant, respectively.

Immediately following completion of the Arrangement, Nextech intends to transfer an aggregate of 3,000,000 of the 16,000,000 Spinco Shares which it holds to certain service providers of Nextech pursuant to the Shares for Services Distribution.

As a condition of the completion of the Arrangement, FinanceCo intends to complete a non-brokered Private Placement of a minimum of 6,000,000 Subscription Receipts at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of C$1,500,000. Each Subscription Receipt will automatically convert upon the satisfaction of the Release Conditions prior to the Release Deadline into Units at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit being comprised of one (1) FinanceCo Share and one FinanceCo Warrant, with each FinanceCo Warrant being exercisable to acquire one (1) additional FinanceCo Share at an exercise price of C$0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to Finance Co. Immediately following the conversion of the Subscription Receipts, FinanceCo will amalgamate with Subco pursuant to the Amalgamation and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Issuer on a 1:1 basis.

Alternatively, each Subscription Receipt will terminate in the event that the Release Conditions are not satisfied prior to the Release Deadline. On termination of the Subscription Receipts, the gross proceeds of the Private Placement shall be returned to the purchasers pro rata without any deduction or interest and the Subscription Receipts shall be automatically cancelled.

It is intended that the proceeds raised pursuant to the Private Placement will be used for further development and promotion of the ARway app and related products, and for general corporate purposes.

Current and Future Plans Related to the Business

With the funds available upon completion of the Arrangement pursuant to the Private Placement, during the 12 months following completion of the Arrangement, the principal focus of the Business will be the further development and commercialization of the Spinout Assets as detailed below under the heading "Milestones", across various industries including commercial real estate, entertainment venues, academic institutions, hospitality, events and exhibitions, and more.

Milestones

Set forth below are a series of milestones which will be targeted with respect to the Business over the 12 month period following the completion of the Arrangement in order *to achieve its above-noted objectives, together with anticipated timelines and estimated costs.*

Milestone/Event	***Estimated Timeline***	***Estimated Cost (in** C$)*
Creator Portal — Development of MetaMaps		
• *Create maps of up to 1,500 m² in size, drop location pins and create guided tours for wayfinding and navigation*	*Q4 2022*	*58,000*
• *Create maps of unlimited size, connect multiple floors and multiple buildings*	*Q1 2023*	*88,000*
• *Increase scale of wayfinding creation by ingesting 3D CAD floorplans of facilities*	*Q2 2023*	*66,000*
• *Increase scale of wayfinding creation by integrating other navigation technologies (GPS, BLE, UWB, WiFi, etc.)*	*Q3 2023*	*74,000*
Creator Portal — Development of Spatials		
• *Add content including images, audio, interactive hotspots, 2D floorplans, 3D models (w/animation)*	*Q4 2022*	*50,000*
• *Additional content including videos (uploaded, linked and livestream)*	*Q1 2023*	*81,000*
• *Additional content including advanced 3D experiences downloaded from Unity platform; Spatials will also be triggered by GPS location proximity and QR code scans*	*Q2 2023*	*103,000*
• *Additional content capability including advanced 3D model and filetypes (GLTF) and human holograms*	*Q3 2023*	*96,000*
Creator Portal — Development of Location Intelligence		
• *Analyze visitor behaviour during specific times and at specific locations*	*Q4 2022*	*58,000*
• *Visualize visitor behaviour with heatmaps*	*Q1 2023*	*59,000*
• *Analyze visitor behaviour with AR content and measure dwell time*	*Q2 2023*	*51,000*
• *Analyze industry specific datapoints*	*Q3 2023*	*51,000*
ARwayKit SDK		
• *Mimic ARway app capabilities*	*Q4 2022*	*19,000*
• *Templated app screens for fast creation*	*Q1 2023*	*22,000*
• *Advanced occlusion and depth perception, data collection of app user's location, usage, and behaviour; Social media sharing of screen recordings and capture*	*Q2 2023*	*29,000*

• *Out of box integrations and advanced data collection of usage analytics*	*Q3 2023*	*29,000*

Based on the development and commercialization milestones noted above, the customer base of the Business is expected to be developed in the following industries over the 12 month period following the completion of the Arrangement:

Target Industry	***Estimated Timeline***
Pre-commercialization activities with 30 Early Adopters from various Industries	*Q4 2022*
Museums, Galleries & Exhibitions *Sporting Venues* *Commercial Real Estate — Retail, corporate offices & campuses*	*Q1 2023*
University & college campuses *Events & Exhibitions* *Marketing, Digital & XR agencies*	*Q2 2023*
Healthcare institutes — Hospitals, labs, *rehabs Travel hubs — Airports, Train stations* *Hospitality — Hotels, cruise ships, movie theaters, casinos*	*Q3 2023*

Due to the nature of the technology business, budgets are regularly reviewed with respect to both the success of the commercialization of technology products and other opportunities which may become available on a going forward basis. Accordingly, as time progresses, the objectives and/or focus of the Business may shift to other developments or opportunities that may arise from time to time, although there are no present plans in this respect.

Discussion of Operations

During the fiscal year ended July 31, 2022, the Business was focused on the development of the ARway app to the commercialization stage, in connection with which $565,936 of expenses were incurred. These expenses principally related to salaries and wages for technology development staff, in addition to general and *administrative expenses for the platform. This amount is an increase over the expenses of $253,209 for the fiscal year ended July 31, 2021, as a result of the acquisition of the Business by Nextech pursuant to its acquisition of Arway Ltd. effective August 26, 2021, and the subsequent commitment of additional resources by Nextech towards the development of the ARway application and associated technology during the fiscal year, with a view to achieving commercialization by September 2022.*

Liquidity and Capital Resources

As at July 31, 2022, the Business had total assets of $nil (July 31, 2021 - $3,693) total liabilities of $nil (July 31, 2021 - $91,914) and a net equity position of $nil (July 31, 2021 - $(88, 221)). The activities of the Business, principally the proposed acquisition and development of the Spinout Assets, are expected to be financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants, as well as future revenue generated by the Business. There is no assurance that future equity capital or revenue will be available in the amounts or at the times desired by the Issuer or on terms that are acceptable to it, if at all. See "Risk Factors" below.

The Business has no significant current operating revenues and therefore must utilize its cash reserves, funds obtained from the issuance of share capital, exercise of warrants and stock options and other financing transactions to maintain its capacity to meet ongoing operating activities, until it commences revenue generation activities. As of July 31, 2022, the Issuer had 100 Spinco Shares issued and outstanding, and no options or warrants outstanding.

As a condition of the completion of the Arrangement, the Private Placement must be completed to raise aggregate minimum gross proceeds of $1,500,000, which funds will become available to the Business as of the Effective Date. These funds are expected to be sufficient to pay the liabilities associated with the Business and fund the development and operation of the Business as currently projected for at least the12 months following completion of the Arrangement. See also "Milestones" above. However, there can be no assurance that adequate funding or revenue will be available in the future, or under terms favourable to the Business or at all. See "Risk Factors". The discretionary activities of the Business do have considerable scope for flexibility in terms of the amount and timing of expenditure, and expenditures may be adjusted accordingly.

Transactions with Related Parties

Related parties include the board of directors of Nextech, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Expenses incurred for the fiscal year ended July 31, 2022 were incurred by Nextech on behalf of the Business.

Financial Instruments

(a) Credit Risk

The financial instruments that potentially subject the Business to a significant concentration of credit risk consist primarily of cash. The Business mitigates its exposure to credit loss by placing its cash with major financial institutions and believes that its credit risk exposure will be limited.

(b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices and consists of two types of risk: interest rate risk and other price risk.

(i) Interest rate risk arises because of changes in market interest rates.

(ii) Other price risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The cash of the Business is subject to minimal risk of changes in value.

(c) Liquidity Risk

Liquidity risk is the risk that the Business will not be able to meet its obligations associated with financial liabilities as they come due. The investment policy of the Business is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. There are no amounts payable or other liabilities of the Business outstanding as of the date of this MD&A. The liquidity position of the Business is monitored and future expenditures are budgeted in order to ensure that sufficient capital exists to satisfy liabilities of the Business as they come due.

Additional Disclosure for Venture Issuers Without Significant Revenue

Office and general expenses

Set forth below is a breakdown of the principal components of the general and administrative expenses of the Business during the fiscal years ended July 31, 2021 and 2022.

		Year ended July 31, 2022		Year ended July 31, 2021
General & administrative				
Professional fees		14,400	$	12,065
Rent				13,409
General expenses		420		1,456
Travel expenses		131		144
	$	14,951	$	27,074

Fiscal Year Ended July 31, 2021

Operational Highlights

During the fiscal year ended July 31, 2021, the Business launched a Beta version of a predecessor app available to the public to explore and create content. At the end of the year, this app and its related technology was acquired by Nextech.

Discussion of Operations

During the fiscal year ended July 31, 2021, the Business was focused upon the development of a predecessor app, spending the majority of funds on development and the maintenance of the app platform.

Liquidity and Capital Resources

As at July 31, 2021, the Business had total assets of $3,693 (July 31, 2020 - $141,106) total liabilities of $91,914 (July 31, 2020 - $91,969) and a net equity position of $(88,221) (July 31, 2020 - $(49,137). The activities of the Business, principally the proposed acquisition and development of the Spinout Assets, are expected to be financed through the completion of equity transactions such as equity offerings and the exercise of stock options and warrants, as well as future revenue generated by the Business. There is no assurance that future equity capital or revenue will be available in the amounts or at the times desired by the Business or on terms that are acceptable to it, if at all. See "Risk Factors".

The Business has no current operating revenues and therefore must utilize its cash reserves, funds obtained from the issuance of share capital, exercise of warrants and stock options and other financing transactions to maintain its capacity to meet ongoing operating activities, until it commences revenue generation activities. As of July 31, 2022, the Issuer had 100 Spinco Shares issued and outstanding, and no options or warrants outstanding.

As a condition of the completion of the Arrangement, the Private Placement must be completed to raise aggregate minimum gross proceeds of $1,500,000, which funds will become available to the Business as of the Effective Date. These funds are expected to be sufficient to pay the liabilities associated with the Business and fund the development and operation of the Business as currently projected for at least the 12 months following completion of the Arrangement. See also "Milestones". However, there can be no assurance that adequate funding or revenue will be available in the future, or under terms favourable to the Business or at all. See "Risk Factors". The discretionary activities of the Business do have considerable scope for flexibility in terms of the amount and timing of expenditure, and expenditures may be adjusted accordingly.

Transactions with Related Parties

Related parties include the board of directors of Nextech, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

During the fiscal year ended July 31, 2021, $98,875 (July 31, 2020 - $42,882) was paid to the owners of the Business at the time as compensation for their services, prior to its acquisition by Nextech in August 2021.

Financial Instruments

(a) Credit Risk

The financial instruments that potentially subject the Business to a significant concentration of credit risk consist primarily of cash. The Business mitigates its exposure to credit loss by placing its cash with major financial institutions and believes that its credit risk exposure will be limited.

(b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market prices and consists of two types of risk: interest rate risk and other price risk.

(i) Interest rate risk arises because of changes in market interest rates.

(ii) Other price risk is risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those ~~arising from interest rate risk or currency risk), whether those changes are~~

caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The cash of the Business is subject to minimal risk of changes in value.

(c) *Liquidity Risk*

Liquidity risk is the risk that the Business will not be able to meet its obligations associated with financial liabilities as they come due. The investment policy of the Business is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. There are no amounts payable or other liabilities of the Business outstanding as of the date of this MD&A. The liquidity position of the Business is monitored and future expenditures are budgeted in order to ensure that sufficient capital exists to satisfy liabilities of the Business as they come due.

Additional Disclosure for Venture Issuers Without Significant Revenue

Office and general expenses

Set forth below is a breakdown of the principal components of the general and administrative expenses of the Business during the fiscal years ended July 31, 2020 and 2021.

		Year ended July 31, 2021		Year ended July 31, 2020
General & administrative				
Professional fees	$	12,065	$	5,128
Rent		13,409		
General expenses		1,456		8,484
Travel expenses		144		3,834
	$	27,074	$	17,446

7. Market for Securities

7.1 *Currently, there is no market for the Spinco Shares. The Issuer received conditional approval for the listing of the Spinco Shares on the CSE on September 13, 2022. Listing is subject to the Issuer meeting the initial listing requirements of the CSE and meeting all conditions of listing imposed by the CSE.*

8. Consolidated Capitalization

8.1 *The following table sets out the share and loan capital of the Issuer. The table should be read in conjunction with the audited financial statements referenced in this Listing Statement.*

Capital	***Authorized***	***Amount Outstanding as of August 31, 2022***	***Amount Outstanding as of the date of the Listing Statement***	***Amount Outstanding Assuming Completion of Arrangement and Minimum Private Placement***
Spinco Shares	*Unlimited*	*100*	*100*	*26,629,554(1)*
Spinco Warrants	6, 629, 554	*Nil*	*6,629,554*	*6,629,554(2)*

(1) Represents 100 Spinco Shares held by Nextech as of the date of this Listing Statement, 19,999,900 Spinco Shares issuable to Nextech and the shareholders of Nextech, in the aggregate, pursuant to the Arrangement and 6,629,554 Spinco Shares issuable upon conversion of the Subscription Receipts and completion of the Amalgamation.

(2) Represents 6,629,554 Spinco Warrants issuable upon conversion of the Subscription Receipts and completion of the Amalgamation.

9. Options to Purchase Securities

9.1 *The Board, with the approval of the Issuer's sole shareholder, has adopted the Option Plan that was implemented following acceptance by: (i) the shareholders of Nextech at an annual and special shareholders meeting held on October 12, 2022; and (ii) the CSE in conjunction with the proposed listing of the Spinco Shares on the CSE. The Option Plan is a rolling stock option plan that sets the number of Spinco Shares issuable under the Option Plan at a maximum of 20% of the Spinco Shares issued and outstanding at the time of any grant under the Option Plan. As of the date of this Listing Statement, the Issuer has not granted any incentive stock options under the Option Plan, or otherwise, nor has it issued any other rights or securities to purchase Spinco Shares other than pursuant to the Arrangement. The Board does not intend to grant any incentive stock options until such time following listing of the Spinco Shares on the CSE that the trading price of the Spinco Shares on the CSE has stabilized, such that a fair market value exercise price for options can be determined.*

Summary of the Option Plan

The Option Plan provides for the issuance thereunder of a maximum of 20% of the Spinco Shares issued and outstanding from time to time. The Option Plan will be administered by the Board and provide for grants of non-transferable options under the Option Plan at the discretion of the Board, to directors, officers, *employees, management company employees, consultants and other specified service providers of the Issuer (each an **"Eligible Person).** The exercise price of options granted under the Option Plan will be determined by the Board. Following listing of the Spinco Shares on the CSE, the exercise price must not be lower than the greater of the last closing market price for the Spinco Shares as quoted on the CSE on (a) the market trading day immediately prior to the date of grant of the option, and (b) the date of grant of the option (subject to a minimum price of C$0.05). The term of any options granted under the Option Plan will be fixed by the Board and may not exceed ten years.*

If an Eligible Person who is a service provider shall cease to be an Eligible Person for any reason (whether or not for cause) the optionee may, but only within the period of ninety days (unless such period is extended by the Board, to a maximum of one year next succeeding such cessation, and approval is obtained from the stock exchange on which the Spinco Shares trade where required), or thirty days if the Eligible Person is an "investor relations person" (unless such period is extended by the Board to a maximum of one year next succeeding such cessation, and approval is obtained from the stock exchange on which the Spinco Shares trade where required), next succeeding such cessation and in no event after the expiry date of the optionee's option, exercise the optionee's option. If such cessation as an Eligible Person is on account of death, the option granted to the optionee shall be exercisable within, but only within, the period of one year next succeeding the optionee's death.

The Option Plan also provides for adjustments to outstanding options in the event of reorganization, recapitalization, plan of arrangement, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Issuer. Moreover, upon an "acceleration event" (as defined in the Option Plan), the Board may permit the optionee to exercise the option granted under the Option Plan regardless of any vesting restrictions during a specified period (but in no event later than the expiry date of the option); and (ii) the Board may require the acceleration of the time for the exercise of the option and of the time for the fulfilment of any conditions or restrictions on such exercise.

The directors of the Issuer may, at their discretion at the time of any grant, impose a schedule over which period of time options will vest and become exercisable by the optionee. Subject to any required approval of the CSE, the Board may terminate or amend the terms of the Option Plan, provided that where required, the Board must obtain shareholder approval.

Warrants

As of the date of this Listing Statement, the Issuer has no warrants outstanding. The Issuer does not intend to issue any warrants pursuant to the Arrangement other than 6,629,554 Spinco Warrants to be issued in exchange for the

Finance Co Warrants issued in connection with the Private Placement, with each Spinco Warrant being exercisable to acquire one (1) Spinco Share at an exercise price of C$0.50 for a period of three years from the date of issuance thereof.

10. Description of the Securities

10.1 ***Authorized Capital***

The Issuer's authorized share capital consists of an unlimited number of common shares without par value, of which 100 Spinco Shares (held by Nextech) are issued and outstanding as fully paid and non-assessable as of the date of the Listing Statement. Assuming completion of the Arrangement pursuant to its terms, approximately 26,629,554 Spinco Shares will be issued and outstanding as fully paid and non-assessable, 4,000,000 of which will be distributed to the shareholders of Nextech pursuant to the Pro Rata Share Distribution.

Spinco Shares

Spinco Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Spinco Shares, all of which rank equally as to all benefits which might accrue to the holders of the Spinco Shares. All holders of Spinco Shares are entitled to receive a notice of any general meeting to be convened by the Issuer. At any general meeting of the Issuer, subject to the restrictions on joint registered owners of Spinco Shares, every shareholder of the Issuer has one vote for each Spinco Share of which he or she is the registered owner. Voting rights may be exercised in person or by proxy. The holders of Spinco Shares are entitled to share pro rata in any: (i) dividends if, as and when declared by the Board, and (ii) such assets of the Issuer as are distributable to shareholders upon liquidation of the Issuer. The aggregate Spinco Shares outstanding upon completion of the Arrangement will be fully paid and non- assessable.

10.2 *The Issuer has no debt securities.*

10.4 *The securities of the Issuer other than as set out above are as follows:*

Spinco Warrants

As of the date of this Listing Statement, the Issuer has no warrants outstanding. The Issuer does not intend to issue any warrants pursuant to the Arrangement other than 6,629,554 Spinco Warrants to be issued in exchange for the Finance Co Warrants issued in connection with the Private Placement, with each Spinco Warrant being exercisable to acquire one (1) Spinco Share at an exercise price of C$0.50 for a period of three years from the date of issuance thereof.

Stock Options

As of the date of this Listing Statement, the Issuer does not have any stock options outstanding. At the effective time of the Arrangement, it is anticipated that no options of the Issuer will be outstanding. The Issuer has adopted the Option Plan (see "Summary of the Option Plan" above). The Board does not intend to grant any incentive stock options until such time following listing of the Spinco Shares on the CSE that the trading price of the Spinco Shares has stabilized such that a fair market value exercise price for options can be determined.

10.5 *There are no provisions for the modification, amendment or variation of the Spinco Shares, or modification of the rights of the holders of the Spinco Shares, other than in accordance with applicable corporate law.*

10.6 *The Spinco Shares do not have any redemption or repurchase rights, and the rights attaching to the Spinco Shares are not materially limited or qualified by any other class of shares of the Issuer.*

10.7 ***Prior Sales***

On July 15, 2022, the Issuer issued 100 Spinco Shares to Nextech at a price of $0.01 per share. Other than the foregoing, the Issuer has not issued any other Spinco Shares as of the date of this Listing Statement. On the effective date of the Arrangement, it is expected that 26,629,554 Spinco Shares will be issued and outstanding assuming completion of the Arrangement pursuant to its terms, and the conversion of all Subscription Receipts.

Based on the foregoing assumptions, an aggregate of 26,629,554 Spinco Shares will be issued and outstanding as fully paid and non-assessable, of which 4,000,000 will be distributed to the shareholders of Nextech pursuant to the Pro Rata Share Distribution, 6,629,554 will be held by subscribers in the Private Placement, 13,000,000 will be retained by Nextech and 3,000,000 will be distributed by Nextech to certain service providers pursuant to the Shares for Services Distribution.

10.8 *The Spinco Shares have not previously been listed on any stock exchange. As at the date of this Listing Statement, the Issuer does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities, on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace, or a marketplace outside of Canada and the United States of America (other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc).*

11. Escrowed Securities

11.1 The Issuer does not have any of its securities subject to escrow or contractual restrictions on transfer. However, on completion of the Arrangement, certain principals of the Issuer are expected to be subject to escrow pursuant to NP 46201. The CSE imposes NP 46-201 escrow requirements on completion of transactions such as the Arrangement.

In accordance with NP 46-201, all securities of an issuer that are owned or controlled by its principals (or spouses of its principals) will be escrowed at the time of the issuer's initial public offering, or in this case the completion of the Arrangement, unless the securities held by the principals, or issuable to the principals upon conversion of convertible securities held by the principals, collectively represent less than 1% of the total issued and outstanding shares of the issuer after giving effect to the offering or transaction.

Uniform terms of automatic timed-release escrow apply to principals of exchange-listed issuers, differing only according to the classification of the issuer. As it is expected that the Issuer will be classified as an "emerging issuer" for the purposes of NP 46-201, it is anticipated that the following automatic timed releases will apply to the securities held by its principals:

Date	***% of Escrowed Securities Released***
On the Listing Date	*1/10 of the escrowed securities*
On the date which is 6 month following the Listing Date	*1/6 of the remaining escrowed securities*
On the date which is 12 month following the Listing Date	*1/5 of the remaining escrowed securities*
On the date which is 18 month following the Listing Date	*¼ of the remaining escrowed securities*
On the date which is 24 month following the Listing Date	*1/3 of the remaining escrowed securities*
On the date which is 30 month following the Listing Date	*1/2 of the remaining escrowed securities*
On the date which is 36 month following the Listing Date	*The remaining escrowed securities*

To the knowledge of the Issuer, assuming completion of the Arrangement, a total of 15,475,000 Spinco Shares will be deposited into escrow pursuant to the terms of an escrow agreement to be entered into by the Issuer, the escrow *shareholders and the Issuer's transfer agent, as the escrow agent (the* ***"Escrow Agreement"),*** *assuming that none of the escrow holders listed below participate in the Private Placement.*

Name and Position of Escrow Holder with Issuer	***Number of Escrowed Securities***	***Percentage of Class(1)***
Nextech *Significant Shareholder*	*13,000,000 Spinco Shares*	*48.8%*
Evan Gappelberg *Director and Chief Executive Officer*	*2,475,000 Spinco Shares (2)*	*9.3%(2)*

(1) Percentage calculated based upon 26,629,554 Spinco Shares issued and outstanding upon completion of the Arrangement, including the issuance of 6,629,554 Spinco Shares upon conversion of the Subscription Receipts.
(2) Calculated based upon 2,475,000 Spinco Shares to be issued to Mr. Gappelberg pursuant to the Shares for Services Distribution.

Pursuant to the terms of the Escrow Agreement, the Spinco Shares held in escrow may be transferred within escrow to an individual who is a director or senior officer of the Issuer or of a material operating subsidiary of the Issuer, subject to the approval of the Board, or to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Issuer's outstanding securities, or to a person or company that after the proposed transfer will hold more than 10% of the voting rights attached to the Issuer's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Issuer or of any of its material operating subsidiaries.

Pursuant to the terms of the Escrow Agreement, upon the bankruptcy of a holder of escrowed securities, the securities held in escrow may be transferred within escrow to the trustee in bankruptcy or other person legally entitled to such securities. Upon the death of a holder of escrowed securities, all securities of the deceased holder will be released from escrow to the deceased holder's legal representative. The Escrow Agreement also provides that escrowed securities can be transferred within escrow to a financial institution on the realization of escrowed securities pledged, mortgaged or charged by the holder of such escrowed securities to the financial institution as collateral for a loan. Pursuant to the terms of the Escrow Agreement, escrowed securities may also be transferred within escrow to or between registered retirement savings plans, registered retirement income funds or other similar registered plans or funds with a trustee, where the annuitant of such plans or funds, or the beneficiaries of the other registered plan or funds are limited to the holder and his or her spouse, children and parents, or in the case of a trustee of such a registered plan or fund, to the annuitant of the registered plan or fund, or a beneficiary of the registered plan or fund, as applicable, or his or her spouse, children and parents.

Pursuant to the terms of the Escrow Agreement, 10% of each principal's escrowed securities (a total of 1,547,500 Spinco Shares) will be released from escrow on Listing Date. The remaining 13,927,500 Spinco Shares which will be held in escrow immediately following the Listing Date will represent approximately 52.3% of the Spinco Shares anticipated to be issued and outstanding at the Listing Date

12. Principal Shareholders

12.1 *As of the date of this Listing Statement, Nextech holds 100% of the issued and outstanding Spinco Shares. Assuming completion of the Arrangement and to the knowledge of the Issuer's directors and officers, no person will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the then issued Spinco Shares, other than (i) Nextech, which will hold approximately 48.8% of the outstanding Spinco Shares upon completion of the Arrangement; and (ii) Evan Gappelberg, who will hold approximately 10.9% of the outstanding Spinco Shares upon completion of the Arrangement (each as calculated assuming completion of the minimum Private Placement).*

13 Directors and Officers

13.1 *As at the date of this Listing Statement, the Issuer's sole director and officer is Andrew Chan, who is also the Chief Financial Officer of Nextech. Mr. Chan was elected as the Issuer's sole director by Nextech, the Issuer's sole shareholder. Upon completion of the Arrangement, certain directors and officers of Nextech will be the directors and officers of the Issuer, the names, place of residence, positions and offices and principal occupations of which are as follows:*

Name, place of residence and proposed position with the Issuer	*Principal Occupation*	*Number and Percentage of Spinco Shares to be Owned upon Closing of Arrangement(2)(3)*	*Date of appointment as a director or officer*
Evan Gappelberg(1) New York, USA Chief Executive Officer and Director	*Chief Executive Officer of Nextech*	*2,890,699 (10.9%)(4)*	*Closing of the Arrangement*
Belinda Tyldesley (1)British Columbia, Canada Corporate Secretary and Director	*President of Closing Bell Services, a consulting company providing corporate secretarial services.*	*2,542 (0.01%)(5)*	*Closing of the Arrangement*
Jeff Dawley(1) Ontario, Canada Director	*Board of Directors member at Nextech, Chair of Audit Committee*	*Nil*	*Closing of the Arrangement*
Andrew Chan Ontario, Canada Chief Financial Officer	*Chief Financial Officer of Nextech*	*2,055 (0.008%)(6)*	*July 15, 2022*

(1) Proposed Member of the Audit Committee.
(2) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of management of the Issuer and has been furnished by the respective individuals based on their current holdings in Nextech and anticipated receipt of Spinco Shares pursuant to the Arrangement, and assuming that none of the proposed directors or officers of the Issuer participates in the Private Placement
(3) Figures calculated based upon 26,629,554 Spinco Shares issued and outstanding upon completion of the Arrangement, including the issuance of 6,629,554 Spinco Shares upon conversion of the Subscription Receipts.
(4) Calculated based upon (i) 2,475,000 Spinco Shares to be issued to Mr. Gappelberg pursuant to the Shares for Services Distribution; and (ii) 415,699 Spinco Shares to be distributed to Mr. Gappelberg pursuant to the Pro Rata Share Distribution.
(5) Calculated based upon 2,542 Spinco Shares to be distributed to Ms. Tyldesley pursuant to the Pro Rata Share Distribution.
(6) Calculated based upon 2,055 Spinco Shares to be distributed to Mr. Chan pursuant to the Pro Rata Share Distribution.

13.2 *The current and proposed directors of the Issuer will be elected annually at each annual general meeting of the Issuer's shareholders and will hold office until the next annual general meeting unless a director's office is earlier vacated in accordance with the constating documents of the Issuer or he or she becomes disqualified to serve as a director.*

13.3 *As at the date of this Listing Statement, there are no Spinco Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, by the directors or executive officers of the Issuer. On the effective date of the*

Arrangement, each of the directors and executive officers of the Issuer will beneficially own, directly or indirectly, or control or direct the number of Spinco Shares set forth in Section 13.1 above. It is expected that, upon completion of the Arrangement, an aggregate of 2,895,296 Spinco Shares, or approximately 10.9% of the Spinco Shares then issued and outstanding on a non-diluted basis, will be beneficially owned, directly or indirectly, or control or direction will be exercised over those shares, by the directors and executive officers of the Issuer as a group, assuming that none of the directors and executive officers of the Issuer participate in the Private Placement.

13.4 *Upon completion of the Arrangement, the Issuer will have an Audit Committee consisting of Jeff Dawley (chair), Belinda Tyldesley and Evan Gappelberg, each of whom is a director and financially literate in accordance with NI 52-110. Both Ms. Tyldesley and Mr. Dawley are independent, as defined under NI 52-110. Mr. Gappelberg is not independent as a result of his role as Chief Executive Officer of the Issuer. The Board may from time to time establish additional committees.*

13.5 *Information on directors' and executive officers' principal occupation is set out in section 13.1 above.*

13.6 *No proposed director or officer of the Issuer or* a *shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date hereof has been, a director or officer of any other issuer that, while that person was acting in that capacity: (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under securities law, for a period of more than 30 consecutive days; (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. The foregoing has been furnished by the respective directors, executive officers and shareholders holding a sufficient number of securities of the Issuer to affect materially control of the Issuer.*

13.7 *No proposed director or executive officer of the Issuer, or a shareholder holding a sufficient number of the Issuer's securities to affect materially the control of the Issuer, has been subject to: (a) any penalties or sanctions imposed by a* *court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision. The foregoing has been furnished by the respective directors, executive officers and shareholders holding a sufficient number of securities of the Issuer to affect materially control of the Issuer.*

13.8 *Not applicable.*

13.9 *No director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the issuer, or a personal holding company of any such persons has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer.*

13.10 *Certain directors and officers of the Issuer are also directors, officers or shareholders of other companies that are similarly engaged in the business of acquiring, developing and commercializing technological products, including Nextech. Such associations to other technology companies may give rise to conflicts of interest from time to time. As a result, opportunities provided to a director of the Issuer may not be made available to the Issuer, but rather may be offered to a company with competing interests. The directors and senior officers of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any personal interest which they may have in any project or opportunity of the Issuer, and to abstain from voting on such matters. The directors and officers of the Issuer are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interests and the Issuer will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers.*

13.11 **Management**

The following sets out details of the proposed directors and officers of the Issuer on completion of the Arrangement:

Evan Gappelberg — Director and Chief Executive Officer, Age 56. *Mr. Gappelberg is an accomplished entrepreneur with an expertise in creating, funding and running start-ups, and he has extensive experience both as a hands-on operating executive and well as a public markets professional. He is founder and currently serves as the Chief Executive Officer and a director of Nextech.*

He was also co-founder and CEO of an app development company which created, published and owns over 500 successful apps for both Apple's iTunes store and the Google Play store. Prior to being a successful entrepreneur, Mr. Gappelberg worked on Wall Street and has more than 25 years of extensive experience as both a hedge fund manager and Senior Vice President of Finance. He has extensive capital markets relationships, know-how and experience in all operational facets of managing a public company. Mr. Gappelberg graduated from CW Post Long Island University. It is anticipated that upon completion of the Arrangement, an agreement will be entered into by the Issuer for the provision of Mr. Gappelberg's services which will contain standard confidentiality provisions. Mr. Gappelberg expects to dedicate approximately 40% of his time to the Issuer.

Belinda Tyldesley — Director and Corporate Secretary, Age 42. *Mrs. Tyldesley is the President of Closing Bell Services, a consulting company that provides corporate secretarial services. Mrs. Tyldesley has extensive experience across all sectors of the economy with regulatory compliance in all Canadian jurisdictions and reporting issuers listed on the Toronto Stock Exchange (TSX), the TSX Venture Exchange (TSX-V), Canadian Securities Exchange (CSE) and the NEO Exchange (NEO), as well as providing legal assistance and secretarial services. Mrs. Tyldesley holds an Associate Diploma in Business Legal Practice from Holmesglen College in Melbourne, Australia. She currently serves as the Corporate Secretary and a director of Nextech. It is anticipated that upon completion of the Arrangement, an agreement will be entered into by the Issuer for the provision of Ms. Tyldesley's services which will contain standard confidentiality provisions. Ms. Tyldesley expects to dedicate approximately 10% of her time to the Issuer.*

Jeff Dawley — Director, Age 51. *Mr. Dawley is the co-founder of Cybersecurity Compliance Corp, which through its Cybersecurity Pulse solution, provides board members and non-IT executives with a complete view of their cybersecurity environment, while equipping IT professionals with a framework-based assessment and roadmap for future improvements. In addition, Mr. Dawley has over 25 years of financial services, mining, information processing, manufacturing and professional services experience. His career has seen him operate as a CFO for 10 years with both publicly listed and private companies, as well as 5 years as a CTO/CIO, responsible for all aspects of information management and technology. He holds a Chartered Professional Accountant designation from Ontario, Canada, a Certified Public Accountant and Certified Information Technology Professional designation from Illinois, USA and a Chartered Global Management Accountant designation, recognized in the UK and USA. Mr. Dawley expects to dedicate approximately 10% of his time to the Issuer.*

Andrew Chan — Chief Financial Officer, Age 45. *Mr. Chan has over 20 years of experience across finance, accounting, business analytics, and strategy,* *focusing on the technology and financial services sectors with half of his career serving high-growth, public technology companies. After over a decade in public accounting (including 9 years at Ernst & Young), Andrew moved into senior finance positions with Real Matters Inc. (TSX: REAL) and goeasy ltd. (TSX: GSY) — both offering technology solutions for the financial services industry —where he was involved in several financings, transactions and acquisitions with an aggregate value of well over a billion dollars. Mr. Chan has successfully integrated and led finance-related functional groups including treasury and banking, corporate reporting and budgeting and was instrumental in forging strong relationships with business unit leaders to enable successful revenue forecasting and delivery. He currently serves as the Chief Financial Officer of Nextech. Mr. Chan is a Chartered Public Accountant (CPA, CA) and also holds a Bachelor of Commerce degree specializing in accounting and finance from the University of Toronto. It is anticipated that upon completion of the Arrangement, an agreement will be entered into by the Issuer for the provision of Mr. Chan's services which will contain standard confidentiality provisions. Mr. Chan expects to dedicate approximately 40% of his time to the Issuer.*

14. Capitalization

14.1

Issued Capital	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total Outstanding (A)	26,629,554	33,259,108	100	100
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	20,612,694 (1)	25,330,092(1)	77.4	76.1
Total Public Float (A-B)	6,016,860	7,929,016	22.6	23.8
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	15,475,000	15,475,000	58.1	46.5
Total Tradeable Float (A-C)	11,154,554	17,784,108	41.9	53.5

Public Securityholders (Registered)

Class of Security

Size of Holding	Number of holders(1)	Total number of securities(1)
1 — 99 securities	41	201
100 — 499 securities	18	4,558
500 — 999 securities	7	5,599
1,000 — 1,999 securities	8	12,896
2,000 — 2,999 securities	2	16,696(2)
3,000 — 3,999 securities	5	17,773
4,000 — 4,999 securities	3	13,149
5,000 or more securities	34	5,945,983(3)
	118	6,016,855

(1) All amounts subject to minor adjustment for rounding in connection with the Pro Rata Share Distribution.
(2) Calculated assuming completion of the Pro Rata Share Distribution based upon the registered shareholder list of Nextech as of October 21, 2022, less (i) 2,542 Spinco Shares to be issued to Belinda Tyldesley; and (ii) 2,055 Spinco Shares to be issued to Andrew Chan thereunder, each of whom are Related Persons to the Issuer.
(3) Calculated assuming completion of the Pro Rata Share Distribution based upon the registered shareholder list of Nextech as of October 21, 2022, less 415,699 Spinco Shares to be issued to Evan Gappelberg thereunder, who is a Related Person to the Issuer.

Public Security Holders (Beneficial)

Class of Security

Size of Holding	Number of Holders	Total Number of Securities (1)
1-99 securities		
100-499 securities		
500-999 securities		

1,000-1,999 securities		
2,000-2,999 securities		
3,000-3,999 securities		
4,000-4,999 securities		
5,000 or more securities		
Unable to confirm	118	6,016,855

Note:
(1) all amounts subject to minor adjustment for rounding in connection with the Pro Rata Share Distribution.

Non-Public Securityholders (Registered)

Class of Security

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities	2	4,597
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	5	20,608,097
	7	20,612,694

14.2 *Set forth below are the details of securities of the Issuer which are convertible or exchangeable into any class of listed securities*

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Warrants, each entitling the holder to acquire one common share for a period of three years at $0.50	6,629,554	6,629,554
Stock options to acquire up to 20% of the aggregate number of common shares issued and outstanding from time to time, upon terms to be determined	Up to 2,662,955	Up to 2,662,955

14.3 *No listed securities are reserved for issuance that are not included in section 14.2.*

15. Executive Compensation

15.1 ***Compensation of Executive Officers***

The Issuer was incorporated on July 15, 2022 and, accordingly, has not yet completed a financial year or developed a compensation program. Upon completion of the Arrangement, it is anticipated that (i) the "Named Executive Officers" of the Issuer will be Mr. Evan Gappelberg (Director and CEO) and Mr. Andrew Chan (CFO); and (ii) the Board will grant stock options to service providers of the Issuer in such amounts and upon such terms as it may determine from time to time. The Board will also consider and determine the compensation of the executive officers of the Issuer. It is anticipated that all executive officers of the Issuer will receive compensation and stock option grants in line with market practice for public issuers in the same industry and market and of the same size as the Issuer.

Long-Term Incentive Plan

The Issuer does not have any long-term incentive plans other than the Option Plan.

Option-based Awards

Immediately following completion of the Arrangement, the Issuer will not have any options outstanding.

Pension Plan Benefits

The Issuer does not have defined benefit or defined contribution plans.

Director Compensation

Upon completion of the Arrangement, it is anticipated that directors of the Issuer will be compensated by such means and in such amounts as compensation awarded to directors of comparable publicly traded Canadian companies for services rendered in their capacity as directors.

16. Indebtedness of Directors and Executive Officers

16.1 Aggregate Indebtedness

Not applicable.

16.2 *No individual who is, or at any time during the most recently completed financial year was,* a *director or executive officer of the Issuer, a proposed nominee for election as a director of the Issuer, or an associate of any such director, executive officer or proposed nominee,*

(a) is, or at any time since the beginning of the most recently completed financial year of the Issuer has been, indebted to the Issuer or any of its subsidiaries, or

(b) has had any indebtedness to another entity that is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or any of its subsidiaries.

17. Risk Factors

An investment in Spinco Shares, as well as the Issuer's prospects, are highly speculative due to the high-risk nature of its business and the present stage of its development. Shareholders of the Issuer may lose their entire investment. The risks described below are *not the only ones facing the Issuer. Additional risks not* *currently known to the Issuer, or that the Issuer currently deems immaterial, may also impair the Issuer's operations. If any of the following risks actually occur, the Issuer's business, financial condition and operating results could be adversely affected. Shareholders should consult with their professional advisors to assess the Arrangement and their investment in the Issuer. These risk factors may not be a definitive list of all risk factors associated with the Arrangement, an investment in the Issuer or in connection with the Issuer's business and operations.*

Listing of Spinco Shares

The Spinco Shares are not currently listed on any stock exchange. Although an application will be made to list the Spinco Shares on the CSE, there is no assurance when, or if, the Spinco Shares will be listed on the CSE or on any other stock exchange. Until the Spinco Shares are listed on a stock exchange, shareholders of the Issuer may not be able to sell their Spinco Shares. Even if a listing is obtained, ownership of Spinco Shares will involve a high degree of risk.

Qualification under the Tax Act for a Registered Plan

If the Spinco Shares are not listed on a designated stock exchange in Canada before the due date for the Issuer's first income tax return or if the Issuer does not otherwise satisfy the conditions in the Tax Act to be a "public corporation", the Spinco Shares will not be considered to be a qualified investment for a Registered Plan (as defined in the Tax Act) from their date of issue. Where a Registered Plan acquires a Spinco Share in circumstances where the Spinco Share is not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant under the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked.

Limited Business History

The Issuer has a short history of operations and has no history of earnings. The likelihood of success of the Issuer must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. The Issuer has limited financial resources and there is no assurance that funding over and above the aggregate gross proceeds of $1,657,388.50 raised pursuant to the Private Placement, will be available to it when needed. There is also no assurance that the issuer can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Public Health Crisis

The Issuer's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID19. On January 30, 2020, the World Health Organization declared the outbreak a global health emergency, on March 12, 2020, the World Health Organization declared the outbreak a pandemic and on March 13, 2020, the U.S. declared that the COVID-19 outbreak in the United States constitutes a national emergency. Over the past two years, there were a large number of temporary business closures, quarantines and a general reduction in consumer activity in Canada, the United States, Europe and China. The outbreak has also caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary and a number of jurisdictions, including in Canada and the United States, have started to lift certain COVID-19 related restrictions, the duration of the various disruptions to businesses locally and internationally and related financial impact cannot be reasonably estimated at this time. Public health crises such as COVID-19 can result in volatility and disruptions in the supply and demand for various products and services, global supply chains and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, credit ratings, credit risk and inflation. The risks to the Issuer of such public health crises also include the risk that there may be a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labour and fuel costs, regulatory changes, political or economic instabilities or civil unrest. While the impact of the COVID-19 pandemic is not expected to last indefinitely, the circumstances relating to the pandemic are dynamic and its impacts on the Issuer's business operations cannot be reasonably estimated at this time. However, it is not expected that the COVID-19 pandemic will have a material adverse impact on the Issuer's business, results of operations, financial position and cash flows going forward.

Sale of Spinco Shares by Nextech as Funding for its Canadian withholding tax obligations, if required

If Nextech determines that a deemed dividend will arise as a consequence of the Arrangement Agreement, Nextech will be entitled to deduct and withhold from any consideration payable or otherwise deliverable to a Nextech shareholder that is not resident in Canada for Canadian tax purposes (including the Spinco Shares) such amounts as Nextech is required, entitled or permitted to deduct and withhold under the Tax Act. To the extent that Nextech is required to deduct and withhold from consideration that is not cash, including the Spinco Shares, Nextech is entitled to liquate such consideration to the extent necessary in order to fund its deduction, withholding and remittance obligations. Any such sales may negatively impact the trading price of the Spinco Shares where such shares are listed.

Additional Financing and Dilution

The Issuer expects to require additional funds to further its proposed activities in commercializing and marketing its technology. To obtain such funds, the Issuer may sell additional securities including, but not limited to, its common shares or some form of convertible security, the effect of which would result in a substantial dilution of the equity interests of the Issuer's shareholders. The Issuer has limited financial resources and provides no assurance that it will obtain additional funding for future acquisitions and development of projects or to fulfill its obligations under applicable agreements. The Issuer provides no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favourable. Failure to obtain such additional financing could result in delay or indefinite postponement of further development of its products and services. Further, revenues, financings and profits, if any, will depend upon various factors, including the success, if any, of the Issuer's technology and general market conditions for its products and services. The Issuer provides no assurance that it can operate profitably or that it will successfully implement its plans for its further development and operations.

The Issuer currently depends on a single product

At the effective date of the Arrangement, the Issuer's only material asset will be its interest in the ARway application and related technology. Unless the Issuer acquires or develops additional assets or projects, the Issuer will be solely dependent upon the success of these assets for its revenue and profits, if any. There is no assurance that the Issuer will be able to acquire any other assets or projects or that any such acquisition would be approved by the CSE.

Current Global Financial Condition

The Issuer will be required to raise additional funds in the future for the development of its projects and other activities through the issuance of additional equity or debt. Current financial and economic conditions globally have been subject to increased uncertainties. Access to financing has been negatively affected by these economic uncertainties. These factors may affect the ability of the Issuer to obtain equity and/or debt financing in the future and, if obtained, influence the terms available to the Issuer. If these increased levels of volatility and market turmoil continue, the Issuer may not be able to secure appropriate debt or equity financing. If additional capital is raised by the issuance of shares from the treasury of the Issuer, shareholders may suffer dilution. Future borrowings by the Issuer or its subsidiaries may increase the level of financial and interest rate risk to the Issuer as the Issuer will be required to service future indebtedness.

Revenue Growth

If the Issuer is unable to attract new customers or sell products to existing customers, its revenue growth and profitability will be adversely affected. To *increase revenue and achieve and maintain profitability, it must regularly add new customers or sell additional solutions to existing customers. Numerous factors, however, may impede its ability to add new customers and sell additional solutions to existing customers, including its inability to convert referrals by its existing network into paying customers, failure to attract and effectively train and motivate sales and marketing personnel, failure to develop relationships with partners or resellers and/or failure to ensure the effectiveness of marketing programs. In addition, if prospective customers do not perceive the Issuer's solutions to be of sufficiently high value and quality, it will not be able to attract the number and types of new customers that it will be seeking.*

Sales Cycles

The Issuer may encounter long sales cycles, particularly with larger customers, which could have an adverse effect on the amount, timing and predictability of revenue. The length of sales cycles *may also vary depending on the type of customer to which it is selling, the product being sold and customer requirements.*

Sales and Marketing Expenses

The Issuer may incur substantial sales and marketing expenses and expend significant management effort during this time, regardless of whether it makes a sale. Many of the risks relating to sales processes will be beyond the Issuer's control, including:

- *customers' budgetary and scheduling constraints;*
- *the timing of customers' budget cycles and approval processes; and*
- *general economic conditions, including as a result of pandemics such as COVID-19.*

The Issuer's results from operations may vary and depending on the product when it can recognize revenue. Downturns or upturns in new sales will not be immediately reflected in operating results and may be difficult to discern. A significant majority of costs will be expensed as incurred, while revenues are recognized over the life of the customer agreement. As a result, increased growth in the number of customers could result in our recognition of more costs than revenues in the earlier periods of the terms of such agreements. Subscription products also make it difficult for the Issuer to rapidly increase revenues through additional sales in any period, as revenues from these customers must be recognized over the applicable subscription term.

Quarterly Results May Fluctuate

The Issuer's quarterly results of operations may fluctuate. As a result, it may fail to meet or exceed the expectations of investors or securities analysts which *could cause its share price to decline. The Issuer's quarterly revenue and results of operations may fluctuate as a result of a variety of factors, many of which are outside of its control. If its quarterly revenue or results of operations fall below the expectations of investors or securities analysts, the price of the Spinco Shares could decline substantially. Fluctuations in our results of operations may be due to a number of factors, including, but not limited to, those listed below:*

- *demand for and market acceptance of products;*
- *the mix of products, and solutions sold during a period;*
- *the Issuer's ability to retain and increase sales to customers and attract new customers;*
- *the timing of product deployment which determines when the Issuer can recognize the associated revenue;*
- *the strength of the economy;*
- *competition, including entry into the industry by new competitors and new offerings by existing competitors;*
- *the amount and timing of expenditures related to expanding operations, research and development or introducing new solutions; and*
- *changes in the payment terms for solutions.*

In addition, in certain circumstances, the Issuer will be creating and delivering novel and unique experiences for its customers while utilizing a coding structure format that can be reused by the company for future customers. Based on these factors, the margins for the Issuer's products may fluctuate from time to time, depending on the customer and the mix of products and services being sold. Due to the foregoing factors, and the other risks discussed herein, investors should not rely on quarter-to-quarter comparisons of the Issuer's results of operations as an indication of its future performance.

Security of Customer Information

The Issuer's operations will involve the storage and transmission of potentially confidential information of many of its customers and security breaches could expose it to a risk of loss of this information, litigation, indemnity obligations and other liability. If its security measures are breached as a result of third party action, employee error, malfeasance or otherwise, and, as a result, someone obtains unauthorized access to its customers' data, including personally identifiable information regarding users, damage to the Issuer's reputation is likely, its business may suffer and it could incur significant liability. The Issuer will implement technical, organizational and physical security measures, including service provider training, back-up systems, monitoring and testing and maintenance of protective systems and contingency plans, to protect and to prevent unauthorized access to confidential information of customers and to reduce the likelihood of disruptions to its systems. Because techniques used to obtain unauthorized access or to sabotage systems change frequently, it may be *unable to prevent these techniques or implement adequate preventive measures in time prior to an actual attack. Despite these measures, all of the Issuer's information systems, including back-up systems and any third party service provider systems that it will employ, will be vulnerable to damage, interruption, disability or failure due to a variety of reasons, including physical theft, electronic theft, fire, power loss, computer and telecommunication failures or other catastrophic events, as well as from internal and external security breaches, denial of service attacks, viruses, worms and other known or unknown disruptive events. The Issuer or its third party service providers may be unable to anticipate, timely identify or appropriately respond to one or more of the rapidly evolving and increasingly sophisticated means by which computer hackers, cyber terrorists and others may attempt to breach its security measures or those of our third party service providers' information systems.*

Risks Relating to Revenue

The software industry is subject to rapid technological change. The Issuer's ability to attract new customers and increase revenue from existing customers will depend in large part on its ability to enhance and improve its solutions, to introduce new features and services in a timely manner, to sell into new markets and to further penetrate existing markets. The success of any enhancement or new feature or service depends on several factors, including the timely completion, introduction and market acceptance of the enhancement or new feature or service. Any new feature or service it develops or acquires may not be introduced in a timely or cost-effective manner and may not achieve the broad market acceptance necessary to generate significant revenue. Any new markets into which the Issuer attempts to sell its solutions, including new vertical markets and new countries or regions, may not be receptive. If the Issuer is unable to successfully develop or acquire new features, products or services, enhance existing product or services to meet customer requirements, sell products and services into new markets or sell products and services to additional customers in existing markets, its revenue will not grow as expected. Moreover, the Issuer will frequently be required to enhance and update its product and services as a result of changing standards and technological developments, which makes it difficult to recover the cost of development and will force the Issuer to continually qualify new features with customers.

Rapid Technological Developments

The industry in which the Issuer will operate is evolving at a rapid pace. Its ability to attract new customers and increase revenue from customers will depend in significant part on its ability to anticipate industry changes and to continue to enhance offer solutions or introduce or acquire new solutions on a timely basis to keep pace with technological developments. The success of new solution depends on several factors, including the timely completion and market acceptance of the enhancement or new solution. Any new solution the Issuer *develops or acquires might not be introduced in a timely or cost-effective manner and might not achieve the broad market acceptance necessary to generate significant revenue.*

General Economic Downturns

Downturns in general economic and market conditions and reductions in spending may reduce demand for the Issuer's solutions, which could negatively affect its revenue, results of operations and cash flows. Recent events in the financial markets have demonstrated that businesses and industries throughout the world are very tightly connected to each other. Thus, financial developments seemingly unrelated to the Issuer or to its industry may materially adversely affect the Issuer over the course of time. Volatility in the market price of the Spinco Shares due to seemingly unrelated financial developments could hurt the Issuer's ability to raise capital for the financing of development or other reasons. Any of these events, or any other events caused by turmoil in world financial markets, may have a material adverse effect on the Issuer's business, operating results, and financial conditions.

Competition

The markets in which the Issuer will participate are competitive, and its failure to compete successfully would make it difficult for the Issuer to add and retain customers and would reduce or impede the growth of its business. The AR industry is still awaiting mass adoption and as acceptance increases more competitors may emerge and offer solutions that may impede on the Issuer's continued growth.

There is potential that the Issuer will face intense competition from other companies, some of which can be expected to have longer operating histories and more financial resources and manufacturing and marketing experience than the Issuer. Increased competition by larger and better financed competitors could materially and adversely affect the business, financial condition, and results of operations of the Issuer. Because of the early stage of the industry in which the Issuer operates, the Issuer expects to face additional competition from new entrants.

The Issuer expects that competition will become more intense, as current and future competitors begin to offer an increasing number of diversified products. To remain competitive, the Issuer will require a continued high level of investment in research and development, marketing, sales, and client support. Upon completion of the listing, the Issuer may not have sufficient resources to maintain research and development, marketing, sales, and client support efforts on a competitive basis which could materially and adversely affect the business, financial condition, and results of operations of the Issuer.

Unfavourable Publicity or Consumer Perception

The Issuer believes its industry can be highly dependent upon consumer perception. Consumer perception of the Issuer and its technology can be significantly influenced by research or findings, regulatory investigations, litigation, media attention and other publicity. There can be no assurance that future research, findings, regulatory proceedings, litigation, media attention or other research findings or publicity will be favourable to the Issuer or any of its technology, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favourable than, or that question, earlier research reports, findings or publicity could have a material adverse effect on the demand for the Issuer's products and the business, results of operations, financial condition and cash flows of the Issuer. The Issuer's dependence upon consumer perceptions means that adverse research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the Issuer, the demand for products, and the business, results of operations, financial condition and cash flows of the Issuer.

Development of Sales Force

The Issuer's growth will be dependent upon the development of its sales force and their ability to obtain new customers, particularly large enterprise customers, and to manage an existing customer base. The Issuer's ability to achieve significant growth in revenue in the future will depend, in large part, on its success in recruiting, training and retaining a *sufficient number of sales personnel. New sales personnel require significant training. If the issuer is unable to hire and develop sufficient numbers of productive direct sales personnel, sales of its products will suffer and its growth will be impeded.*

Fluctuations in Anticipated Growth

If the Issuer experiences significant fluctuations in its rate of anticipated growth and fails to balance its expenses with its revenue forecasts, its results could be harmed. The Issuer will operate in a fast-growing environment and will need to react to where it anticipates significant potential demand for its products to seize revenue opportunities. Such anticipation may require the Issuer to incur expenses in advance of revenue opportunities resulting in lower than anticipated net income over any period of time.

Third Party Service Providers

Interruptions or delays in the services provided by third party data centers and/or internet service providers could impair the delivery of the Issuer's solutions and its business could suffer. In the current business environment of integrated technologies, the Issuer will be dependant and/or rely heavily on third party *services providers for critical functions such as data centres and Internet services. Any delays or down-times from these providers can significantly impact the Issuer's operations and ability to complete its deliverables to customers, which may adversely affect revenue.*

Use of Open Source Software

The use of open-source software in the Issuer's products may expose it to additional risks and harm its intellectual property. The Issuer's software will make use of and incorporate open source software components. These components are developed by third parties over which the Issuer does not have control. The Issuer can have no assurances that those components do not infringe on the intellectual property rights of others. The Issuer could be exposed to infringement claims and liability regarding the use of those open source software components, and may be forced to replace those components with internally developed software or software obtained from another supplier, which may increase expenses.

Research and Development Investments

The Issuer may not receive significant revenue as a result of its current research and development efforts. As it invests time, money and efforts into emerging technologies such as AR and its application in the real world, there is no guarantee that it will receive significant revenue returns for such investment.

Change in Accounting Treatment

Current and future accounting pronouncements and other financial reporting standards might negatively impact the Issuer's financial results. The Issuer will regularly monitor our compliance with financial reporting standards and review new pronouncements and drafts that are relevant to it. Any new standards, changes to existing standards, and changes in their interpretation, may require the Issuer to change its accounting policies. This could lead to changes revenue recognition among other aspects and could have an adverse effect on the Issuer's business, financial position and profit.

Future Sales of Common Shares by Existing Shareholders

Sales of a large number of Spinco Shares in the public markets, or the potential for such sales, could decrease the trading price of the Spinco Shares and could impair the Issuer's ability to raise capital through future sales of Spinco Shares. At the time of closing of the Arrangement, the Issuer will have previously issued Spinco Shares at a price per share which will be lower than the market price at which the Spinco Shares may trade in the future. Accordingly, a significant number of shareholders of the Issuer will immediately have an investment profit in the Spinco Shares that they may seek to liquidate.

Litigation Risk

All industries, including the technology industry, are subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit.

Dependence on Key Individuals

The Issuer is and will be dependent on a relatively small number of key personnel, particularly Evan Gappelberg, its Chief Executive Officer and Andrew Chan, its Chief Financial Officer, the loss of any one of whom could have an adverse effect on the Issuer. At this time, the Issuer does not maintain key-person insurance on the lives of any of its key personnel. In addition, the Issuer will be highly dependent upon contractors and third parties in the performance of its activities. The Issuer provides no guarantee that such contractors and third parties will be available to carry out such activities on behalf of the Issuer or be available upon commercially acceptable terms.

Conflicts of Interest

Some of the directors and officers of the Issuer are directors and officers of other companies, some of which are in the same business as the Issuer. Some of the Issuer's directors and officers will continue to pursue the development of other technological products on their own behalf and on behalf of other companies, and situations may arise where they will be in direct competition with the Issuer. The Issuer's directors and officers are required by law to act in the best interests of the Issuer. They may have the same obligations to the other companies in respect of which they act as directors and officers. Discharge of their obligations to the Issuer may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose the Issuer to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of the Issuer. Such conflicting legal obligations may expose the Issuer to liability to others and impair its ability to achieve its business objectives.

Fluctuation in Market Value of Spinco Shares

Assuming the Spinco Shares are listed on the CSE, the market price of the Spinco Shares, as a publicly traded stock, can be affected by many variables not directly related to the corporate performance of the Issuer, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of Spinco Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of Spinco Shares.

Securities of small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Spinco Shares is also likely to be significantly affected by short-term changes in the software and AR industries and the Issuer's financial condition or results of operations. Other factors unrelated to the Issuer's performance that may have an effect on the price of the Spinco Shares include the following: the extent of analytical coverage available to investors concerning the Issuer's business may be limited if investment banks with research capabilities do not follow the Issuer's securities; lessening in trading volume and general market interest in the Issuer's securities may affect an investor's ability to trade significant numbers of Spinco Shares; the size of the Issuer's public float may limit the ability of some institutions to invest in the Issuer's securities; and a substantial decline in the price of the Spinco Shares that persists for a significant period of time could cause the Issuer's securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. As a result of any of these factors, the market price of the Spinco Shares at any given point in time may not accurately reflect the Issuer's longterm value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Issuer may in the future be the target of similar litigation or other litigation concerning operational, employment, title, environmental or other matters of which the Issuer is not presently aware. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Management of Growth

The Issuer's management anticipates and plans to capitalize on rapid growth. Future operating results will depend on management's ability to manage this anticipated growth, hire and retain qualified employees, properly generate revenues and control expenses. A decline in the growth rate of revenues without a corresponding reduction in the growth rate of expenses could have a material adverse effect on the Issuer's business, results of operations, cash flows and financial condition.

Effectiveness and Efficiency of Advertising and Promotional Expenditures

The future growth and profitability of the Issuer will depend on the effectiveness and efficiency of advertising and promotional expenditures, including the ability of the Issuer to (i) create greater awareness of its technology and services; (ii) determine the appropriate creative message and media mix for future advertising expenditures; and (iii) effectively manage advertising and promotional costs in order to maintain acceptable operating margins. There can be no assurance that advertising and promotional expenditures will result in revenues in the future or *will generate awareness of the Issuer's technologies or services. In addition, no assurance can be given that the Issuer will be able to manage its advertising and promotional expenditures on a cost-effective basis.*

Potential Inability to Protect Technology

The Issuer's success will be heavily dependent upon technology. There can be no assurance that the steps taken by the Issuer to protect its technology will be adequate to prevent misappropriation or independent third party development of the Issuer's technology. It is likely the other companies can duplicate a platform similar to that of the Issuer.

Potential Intellectual Property Claims

Companies in the Internet, technology and media industries own large numbers of patents, copyrights, trademarks and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. The Issuer may be subject to intellectual property rights claims in the future and its technologies may not be able to withstand any third-party claims or rights against their use. Any intellectual property claims, with or without merit, could be time consuming, expensive to litigate or settle and could divert management resources and attention. An adverse determination also could prevent the Issuer from offering its products and services to others and may require that it procure substitute products or services for these members. With respect to any intellectual property rights claim, the Issuer may have to pay damages or stop using technology found to be in violation of a third party's rights. The Issuer may have to seek a license for the technology, which may not be available on reasonable terms and may significantly increase its operating expenses. The technology also may not be available for license to the Issuer at all. As a result, the Issuer may also be required to develop alternative non-infringing technology, which could require significant effort and expense. If the Issuer cannot license or develop technology for the infringing aspects of its business, it may be forced to limit its product and service offerings and may be unable to compete effectively. Any of these results could harm the Issuer's brand and prevent the Issuer from generating sufficient revenue or achieving profitability.

Uninsured or Uninsurable Risk

The Issuer may become subject to liability for risks against which are uninsurable or against which the Issuer may opt out of insuring due to the high cost of insurance premiums or other factors. The payment of any such liabilities would reduce the funds available for usual business activities. Payment of liabilities for which insurance is not carried may have a material adverse effect on the Issuer's financial position and operations.

Dividend Policy

The Issuer does not presently intend to pay cash dividends in the foreseeable future, as any earnings are expected to be retained for use in developing and expanding its business. However, the actual amount of dividends received from the Issuer will remain subject to the discretion of the Board.

Share Price Volatility Risk

The Issuer will apply to list the Spinco Shares on the CSE as a condition of completion of the Arrangement. External factors outside of the Issuer's control such as announcements of quarterly variations in operating results, revenues and costs, and sentiments toward technology sector stocks may have a significant impact on the market price of the Spinco Shares. Global stock markets, including the CSE, have, from time-to-time, experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology sector. There can be no assurance that an active or liquid market will develop or be sustained for the Spinco Shares.

No Guarantee of a Positive Return in an Investment

There is no guarantee that an investment in the Spinco Shares will earn any positive return in the short term or long term. An investment in the Spinco Shares involves a high degree of risk and should be undertaken only by 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 Spinco Shares is appropriate only for investors who have the capacity to absorb a loss of some or all of their investment.

Risk Factors Relating to Software Personnel Matters

The project manager of a software development project is the leader responsible for development of the particular project in accordance with timelines and performance parameters set by management and customers from time to time. In addition, improper software design can undermine the success of a project. Furthermore, many customers are not technical in terms of software terminology and may not understand the developer's point of view, thereby leading to potential miscommunication between developers and the Issuer's future customers. Accordingly, inexperienced or improper staffing of a project can jeopardize the completion of a project, which could have a material adverse impact on the Issuer as a result of increased costs and potentially lower revenues due to customer attrition.

Cost and Timing Matters

Budgets, initialization, completion target dates and overall timing of software development projects are set on a case-by-case basis by management based on customer needs and overall corporate objectives. Cost estimation of a project is particularly crucial in terms of project success and failure. The failure to properly establish appropriate budgets and realistic timelines, or the failure to provide adequate hardware and software resources for a particular project, can lead to project failure, which could have a material adverse effect on the Issuer as a result of customer dissatisfaction, negative impacts on branding and increased costs associated with potential delays. Furthermore, market demand may become obsolete while a project is still in progress, thereby rendering timely completion of projects particularly important to the Issuer.

Currency Risk

Currency fluctuations may affect the cash flow which the Issuer may realize from its operations, since it is expected to generate revenue in United States and Canadian dollars. The Issuer's costs are incurred primarily in United States and Canadian dollars.

18. Promoters

18.1 *Nextech took the initiative of founding and organizing the Issuer and its business and operations and, as such, may be considered to be the promoter of the Issuer for the purposes of applicable securities legislation. As at the date of this Listing Statement, Nextech is the sole (100%) shareholder of the Issuer and has transferred or will transfer Spinout Assets to the Issuer to hold and operate as contemplated by the terms of the Arrangement.*

The Spinout Assets have associated costs as reflected in the Carve-Out Financial Statements.

18.2 *During the 10 years prior to the date of this Listing Statement, Nextech has not been subject to: (a) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or (b) an order similar to a cease trade order, or (c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; nor has Nextech been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; nor has Nextech become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver manager or trustee appointed to hold its assets.*

19. Legal Proceedings

19.1 *The Issuer is not aware of any material legal proceedings to which the Issuer or a proposed subsidiary is a party or to which the Spinout Assets are subject, nor is the Issuer aware that any such proceedings are contemplated.*

19.2 *There are currently no: (a) penalties or sanctions imposed against the Issuer by a court relating to securities legislation or by a securities regulatory authority; (b) other penalties or sanctions imposed by a court or regulatory body against the Issuer that would likely be considered important to a reasonable investor in making an investment decision in the Issuer; and (c) settlement agreements the Issuer entered into before a court relating to securities legislation or with a securities regulatory authority since the Issuer was incorporated.*

20. Interest of Management and Others in Material Transactions

20.1 *Since the Issuer's incorporation, no director, executive officer, or shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Spinco Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect the Issuer other than Nextech in connection with the Issuer's incorporation (see "Promoters" above), the entering into of the Arrangement Agreement, and the transfer of assets to the Issuer in connection with the Arrangement (see "General Development of the Business" above). Certain directors and officers of Nextech are also or will become the directors and officers of the Issuer, may participate in the Private Placement and may receive Spinco Shares pursuant to the Pro Rata Share Distribution and/or the Shares for Services Distribution, all as further detailed above.*

21. Auditors, Transfer Agents and Registrars

21.1 *The auditor of the Issuer is Saturna Group, Chartered Professional Accountants LLP of Vancouver, British Columbia who has been the Issuer's auditor since incorporation.*

21.2 *The registrar and transfer agent of the Issuer and for the Spinco Shares is Computershare Trust Company of Canada, at its principal offices at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.*

22. Material Contracts

22.1 *Set forth below is a summary of each material contract, other than contracts entered into in the ordinary course of business, that were entered into within the two years before the date of Listing Statement by the Issuer or a subsidiary of the Issuer:*

1) *Pursuant to the Arrangement, the Issuer will acquire Nextech's interest in the Spinout Assets by way of the Arrangement Agreement dated July 29, 2022 which has been filed on Nextech's SEDAR profile at www.sedar.com; and*

2) *In connection with the listing of the Spinco Shares on the CSE, Nextech will enter into the Escrow Agreement (see item 11.1 — Escrowed Securities).*

22.2 *The Issuer is not party to any co-tenancy, unitholders' or limited partnership agreement.*

23 Interest of Experts

23.1 *Saturna Group, Chartered Professional Accountants, the auditor of the Issuer, has confirmed that it is independent with respect to the Issuer within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.*

Certain legal matters relating to the Arrangement and the Issuer will be passed upon by Fogler Rubinoff LLP of Toronto, Ontario, legal counsel to the Issuer.

The Fairness Opinion has been prepared by RwE Growth Partners.

None of the aforementioned persons nor any directors, officers, employees or partners, as applicable, of each of the aforementioned companies and partnerships, has received or will receive as a result of the Arrangement a direct or indirect interest in a property of the Issuer or any associate or affiliate of the Issuer, nor is currently expected to be elected, appointed or employed as a director, officer or employee of the Issuer or any associate or affiliate of the Issuer.

23.2 *No person or company referred to in section 23.1 has any beneficial interest in any securities of the Issuer or any Related Person of the Issuer.*

23.3 *Not applicable.*

23.4 *No person, nor any director, officer or employee of a person or company referred to in section 23.1, is or is expected to be elected, appointed or employed as a director, officer or employee of the Issuer or any associate or affiliate of the Issuer.*

24. Other Material Facts

24.1 *There are no material facts about the Issuer or its securities that are not disclosed under the preceding items that are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.*

25. Financial Statements

25.1 *Attached at Schedule "I" hereto are the following financial statements:*

(a) audited financial statements of the Issuer from its date of incorporation (July 15, 2022) to August 31, 2022;

(b) audited financial statements of Finance Co from its date of incorporation (July 28, 2022) to August 31, 2022;

(c) audited financial statements of the Business for the fiscal years ended July 31, 2020, 2021 and 2022; and

(d) unaudited pro forma financial statements of the Issuer as at August 31, 2022.

25.2 *The Issuer is not re-qualifying for listing following a fundamental change.*

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Arway Corporation, hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Arway Corporation. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, ON

this 21st day of October, 2022.

Chief Executive Officer

Andrew Chan

Chief Financial Officer

Promoter (if applicable)

Director

Director

[print or type names beneath signatures]

4879-9366-9933, v. 9

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, Arway Corporation, hereby applies for the listing of the above mentioned securities on the Exchange. The foregoing contains full, true and plain disclosure of all material information relating to Arway Corporation. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, ON

this 21st day of October, 2022.

Chief Executive Officer	Andrew Chan Chief Financial Officer
Promoter (if applicable)	Belinda Tyldesley Director
Jeff Dawley Jeffrey Dawley Director	

[print or type names beneath signatures]

4879-9366-9933, v. 9

Carve-Out Financial Statements of

ARway Business

(as defined in Note 1)

For The Years Ended July 31, 2022, 2021, and 2020

(Expressed in Canadian Dollars)

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Suite 1605, 1166 Alberni Street
Vancouver, BC Canada V6E 3Z3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ARway Business

Opinion

We have audited the carve-out financial statements of ARway Business (the "Business"), a division of Nextech AR Solutions Corp., which comprise the carve-out statements of financial position as at July 31, 2022, 2021, and 2020, and the carve-out statements of operations and comprehensive loss, changes in equity (deficit), and cash flows for the years then ended, and notes to the carve-out financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying carve-out financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2022, 2021, and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits 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 Carve-Out 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 carve-out 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

We draw attention to Note 2 in the carve-out financial statements, which describes maters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Business' ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, but does not include the carve-out financial statements and our auditor's report thereon.

Our opinion on the carve-out 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 carve-out financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the carve-out financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the carve-out financial statements, management is responsible for assessing the Business' 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 Business or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Carve-Out Financial Statements
Our objectives are to obtain reasonable assurance about whether the carve-out 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 carve-out 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 carve-out 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 Business' 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 carve-out 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 Business to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the carve-out financial statements, including the disclosures, and whether the carve-out 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.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

September 1, 2022

ARway Business

Carve-Out Statements of Financial Position
(Expressed in Canadian dollars)

	July 31, 2022 $	July 31, 2021 $	July 31, 2020 $
Assets			
Current assets			
Cash	–	3,693	127,447
Total current assets	–	3,693	127,447
Non-current assets			
Equipment	–	–	13,659
Total assets	–	3,693	141,106
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	–	5,199	4,014
Total current liabilities	–	5,199	4,014
Non-current liabilities			
Loan payable (Note 4)	–	86,715	87,955
Total liabilities	–	91,914	91,969
Divisional equity (deficit)			
Contributed surplus (deficit)	(3,606)	(88,276)	47,890
Accumulated other comprehensive income (loss)	3,606	55	1,247
Total divisional equity (deficit)	–	(88,221)	49,137
Total liabilities and divisional equity (deficit)	–	3,693	141,106

Nature of Operations and Continuance of Business (Note 2)
Subsequent Event (Note 6)

Approved by the Board of Directors

"Evan Gappelberg" , Director   *"Belinda Tyldesley"* , Director

See accompanying notes to these carve-out financial statements.

ARway Business

Carve-Out Statements of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

	Year ended July 31, 2022 $	Year ended July 31, 2021 $	Year ended July 31, 2020 $
Revenue	6,199	9,302	25,766
Expenses			
Depreciation	–	13,659	–
General and administrative (Note 5)	14,951	27,074	17,446
Research and development (Note 5)	550,985	221,749	73,577
Sales and marketing (Note 5)	–	4,386	233
Total operating expenses	565,936	266,868	91,256
Net loss for the year	(559,737)	(257,566)	(65,490)
Comprehensive income (loss)			
Foreign exchange translation gain (loss)	3,551	(1,192)	1,247
Comprehensive loss for the year	(556,186)	(258,758)	(64,243)

See accompanying notes to these carve-out financial statements.

ARway Business

Carve-Out Statements of Changes in Equity (Deficit)
(Expressed in Canadian dollars)

	Contributed surplus (deficit) $	Accumulated other comprehensive income (loss) $	Divisional equity (deficit) $
Balance, July 31, 2019	(77,623)	–	(77,623)
Net contributions and advances from ARway	191,003	–	191,003
Foreign exchange translation gain	–	1,247	1,247
Net loss for the year	(65,490)	–	(65,490)
Balance, July 31, 2020	47,890	1,247	49,137
Net contributions and advances from ARway	121,400	–	121,400
Foreign exchange translation loss	–	(1,192)	(1,192)
Net loss for the year	(257,566)	–	(257,566)
Balance, July 31, 2021	(88,276)	55	(88,221)
Net contributions and advances from ARway	644,407	–	644,407
Foreign exchange translation gain	–	3,551	3,551
Net loss for the year	(559,737)	–	(559,737)
Balance, July 31, 2022	(3,606)	3,606	–

See accompanying notes to these carve-out financial statements.

ARway Business

Carve-Out Statements of Cash Flows
(Expressed in Canadian dollars)

	Year ended July 31, 2022 $	Year ended July 31, 2021 $	Year ended July 31, 2020 $
Operating activities			
Net loss for the year	(559,737)	(257,566)	(65,490)
Items not involving cash:			
Depreciation	–	13,659	–
Changes in non-cash operating working capital:			
Accounts payable and accrued liabilities	(5,199)	1,185	4,014
Net cash used in operating activities	(564,936)	(242,722)	(61,476)
Investing activities			
Purchase of equipment	–	–	(13,659)
Net cash used in investing activities	–	–	(13,659)
Financing activities			
Contributions and advances from ARway, net	644,407	121,400	113,380
Proceeds from loan payable	–	–	87,955
Repayment of loan payable	(86,715)	–	–
Net cash provided by financing activities	557,692	121,400	201,335
Effect of foreign exchange rates on cash	3,551	(2,432)	1,247
Change in cash	(3,693)	(123,754)	127,447
Cash, beginning of year	3,693	127,447	–
Cash, end of year	–	3,693	127,447

See accompanying notes to these carve-out financial statements.

1. TRANSFER OF ASSETS AND BASIS OF PRESENTATION

On July 15, 2022, NexTech AR Solutions Corp. ("Nextech") incorporated 1000259749 Ontario Limited (the "Company") under the Business Corporations Act (Ontario). Nextech plans, through an internal reorganization, to transfer certain assets to the Company (the "ARway Business" or "Business") pursuant to a Plan of Arrangement.

These carve-out consolidated financial statements have been prepared for inclusion in Nextech's Management Information Circular. They reflect the financial position, statement of operations and comprehensive loss, equity, and cash flows of the ARway Business transferred to the Company by Nextech. As Nextech has not historically prepared financial statements for ARway Business, they have been prepared from the financial records of Nextech on a carve-out basis. The carve-out statements of financial position include all assets and liabilities directly attributable to the ARway Business. The carve-out statement of operations and comprehensive loss for each of the years ended July 31, 2022, 2021, and 2020 reflect all revenue and expenses directly attributable to the ARway Business.

2. NATURE OF OPERATIONS AND CONTINUANCE OF BUSINESS

The Business' principal business activity is the development and operation of intellectual property which includes the ARway application. ARway is a mobile app, all-in one no code real-world Metaverse creation tool, with self-generating AR mapping solutions for consumers and brands alike. The Business' head office is located at 121 Richmond Street West, Suite 501, Toronto, ON, Canada, M5H 2K1.

These carve-out financial statements have been prepared on a going concern basis which assumes that the Business will be able to realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. Continued operations of the Business are dependent on its ability to develop its intellectual property assets, receive continued financial support, complete equity financings, or generate profitable operations in the future. The carve-out financial statements do not include any adjustments to assets and liabilities should the Business be unable to continue as a going concern.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these carve-out financial statements, except as discussed below.

Statement of Compliance
These carve-out financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These carve-out financial statements were authorized for issuance by the Board of Directors on September 1, 2022.

These carve-out financial statements of ARway Business include certain assets, liabilities, and results of operations directly attributable to the AR Business acquired.

These carve-out financial statements have been prepared on a historical cost basis and are presented in Canadian dollars.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign Currency Translation

The carve-out financial statements are presented in Canadian dollars, except when otherwise indicated. The functional currency of each entity is measured using the currency of the primary economic environment in which the entity operates.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Business that are denominated in foreign currencies are translated at the rate of exchange at the reporting date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Foreign exchange gains and losses arising on translation are included in the carve-out statement of comprehensive loss.

Financial Instruments

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value in other comprehensive income ("FVOCI"); or fair value in profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial liabilities, are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired. In cases where the fair value option is chosen for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A single expected credit loss model is used for calculating impairment for financial assets, which is based on changes in credit quality since initial recognition.

Impairment of Financial Assets at Amortized Cost

The Business recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Business measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Business measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Business shall recognize in the statement of operations, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

The Business recognizes revenue in accordance with IFRS 15 *Revenue from Contracts with Customers*. Revenue represents the fair value on consideration received or receivable from customers for goods and services provided by the Business, net of discounts and sales taxes. The Business generates revenue from the sale of renewable software licenses, technology services, and eCommerce products.

Renewable software licenses

The Business sells software licenses on a specified term basis, with customer held options for renewal where the proceeds are considered to relate to the right to use the asset over the license period therefore revenue is recognized over that period. If it is determined that the license is not distinct from other performance obligations, revenue is recognized over time as the customer simultaneously receives and consumes the benefit.

Technology Services

For virtual events and technology services, the Business evaluates these arrangements to determine the appropriate unit of accounting (performance obligation) for revenue recognition purposes based on whether the service is distinct from some or all of the other services in the arrangement. A service is distinct if the customer can benefit from it on its own or together with other readily available resources and the Business' promise to transfer the service is separately identifiable from other promises in the contractual arrangement with the customer. Non-distinct services are combined with other services until they are distinct as a bundle and therefore form a single performance obligation. Recognition of revenue from contracts for virtual events and technology services is recognized over time based on the progress towards satisfying performance obligations.

Contract Assets

Contract asset represents the revenue which has not been billed but are expected to be billed and collected from customers for provision of services to date, and is valued at estimated net realizable value. Billings in excess of time value incurred on work in progress, for which future services will be provided, are recognized as contract liabilities.

Deferred and Unbilled Revenue

The timing of revenue recognition often differs from contract payment schedules, resulting in revenue that has been earned but not billed. These amounts are included in unbilled revenue within accounts receivable and other. Amounts billed in accordance with customer contracts, but not yet earned, are recorded and presented as part of deferred revenue.

The Business does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Business does not adjust any of the transaction prices for the time value of money.

Comprehensive Income Loss

Comprehensive income (loss) is the change in the Business' net assets that results from transactions, events, and circumstances from sources other than the Business' stakeholders. For the years ended July 31, 2022, 2021, and 2020, the Business' only component of comprehensive loss are foreign exchange translation gains and losses.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes
Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statement of comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Business does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Critical Accounting Estimates and Judgments
The preparation of the carve-out financial statements in accordance with IFRS requires management to make estimates, judgments, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, 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 estimates are revised and in any future periods affected.

Accounting Estimates
Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Critical Accounting Judgments
Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to:

<u>Going concern</u>
These carve-out financial statements have been prepared on a going concern basis, which assumes that the Business will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Business' ability to source future operations and continue as a going concern involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption is not appropriate for the carve-out financial statements, then adjustments would be necessary in the carrying value of the assets and liabilities, the reported revenue and the expenses and the carve-out statement of financial position classifications used.

<u>Revenue recognition</u>
The Business derives its revenue from provision of technology services for platform use which include the grant to use licenses, set up of the customer platform instance, and IT support services. The assessment of whether such services are separately identifiable performance obligations and the allocation of the total price among the performance obligations requires judgment from management.

<u>Research and development costs</u>
Research costs are recognized as an expense when incurred but development costs may be capitalized as intangible assets if certain conditions are met as described in IAS 38, Intangible Assets. Management has determined that development costs do not meet the conditions for capitalization under IAS 38 and all research and development costs have been expensed.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended July 31, 2022, and have not been early adopted in preparing these carve-out financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Business' financial statements.

4. LOAN PAYABLE

The loan was provided by the government through the Business' bank and bore interest at 2.5% per annum beginning on the 13th month that the loan was outstanding. The term of the loan was 6 years, however the loan was fully repaid in July 2022.

5. EXPENSES BY NATURE

The Company presents operating expenses by function except for depreciation. The following presents operating expenses by nature:

	Year ended July 31, 2022	Year ended July 31, 2021	Year ended July 31, 2020
Sales & Marketing			
Advertising	$ -	$ 4,386	$ 233
General & administrative			
Professional fees	$ 14,400	$ 12,065	$ 5,128
Rent	-	13,409	-
General expenses	420	1,456	8,484
Travel expenses	131	144	3,834
	$ 14,951	$ 27,074	$ 17,446
Reaserch & development			
Contractor fees	$ -	$ 113,645	$ 8,257
Wages & salaries	550,985	33,630	21,358
Computer software & maintenance		54,783	23,996
Other	-	19,691	19,967
	$ 550,985	$ 221,749	$ 73,577

6. SUBSEQUENT EVENT

Pursuant to a Plan of Arrangement dated July 29, 2022 (the "Arrangement") between Nextech and the Company, whereby the Company and a special purpose finance company, 1373222 B.C. Ltd. ("FinanceCo") will complete a spinout from Nextech.

In connection with the Arrangement, FinanceCo shall complete a private placement of a minimum of 6,000,000 subscription receipts ("Subscription Receipts") at a price of $0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of $1,500,000 (the "Private Placement"). Each Subscription Receipt will automatically convert upon the satisfaction or waiver of all conditions precedent to the Arrangement and certain other ancillary conditions (the "Release Conditions") into units ("Units") at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit ultimately being comprised of one common share of FinanceCo (a "FinanceCo Share") and one share purchase warrant (each such share purchase warrant, a "FinanceCo Warrant"), with each FinanceCo Warrant being exercisable to acquire one additional FinanceCo Share at an exercise price of $0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to FinanceCo. Immediately following the conversion of the Subscription Receipts, FinanceCo will amalgamate with a wholly-owned subsidiary of the Company pursuant to the Arrangement (the "Amalgamation") and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Company on a 1:1 basis.

Pursuant to the Arrangement: (i) the certain assets will be transferred to the Company in consideration of the issuance of an aggregate of 16,000,000 Company shares to Nextech; (ii) an aggregate of 4,000,000 Company shares will be distributed to the shareholders of Nextech on a pro rata basis; (iii) the Amalgamation shall be effected pursuant to which FinanceCo will amalgamate with a wholly-owned subsidiary of the Company, and the Company will acquire all of the issued and outstanding securities of FinanceCo from the holders thereof in exchange for the issuance of securities of the Company bearing equivalent terms and conditions to such holders. The securities of the Company issuable pursuant to the Arrangement to Nextech, shareholders of Nextech and securityholders of FinanceCo will be issued in reliance upon the prospectus exemption contained in Section 2.11 of National Instrument 45-106.

The completion of the transaction is subject to the satisfaction of various conditions including, but not limited to: i) the completion of the concurrent financing of up to $1,500,000 through the issuance of 6,000,000 common shares at a price of $0.25 per common share; and ii) receipt of all requisite regulatory, CSE, court or governmental authorizations, and third-party approvals or consents.

Financial Statements of

1000259749 Ontario Limited

For the Period From Incorporation on July 15, 2022 to August 31, 2022

(Expressed in Canadian Dollars)

SATURNAGROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Suite 1605, 1166 Alberni Street
Vancouver, BC Canada V6E 3Z3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of 1000259749 Ontario Limited

Opinion

We have audited the financial statements of 1000259749 Ontario Limited (the "Company"), which comprise the statement of financial position as at August 31, 2022 and the statements of changes in shareholders' equity and cash flows for the period from July 15, 2022 (date of incorporation) to August 31, 2022, 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 August 31, 2022, and its cash flows for the period from July 15, 2022 (date of incorporation) to August 31, 2022 in accordance with International Financial Reporting Standards.

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

We draw attention to Note 1 in the financial statements, which describes matters and conditions that indicate that the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

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, 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. If, based on the work we have performed, conclude that there is a material misstatement of this other information, we are required to report that fact. 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 International Financial Reporting Standards, 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.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

September 1, 2022

1000259749 Ontario Limited

Statements of Financial Position
(Expressed in Canadian dollars)

As at		
		August 31, 2022
Assets		
Current assets		
Cash	$	1
Total assets	$	1
Liabilities and Shareholders' Equity		
Shareholders' Equity		
Share capital (Note 3)		1
Total liabilities and shareholders' equity	$	1

Nature of Operations (Note 1)

Approved by the Board of Directors

"Evan Gappelberg ", Director *"Belinda Tyldesley"*, Director

See accompanying notes to these financial statements.

1000259749 Ontario Limited

Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Number of shares	Share capital	Deficit	Total
Balance as at July 15, 2022	-	$ -	$ -	$ -
Shares issued on incorporation	100	1	-	**1**
Total net loss	-	-	-	-
Balance as at August 31, 2022	**100**	**$ 1**	**$ -**	**$ 1**

See accompanying notes to these financial statements.

1000259749 Ontario Limited

Statements of Cash Flows
(Expressed in Canadian dollars)

		Period ended August 31, 2022
Cashflows from operating activities		
Net loss	$	-
Cashflows from financing activities		
Proceeds from share issuance on incorporation		1
Net cash provided by financing activities	$	1
Change in cash during the period		1
Cash, beginning of period		-
Cash, end of period	$	1

See accompanying notes to these financial statements.

1. NATURE OF OPERATIONS

1000259749 Ontario Limited (the "Company") was incorporated under the Business Corporations Act (Ontario) on July 15, 2022. The Company was incorporated as the target company for certain assets that are to be spun out from Nextech AR Solutions Corp. ("Nextech"). The Company is a wholly owned subsidiary of Nextech. The Company's registered and head office is located at 121 Richmond Street West, Suite 501, Toronto, Canada, M5H 2K1.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Basis of Presentation
These financial statements of the Company and its subsidiaries have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These consolidated financial statements were authorized for issue by the Board of Directors on September 1, 2022.

Basis of Measurement
These financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting except for cash flow information. The preparation of these consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates.

Financial Instruments
On initial recognition, a financial asset is classified as measured at: amortized cost; fair value in other comprehensive income ("FVOCI"); or fair value in profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial liabilities, are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are de-recognized when the obligations are discharged, cancelled, or expired. In cases where the fair value option is chosen for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A single expected credit loss model is used for calculating impairment for financial assets, which is based on changes in credit quality since initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the income statement, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Loss per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Income Taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statement of comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended August 31, 2022, and have not been early adopted in preparing these financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. SHARE CAPITAL

Authorized

Unlimited number of common shares

Issued and Outstanding

On July 15, 2022, the date of incorporation, the Company issued 100 common shares at a price of $1.

4. SUBSEQUENT EVENT

Pursuant to a Plan of Arrangement dated July 29, 2022 (the "Arrangement") between Nextech, 1373222 B.C. Ltd. ("FinanceCo"), and the Company, the Company and FinanceCo will complete a spinout from Nextech.

In connection with the Arrangement, FinanceCo shall complete a private placement of a minimum of 6,000,000 subscription receipts ("Subscription Receipts") at a price of $0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of $1,500,000 (the "Private Placement"). Each Subscription Receipt will automatically convert upon the satisfaction or waiver of all conditions precedent to the Arrangement and certain other ancillary conditions (the "Release Conditions") into units ("Units") at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit ultimately being comprised of one common share of FinanceCo (a "FinanceCo Share") and one share purchase warrant (each such share purchase warrant, a "FinanceCo Warrant"), with each FinanceCo Warrant being exercisable to acquire one additional FinanceCo Share at an exercise price of $0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to FinanceCo. Immediately following the conversion of the Subscription Receipts, FinanceCo will amalgamate with a wholly-owned subsidiary of the Company pursuant to the Arrangement (the "Amalgamation") and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Company on a 1:1 basis.

Pursuant to the Arrangement: (i) the certain assets will be transferred to the Company in consideration of the issuance of an aggregate of 16,000,000 Company shares to Nextech; (ii) an aggregate of 4,000,000 Company shares will be distributed to the shareholders of Nextech on a pro rata basis; (iii) the Amalgamation shall be effected pursuant to which FinanceCo will amalgamate with a wholly-owned subsidiary of the Company, and the Company will acquire all of the issued and outstanding securities of FinanceCo from the holders thereof in exchange for the issuance of securities of the Company bearing equivalent terms and conditions to such holders. The securities of the Company issuable pursuant to the Arrangement to Nextech, shareholders of Nextech and securityholders of FinanceCo will be issued in reliance upon the prospectus exemption contained in Section 2.11 of National Instrument 45-106.

The completion of the transaction is subject to the satisfaction of various conditions including, but not limited to: i) the completion of the concurrent financing of up to $1,500,000 through the issuance of 6,000,000 common shares at a price of $0.25 per common share; and ii) receipt of all requisite regulatory, CSE, court or governmental authorizations, and third-party approvals or consents.

Pro Forma Financial Statements of

1000259749 Ontario Limited

For The Year Ended August 31, 2022

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

1000259749 Ontario Limited

Pro Forma Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

As at	Carveout July 31, 2022	SpinCo August 31, 2022	FinanceCo August 31, 2022	Note	Pro Forma Adjustment	Pro Forma August 31, 2022
Assets						
Current assets						
Cash	$ -	$ 1	$ 1	3a)	$ 1,500,000	$ 1,500,002
	-	1	1		1,500,000	1,500,002
Non-current assets						
Equipment	$ -	$ -	$ -			$ -
Technology asset from Plan of Arrangement		-	-	3b)	2,000,000	2,000,000
Total assets	$ -	$ 1	$ 1		$ 3,500,000	$ 3,500,002
Liabilities and Shareholders' Equity						
Current liabilities						
Accounts payable and accrued liabilities	$ -	$ -	$ -		$ -	$ -
	-	-	-		-	-
Non-current liabilities						
Loan payable	-	-	-		-	-
Total liabilities	$ -	$ -	$ -		$ -	$ -
Shareholders' Equity						
Share capital (Note 4)	$ -	$ 1	$ 1	3a), 3b)	3,500,000	3,500,002
Contributed surplus (deficit)	(3,606)	-	-	3c)	3,606	-
Accumulated other comprehensive income (loss)	3,606	-	-	3c)	(3,606)	-
	3,606	1	1		3,496,394	3,500,002
Total liabilities and shareholders' equity	$ 3,606	$ 1	$ 1		$ 3,496,394	$ 3,500,002

Nature of Operations (Note 1)

See accompanying notes to the pro forma financial statements.

Approved by the Board of Directors

"Evan Gappelberg ", Director *"Belinda Tyldesley"*, Director

1000259749 Ontario Limited

Pro Forma Statements of Comprehensive Loss
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Year ended July 31, 2022	Note	Pro Forma Adjustment	Pro Forma August 31, 2022
Revenue	$ 6,199		$ -	$ 6,199
Cost of sales	-		-	-
Gross profit	6,199		-	6,199
Operating expenses:				
Sales and marketing	-		-	-
General and administrative	14,951		-	14,951
Research and development	550,985		-	550,985
	565,936		-	565,936
Other expense (income)				
Depreciation	-		-	-
	-		-	-
Loss before income taxes	(559,737)		-	(559,737)
Current income tax expense	-		-	-
Deferred income tax recovery	-		-	-
Net loss	$ (559,737)		$ -	$ (559,737)
Other comprehensive income (loss)				
Foreign exchange translation gain (loss)	3,551		-	3,551
Total comprehensive loss	$ (556,186)		$ -	$ (556,186)

See accompanying notes to the pro forma financial statements.

1. NATURE OF OPERATIONS

1000259749 Ontario Limited (the "Company") was incorporated under the Business Corporations Act (Ontario) on July 15, 2022. The Company was incorporated as the target company for certain assets that are to be spun out from Nextech AR Solutions Corp. ("Nextech"). The Company is a wholly owned subsidiary of Nextech. The Company's registered and head office is located at 121 Richmond Street W, Suite 501, Toronto, Canada M5H 2K1.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Basis of Presentation

These unaudited pro forma financial statements of the Company and its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The purpose of these unaudited pro forma financial statements is to give effect the Plan of Arrangement detailed in Note 5. In the opinion of management, these unaudited pro forma financial statements include all adjustments necessary for the fair presentation of the transactions described in Note 5 in accordance with IFRS (see Note 3 – Pro Forma Assumptions and Adjustments).

These unaudited pro forma financial statements have been prepared for illustrative purposes only and may not be indicative of the financial position that would have occurred if the transactions had taken place on the dates indicated for of the financial position which may be obtained in the future. The actual financial statements and results of the Company for any period following August 31, 2022 will likely vary from the amounts set forth in these unaudited pro forma financial statements and such variation may be material.

The unaudited pro forma statement of financial position has been prepared as if the Plan of Arrangement described in Note 5 had occurred on August 31, 2022, and represents a combination of the Company's audited financial statements as at August 31, 2022, FinanceCo's audited financial statements as at August 31, 2022, and the Carveout audited financial statements as at July 31, 2022. The unaudited pro forma statement of comprehensive loss has been prepared based on the Carveout audited financial statements as at July 31, 2022 as if the Plan of Arrangement described in Note 5 had occurred on August 1, 2021 and reflect 12 months of operations.

Foreign Currency Translation

The pro forma financial statements are presented in Canadian dollars, except when otherwise indicated. The functional currency of each entity is measured using the currency of the primary economic environment in which the entity operates. The functional currency of the Company is the Canadian dollar.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the reporting date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of comprehensive loss.

Financial Instruments
On initial recognition, a financial asset is classified as measured at: amortized cost; fair value in other comprehensive income ("FVOCI"); or fair value in profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial liabilities, are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are de-recognized when the obligations are discharged, cancelled or expired. In cases where the fair value option is chosen for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A single expected credit loss model is used for calculating impairment for financial assets, which is based on changes in credit quality since initial recognition.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Leases

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys this right the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

At inception or reassessment of a contract that contains lease and non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Share-Based Payment Transactions

The Company grants stock options to purchase common shares of the Company as well as equity instruments representing common shares to directors, officers, employees, and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by an employee, including directors of the Company. The fair value of the stock options granted is measured at grant date and each tranche is recognized on a graded basis over the vesting period. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense for unvested options is adjusted to reflect the number of the options that are expected to vest. If the options are forfeited subsequent to vesting or expire, the amount recorded to the reserves is transferred to deficit.

Revenue Recognition

The Company recognizes revenue in accordance with IFRS 15 *Revenue from Contracts with Customers*. Revenue represents the fair value on consideration received or receivable from customers for goods and services provided by the Company, net of discounts and sales taxes. The Company generates revenue from the sale of renewable software licenses and technology services.

Renewable software licenses

The Company sells software licenses on a specified term basis, with customer held options for renewal where the proceeds are considered to relate to the right to use the asset over the license period therefore revenue is recognized over that period. If it is determined that the license is not distinct from other performance obligations, revenue is recognized over time as the customer simultaneously receives and consumes the benefit.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Technology Services
For technology services, the Company evaluates these arrangements to determine the appropriate unit of accounting (performance obligation) for revenue recognition purposes based on whether the service is distinct from some or all of the other services in the arrangement. A service is distinct if the customer can benefit from it on its own or together with other readily available resources and the Company's promise to transfer the service is separately identifiable from other promises in the contractual arrangement with the customer. Non-distinct services are combined with other services until they are distinct as a bundle and therefore form a single performance obligation. Recognition of revenue from contracts for technology services is recognized over time based on the progress towards satisfying performance obligations.

Contract Assets
Contract asset represents the revenue which has not been billed but are expected to be billed and collected from customers for provision of services to date, and is valued at estimated net realizable value. Billings in excess of time value incurred on work in progress, for which future services will be provided, are recognized as contract liabilities.

Deferred and unbilled revenue
The timing of revenue recognition often differs from contract payment schedules, resulting in revenue that has been earned but not billed. These amounts are included in unbilled revenue within accounts receivable and other. Amounts billed in accordance with customer contracts, but not yet earned, are recorded and presented as part of deferred revenue.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Loss per Share
The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Income Taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the statement of comprehensive loss. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Critical Accounting Estimates and Judgments

The preparation of the pro forma financial statements in accordance with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income 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 estimates are revised and in any future periods affected.

Accounting Estimates

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year and include, but are not limited to, the following:

<u>Share-based payments</u>

Management is required to make a number of estimates when determining the fair value of the payments resulting from share-based transactions, including the forfeiture rate and expected life of the instruments.

<u>Revenue recognition</u>

The Company derives its revenue from provision of technology services for virtual events which include the grant to use licenses, set up of the events, and IT support services. The assessment of whether such services are separately identifiable performance obligations and the allocation of the total price among the performance obligations requires judgement from management.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Critical Accounting Judgments
Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to:

Going concern
The financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgement. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption is not appropriate for the financial statements, then adjustments would be necessary in the carrying value of the assets and liabilities, the reported revenue and the expenses and the statement of financial position classifications used.

Research and development costs
Research costs are recognized as an expense when incurred but development costs may be capitalized as intangible assets if certain conditions are met as described in IAS 38, Intangible Assets. Management has determined that development costs do not meet the conditions for capitalization under IAS 38 and all research and development costs have been expensed.

3. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

The unaudited pro forma consolidated financial statements incorporate the following pro forma assumptions and adjustments to give effect to the transaction described in Note 5 as if they had occurred on August 1, 2021 in the case of the unaudited pro forma consolidated statement of financial position:

a. Financing

In connection with the Plan of Arrangement, the Company will have received $1,500,000 in proceeds through the issuance of 6,000,000 units at a price of $0.25 per unit. Each unit is comprised of one common share and one share purchase warrant, with each warrant exercisable at $0.50 per common shares over the next three years from the date of issuance.

b. Transfer of assets

In connection with the Plan of Arrangement, Nextech will transfer the intellectual property and technology assets related to the platform to the Company in exchange for the issuance of 19,999,900 common shares in accordance with IFRS 2 Share-Based Payments. Since the transaction is with a non-employee, the value of the technology asset transferred was determined by the fairness opinion management received based on the Plan of Arrangement with a value of approximately $2,000,000, resulting in an implied price of $0.10 per share, which satisfies the fair value requirements under IFRS 2. The date of the fairness opinion coincides with the date of these financial statements.

3. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS (continued)

c. Contributed surplus (deficit)

Contributed surplus (deficit) reflect the cumulative contributions to the Business from Nextech and its subsidiaries to pay for expenses incurred by the Business as reflected in the Carveout financial statements. These balances will not survive after the Plan of Arrangement has been executed and will be forgiven by Nextech and its subsidiaries as part of the arrangement as the value is reflected in the asset transferred and will be recovered by the parent as stated in Note 3b.

4. SHARE CAPITAL

Authorized

As at August 31, 2022 the authorized share capital of the Company was an unlimited number of common shares.

Issued and Outstanding

As at August 31, 2022, the Company has issued and outstanding 100 common shares, and taking into account the pro forma assumptions and adjustments in Note 3a) an additional 6,000,000 common shares would be issued and in Note 3b) an additional 19,999,900 commons shares would be issued for a total of 26,000,000 common shares.

5. PLAN OF ARRANGEMENT

In these unaudited pro forma financial statements, it is assumed that the Company completed the Plan of Arrangement under the Business Corporations Act (British Columbia) with the Company, whereby the Company and a special purpose finance company, 1373222 B.C. Ltd. ("FinanceCo") completed a spinout from Nextech as follows.

In connection with the Arrangement, FinanceCo shall complete a private placement of a minimum of 6,000,000 subscription receipts ("Subscription Receipts") at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of C$1,500,000 (the "Private Placement"). Each Subscription Receipt will automatically convert upon the satisfaction or waiver of all conditions precedent to the Arrangement and certain other ancillary conditions (the "Release Conditions") into units ("Units") at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit ultimately being comprised of one (1) common share of FinanceCo (a "FinanceCo Share") and one share purchase warrant (each such share purchase warrant, a "FinanceCo Warrant"), with each FinanceCo Warrant being exercisable to acquire one (1) additional FinanceCo Share at an exercise price of C$0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to FinanceCo. Immediately following the conversion of the Subscription Receipts, FinanceCo will amalgamate with a wholly-owned subsidiary of the Company pursuant to the Arrangement (the "Amalgamation") and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Company on a 1:1 basis.

5. PLAN OF ARRANGEMENT (continued)

Pursuant to the Arrangement: (i) the certain assets will be transferred to the Company in consideration of the issuance of an aggregate of 16,000,000 Company shares to Nextech; (ii) an aggregate of 4,000,000 Company shares will be distributed to the shareholders of Nextech on a pro rata basis; (iii) the Amalgamation shall be effected pursuant to which FinanceCo will amalgamate with a wholly-owned subsidiary of the Company, and the Company will acquire all of the issued and outstanding securities of FinanceCo from the holders thereof in exchange for the issuance of securities of the Company bearing equivalent terms and conditions to such holders. The securities of the Company issuable pursuant to the Arrangement to Nextech, shareholders of Nextech and securityholders of FinanceCo will be issued in reliance upon the prospectus exemption contained in Section 2.11 of National Instrument 45-106.

The completion of the transaction is subject to the satisfaction of various conditions including but not limited to: i) the completion of the concurrent financing of up to $1.5 million through the issuance of 6 million common shares at a price of $0.25 per common share; and ii) receipt of all requisite regulatory, CSE, court or governmental authorizations and third party approvals or consents.

Financial Statements of

1373222 B.C. LTD.

For the Period From Incorporation on July 28, 2022 to August 31, 2022

(Expressed in Canadian Dollars)

SATURNA GROUP
CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Suite 1605, 1166 Alberni Street
Vancouver, BC Canada V6E 3Z3

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of 1373222 B.C. Ltd.

Opinion

We have audited the financial statements of 1373222 B.C. Ltd. (the "Company"), which comprise the statement of financial position as at August 31, 2022 and the statements of changes in shareholders' equity and cash flows for the period from July 28, 2022 (date of incorporation) to August 31, 2022, 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 August 31, 2022, and its cash flows for the period from July 28, 2022 (date of incorporation) to August 31, 2022 in accordance with International Financial Reporting Standards.

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

We draw attention to Note 1 in the financial statements, which describes matters and conditions that indicate that the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

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, 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. If, based on the work we have performed, conclude that there is a material misstatement of this other information, we are required to report that fact. 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 International Financial Reporting Standards, 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.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

September 1, 2022

1373222 B.C. LTD.

Statements of Financial Position
(Expressed in Canadian dollars)

As at		
		August 31, 2022
Assets		
Current assets		
Cash	$	1
Total assets	$	1
Liabilities and Shareholders' Equity		
Shareholders' Equity		
Share capital (Note 3)		1
Total liabilities and shareholders' equity	$	1

Nature of Operations (Note 1)

Approved by the Board of Directors

"Evan Gappelberg " , Director *"Belinda Tyldesley"* , Director

See accompanying notes to these financial statements.

1373222 B.C. LTD.

Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)

	Number of shares	Share capital	Deficit	Total
Balance as at July 28, 2022	-	$ -	$ -	$ -
Shares issued on incorporation	1	1	-	**1**
Total net loss	-	-	-	-
Balance as at August 31, 2022	**1**	**$ 1**	**$ -**	**$ 1**

See accompanying notes to these financial statements.

1373222 B.C. LTD.

Statements of Cash Flows
(Expressed in Canadian dollars)

		Period ended August 31, 2022
Cashflows from operating activities		
Net loss	$	-
Cashflows from financing activities		
Proceeds from share issuance on incorporation		1
Net cash provided by financing activities	$	1
Change in cash during the period		1
Cash, beginning of period		-
Cash, end of period	$	1

See accompanying notes to these financial statements.

1. NATURE OF OPERATIONS

1373222 B.C. Ltd. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on July 28, 2022. The Company was incorporated as a special finance company as part of the Plan of Arrangement (see Note 4). The Company is a wholly owned subsidiary of Nextech AR Solutions Corp. ("Nextech"). The Company's registered and head office is located at 121 Richmond Street West, Suite 501, Toronto, Canada, M5H 2K1.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

Basis of Presentation

These financial statements of the Company have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements were authorized for issuance by the Board of Directors on September 1, 2022.

Basis of Measurement

These financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting except for cash flow information. The preparation of these financial statements requires management to make judgments, estimates, and assumptions that affect the application of the accounting policies and reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from these estimates.

Financial Instruments

On initial recognition, a financial asset is classified as measured at: amortized cost; fair value in other comprehensive income ("FVOCI"); or fair value in profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial liabilities, are recognized initially at fair value net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest and any transaction costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition. Other financial liabilities are de-recognized when the obligations are discharged, cancelled, or expired. In cases where the fair value option is chosen for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

A single expected credit loss model is used for calculating impairment for financial assets, which is based on changes in credit quality since initial recognition.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the income statement, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Income Taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the income statement. Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

Loss per Share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to equity shareholders of the Company by the weighted average number of common shares issued and outstanding during the period. Diluted loss per share is calculated by adjusting the loss attributable to equity shareholders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

Accounting Standards Issued But Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the period ended August 31, 2022, and have not been early adopted in preparing these financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. SHARE CAPITAL

Authorized

Unlimited number of common shares

Issued and Outstanding

On July 28, 2022, the date of incorporation, the Company issued 1 common share at a price of $1.

4. SUBSEQUENT EVENT

Pursuant to a Plan of Arrangement dated July 29, 2022 (the "Arrangement") between Nextech, 1000259749 Ontario Limited ("SpinCo"), and the Company, the Company and Spinco will complete a spinout from Nextech.

In connection with the Arrangement, the Company shall complete a private placement of a minimum of 6,000,000 subscription receipts ("Subscription Receipts") at a price of $0.25 per Subscription Receipt to raise aggregate gross proceeds of a minimum of $1,500,000 (the "Private Placement"). Each Subscription Receipt will automatically convert upon the satisfaction or waiver of all conditions precedent to the Arrangement and certain other ancillary conditions (the "Release Conditions") into units ("Units") at no additional cost to, and without further action by, the holder of such Subscription Receipt, with each Unit ultimately being comprised of one common share of the Company (a "Company Share") and one share purchase warrant (each such share purchase warrant, a "Company Warrant"), with each Company Warrant being exercisable to acquire one additional Company Share at an exercise price of $0.50 for a period of three years from the date of issuance. The gross proceeds from the Private Placement will be held in escrow pending the satisfaction of the Release Conditions, whereupon the Units underlying the Subscription Receipts will be issued to the purchasers and the gross proceeds of the Private Placement will be paid to the Company. Immediately following the conversion of the Subscription Receipts, the Company will amalgamate with a wholly-owned subsidiary of SpinCo pursuant to the Arrangement (the "Amalgamation") and all Company Shares and Company Warrants shall be exchanged for equivalent securities of the SpinCo on a 1:1 basis.

Pursuant to the Arrangement: (i) the certain assets will be transferred to SpinCo in consideration of the issuance of an aggregate of 16,000,000 SpinCo shares to Nextech; (ii) an aggregate of 4,000,000 SpinCo shares will be distributed to the shareholders of Nextech on a pro rata basis; (iii) the Amalgamation shall be effected pursuant to which the Company will amalgamate with a wholly-owned subsidiary of SpinCo, and SpinCo will acquire all of the issued and outstanding securities of the Company from the holders thereof in exchange for the issuance of securities of SpinCo bearing equivalent terms and conditions to such holders. The securities of SpinCo issuable pursuant to the Arrangement to Nextech, shareholders of Nextech and securityholders of the Company will be issued in reliance upon the prospectus exemption contained in Section 2.11 of National Instrument 45-106.

The completion of the transaction is subject to the satisfaction of various conditions including, but not limited to: i) the completion of the concurrent financing of up to $1,500,000 through the issuance of 6,000,000 common shares at a price of $0.25 per common share; and ii) receipt of all requisite regulatory, CSE, court or governmental authorizations, and third-party approvals or consents.