TOGGLE3D.ai Inc.
Form 2A - Listing Statement

June 7, 2023

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.

"**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 April 5, 2023 between the Issuer, Nextech and FinanceCo governing the terms and conditions of the Arrangement.

"**Asset Purchase Agreement**" means the agreement to be entered into between Nextech and the Issuer pursuant to which the Issuer acquires the Spinout Assets and assumes the Spinout Liabilities.

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

"AR" means augmented reality.

"**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.

"CAD files" means digital files that house 3D & 2D designs as well as information regarding materials, processes, tolerances, and other data, which from design to production, everything begins with the CAD file.

"CAD-Poly Model" or " **CAD2POLY"** means an approach for modeling objects by representing or approximating their surfaces using polygon meshes.

"**CAGR**" means compound annual growth rate.

"**Carve-Out Financial Statements**" means the audited carve-out financial statements of Nextech related to the Spinout Assets for the fiscal years ended December 31, 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 April 12, 2023 prepared by RwE Growth Partners, Inc.

"**FinanceCo**" means 1400330 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 Cdn$0.50 for a period of three years from the date of issuance provided that in the event that the closing price of the FinanceCo Shares is equal to or exceeds Cdn$1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade, FinanceCo may thereafter at any time disseminate a press release announcing the acceleration of such expiry date to a date that is 30 days following the date of such press release.

"**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.

"**Information Circular**" means the management information circular of Nextech dated April 18, 2023 available on SEDAR at www.sedar.com.

"**Issuer**" means Toggle3D.ai Inc., 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.

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

"**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*.

"**OBCA**" means the *Business Corporations Act* (Ontario).

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

"**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 8,632,473 Subscription Receipts at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of C$2,158,118.25.

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

"QUAD" means a clean, quad-based model to create topology that is straightforward, provides edge flow that can easily be adjusted, and yields a predictable outcome for subdivision.

"**Related Person**" shall have the meaning ascribed thereto in the policies of the CSE.

"**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 July 15, 2023; 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 share purchase warrants of the Issuer, each of which shall entitle the holder to acquire one Spinco Share at an exercise price of Cdn$0.50 for a period of three (3) years from the date of issuance of such Spinco Warrants, provided that in the event that the closing price of the Spinco Shares is equal to or exceeds Cdn$1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade, the Issuer may thereafter at any time disseminate a press release announcing the acceleration of such expiry date to a date that is 30 days following the date of such press release.

"**Spinout Assets**" means all right, title and interest in and to all direct and indirect assets of Nextech utilized in connection with the creation of the AR enhanced standalone web application Toggle3D which enables the creation, customization and publishing of high-quality 3D models and experiences, 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 1402354 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 subscription receipts of FinanceCo issued pursuant to the Private Placement, each of which shall automatically convert upon the satisfaction of the Release Conditions prior to the Release Deadline, into one Unit consisting of one FinanceCo Share and one FinanceCo Warrant.

"**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 (1) FinanceCo Warrant.

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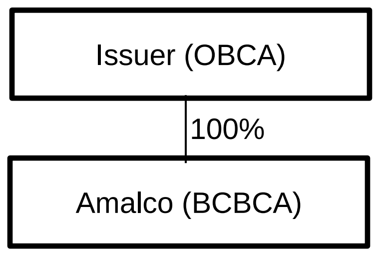
2. CORPORATE STRUCTURE

2.1 The full corporate name of the Issuer is "Toggle3D.ai Inc.". The registered office of the Issuer is located at 77 King Street West, Suite 3000, Toronto, Ontario, M5K 1G8 and its head office is located at PO Box 64039, RPO Royal Bank Plaza, Toronto, Ontario M5J 2T6.

2.2 The Issuer was incorporated as "Toggle3D AI Inc." under the OBCA on February 14, 2023. Effective February 14, 2023, the name of the Issuer was changed to "Toggle3D.ai Inc." pursuant to articles of amendment. Effective June 7, 2023, the private company restrictions in the articles of the Issuer were removed pursuant to articles of amendment.

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



Upon completion of the Arrangement, it is anticipated that (i) the Amalgamation will be completed pursuant to which Subco shall amalgamate with FinanceCo to continue as Amalco; and (ii) Nextech will be the legal and beneficial owner of approximately 45.4% of the issued and outstanding Spinco Shares (assuming completion of the Shares for Services Distribution as contemplated herein).

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 April 5, 2023 between the Issuer, Nextech and FinanceCo. After the effective date of the Arrangement, the Issuer will be engaged in the business of developing and operating an AR enhanced standalone web application which enables product designers, 3D artists, marketing professionals and eCommerce site owners to create, customize and publish high-quality 3D models and experiences without any technical or 3D design knowledge required. The Issuer believes that Toggle3D is the first platform of its kind, and this break-through SaaS product is a potential game changer for the manufacturing and design industry, as it provides a viable solution to convert large CAD files into lightweight 3D models at affordable prices and at scale.

Toggle3D is a web-based design studio which means the user can access everything on the browser and start designing instantly. No desktop downloads involved, no updates to keep track of, and no system requirements to worry about. All the templates are organized into project panels that a user can access anywhere and seamlessly navigate between. This is different from how legacy software were built back in the day with the software package being broken out into multiple desktop apps that would require the user to understand system compatibility, download, sync, and learn independently.

Toggle3D will allow advanced, in-app collaboration. These new sets of features will allow multiple users to work at the same time and on the same project resulting in quick feedback and decision making cross-department, and team. These tools will allow businesses to adopt 3D organization-wide and unlock the power of group iteration. Users could set up workflows, permissions, and version history to keep up with real-time design changes. These advanced collaboration cycles are harder to set up in desktop apps and may sometimes slowdown or isolate the design workflow.

3.2 Effective April 5, 2023, 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);

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

  - renaming and redesignating all of its issued and unissued common shares of Nextech as Class A common shares; and

  - creating a new class consisting of an unlimited number of common 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.

The Issuer currently anticipates that upon closing of the Arrangement, (i) an aggregate of 4,000,000 Spinco Shares (representing approximately 14% of all issued and outstanding Spinco Shares) will be distributed to shareholders of Nextech on a pro rata basis pursuant to the Pro Rata Share Distribution; (ii) an aggregate of 3,000,000 Spinco Shares (representing approximately 10.5% of all issued and outstanding Spinco Shares) to be received by the Issuer pursuant to the Arrangement will be transferred to certain service providers of the Issuer in consideration of past services and other indebtedness (the "**Shares for Services Distribution**"); and (iii) an aggregate of 13,000,000 Spinco Shares (representing approximately 45.4% of all issued and outstanding Spinco Shares) will be retained by Nextech. It is presently anticipated that the Spinco Shares to be distributed pursuant to the Shares for Services Distribution will be allocated as follows (subject to amendment at the discretion of the Nextech Board).

Name/Position with Nextech	Number of Spinco Shares to be Received
Evan Gappelberg, Chief Executive Officer	1,300,000(1)
Ronald Oginski, Consultant	25,000(2)
Nima Sarshar, Employee	1,000,000(2)
Dasha Vdovina, Employee	200,000(2)
Carmine Milone, Employee	200,000(2)
Omid Alemi, Employee	100,000(2)
Reza Davariar, Employee	100,000(2)
Andrew Chan, Chief Financial Officer	75,000(2)

(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 the designated consultants/employees of Nextech in consideration of past services, pursuant to agreements to be entered into amongst such parties prior to the Effective Date.

As a condition of the completion of the Arrangement, FinanceCo completed the Private Placement pursuant to which it issued 8,632,473 Subscription Receipts at a price of C$0.25 per Subscription Receipt to raise aggregate gross proceeds of Cdn$2,158,118.25.

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 FinanceCo Share and one FinanceCo Warrant. 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 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 Toggle3D AI platform and related products, and for general corporate purposes. The Private Placement closed on May 26, 2023.

The Fairness Opinion in respect of the Arrangement has been prepared by RwE Growth Partners, Inc. In preparing the Fairness Opinion for the proposed Arrangement, RwE Growth Partners, Inc. 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, Inc. is of the opinion that, as of February 28, 2023, the Arrangement is fair, from a financial point of view, to the shareholders of Nextech. A copy of the Fairness Opinion is available for inspection at the offices of counsel to the Issuer during regular business hours at 77 King Street West, Suite 3000, Toronto, Ontario, M5K 1G8.

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 its generative AI powered Toggle3D platform. 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 the 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.

In September 2022, Nextech launched its AI Powered SaaS software platform "Toggle 3D" which is part of its CAD-Poly Model market. Toggle3D is an AR enhanced standalone web application which enables product designers, 3D artists, marketing professionals and eCommerce site owners to convert, texture, customize and publish high-quality 3D models and experiences without any technical or 3D design knowledge required. Nextech believes that Toggle3D is the first platform of its kind, and this break-through SaaS product is a potential game changer for the manufacturing and design industry, as it provides a viable solution to convert large CAD files into lightweight 3D models at affordable prices and at scale.

Three-Year History

The idea of a CAD converter that can bridge the world of engineering 3D computer-aided-design (CAD) and the art of 3D modeling was first examined at Threedy.ai in 2019, and first lines of code for a primitive CAD to 3D mesh converter were written at that time. Nextech subsequently acquired Threedy.ai in June 2021. Following such acquisition, the team at Threedy.ai began utilizing the resources of Nextech to commence development of the Toggle3D platform. The development commenced an internal project known as CAD2POLY in December 2021 which continued for 5 months until April 2022. This project was a prototype for converting small CAD files to triangulated meshes, with some texturing capabilities in an internal web portal. The development was recommenced with proper stagging in August 2021, and the first alpha version of the product was released in September 2022. Major upgrades to the UX/UI of the product, as well as integration of AI tools for texture expansion and material creation were integrated, and a beta product with payment options for a "pro tier" was launched to the public on January 19, 2023 which entails a higher monthly fee for access to additional features such as an unlimited number of designs and increased storage space. The release offered 1000+ pre-built materials accessible to users in all tiers. The ability of converting CAD models to QUAD meshes in a pro account was added in February 2023.

For the balance of the current year ending December 31, 2023, the Issuer expects to complete its application for listing of the Spinco Shares on the CSE and advance the milestones set forth under the heading "*Milestones*" below.

Background of the Transaction

Nextech previously successfully completed a spin-out of its wholly-owned subsidiary Arway Corporation ("**Arway**"), in October 2022 pursuant to a plan of arrangement under the BCBCA. Prior to completion of such plan of arrangement, Nextech engaged in discussions with a third party reporting issuer to effect a reverse take-over, which would have resulted in Nextech and its shareholders collectively holding approximately 66% of the resulting issuer, and the shareholders of the third party retaining approximately 33% of the resulting issuer, upon closing of the transaction. Following further deliberations, Nextech determined to terminate discussions with the third party and proceed with a direct spin-out of Arway which it considered to be more efficient and less dilutive to its shareholders. Following the success of the Arway plan of arrangement, Nextech has proposed the Arrangement on substantially the same terms in order to enhance shareholder value through the spinout of the Toggle3D standalone web application.

Accordingly, the Nextech Board commenced discussions regarding a direct spinout of the Spinout Assets pursuant to the Arrangement. As it was anticipated that directors and officers of the Issuer would receive Spinco Shares pursuant to the Shares for Services Distribution in connection with the proposed Arrangement, the Nextech Board established an independent special committee (the "**Special Committee**") to review and provide recommendations to the Nextech Board regarding the Arrangement.

Special Committee Composition and Mandate

The mandate of the Special Committee included reviewing and assessing the Arrangement, considering potential alternatives and advising the Nextech Board accordingly. In addition, the Special Committee was vested with control over its processes respecting the holding of meetings, the quorum therefor, the timing and location thereof, the individuals present thereat and such other matters as the Special Committee considered necessary or desirable to discharge its mandate. The Special Committee was comprised of Mr. Jeff Dawley and Mr. David Cramb, each of whom were independent. No chair of the Special Committee was appointed.

Engagement of Advisors

The Special Committee determined to retain an independent financial advisor to provide a fairness opinion in respect of the Arrangement. After discussions with management, the Special

Committee was in agreement with the retention of RwE Growth Partners, Inc. (the "**Fairness Advisor**") to provide a fairness opinion in this regard. The Special Committee considered the qualifications, experience and independence of the Fairness Advisor and its expertise in advising special committees. The Special Committee held detailed discussions with Mr. Richard Evans of the Fairness Advisor and reviewed an engagement letter with the Fairness Advisor providing for engagement of the Fairness Advisor to advise the Special Committee in respect of the fairness of the Arrangement from a financial point of view, to the shareholders of Nextech. The Fairness Advisor was not engaged to prepare a formal valuation as that term is defined in Multilateral Instrument 61-101, as an applicable exemption from the formal valuation requirements of such instrument was available in connection with the Arrangement. The Fairness Advisor subsequently met several times with management in order to gather information required for its review. The Fairness Advisor was compensated on the basis of a fixed fee, agreed upon in advance of its engagement and was not provided any form of contingent compensation tied to success or completion or approval of the Arrangement. The Fairness Advisor and the Special Committee believed that a fixed fee compensation arrangement without any amounts contingent on approval or completion of the Arrangement would ensure that the fee structure would not compromise the Fairness Advisor's independence in its evaluation of the fairness of the Arrangement. There existed no economic or personal relationship between the Fairness Advisor and the Special Committee or any of the parties to the Arrangement.

Valuation

The Fairness Advisor delivered a written Fairness Opinion dated effective April 12, 2023 to the Special Committee. In preparing the Fairness Opinion, the Fairness Advisor considered the proposed terms of the Arrangement, relevant industry and economic factors, background information relating to both Nextech and the Issuer and the Spinout Assets and conducted research into recent market transactions involving assets and companies somewhat comparable to the Spinout Assets. The foregoing summary of the Fairness Opinion is qualified in its entirely by the full text of the Fairness Opinion, and the assumptions and limitations set forth therein, a copy of which is appended to this Listing Statement at Schedule "B".

Business Objectives

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 Q2 2023; and
- further develop and commercialize the Spinout Assets as detailed below under the heading "Milestones".

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.

Milestones/Events	Estimated Timeline	Estimated Cost
Development of Collaboration Features	Q2 to Q3 2023	$410,000
Allow users to add feedback to 3D models (i.e add comments, resolve them, and respond)	*Q2 2023*	
Set up notifications page for any feedback left for the user on their designs	*Q2 2023*	
Allow users to retain version history of their work	*Q2 2023*	
Allow users to set design sharing permissions	*Q2 2023*	
Allow users to set up team workspaces	*Q3 2023*	
Allow users to collaborate in real time with users on their team	*Q3 2023*	
Allows users to collaborate with external users invited to temporarily share their license	*Q3 2023*	
Development of Virtual Photography Template	Q2 2023	$325,000
Allow users to add environments to their 3D model	*Q2 2023*	
Allow users to load multiple 3D models in one scene	*Q2 2023*	
Allow for babylon scene interporability to permit users to seamlessly bring one design scene into another	*Q2 2023*	
Build pre-set stock background library	*Q2 2023*	
Develop the ability to render 3D scenes into high-quality photorealistic photography	*Q2 2023*	
Enhancements to Configurator, Modeling and Materials Templates	Q2 2023 to Q1 2024	$225,000
Build preview templates to allow for 3D viewer configuration	*Q3 2023*	
Allow users to add custom branding to 3D viewer	*Q2 2023*	
Allow users to bake models and export in different formats	*Q1 2024*	
Allow users to add decals to models	*Q1 2024*	
Enhance texturing features to speed up modeling process	*Q3 2023*	
Allow users to publish directly to different platforms and websites through plugins and extensions	*Q4 2023*	
Develop Platform Analytics	Q4 2023 to Q1 2024	$200,000
Integrate user activity tracking within the app to better understand user behavior	*Q4 2023*	
Build administrative analytics dashboard to track user behavior	*Q4 2023*	
Build dashboard for users to track public design views and CTA	*Q1 2024*	
Expand plugin initiative to connect other platforms	*Q1 2024*	
	Total	**$1,160,000**

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
Product Manufacturing	Q1-Q2 2023
Advertising and Marketing	Q2 2023
Entertainment	Q3 2023
Architectural Applications	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, assuming completion of the Arrangement, and all anticipated expenses of the Arrangement to be funded by Nextech, it is anticipated that the Issuer will have available cash of approximately Cdn$2,158,118 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, based on completion of the Private Placement that raised aggregate gross proceeds of approximately Cdn$2,158,118.

Principal Purpose	Amount (Cdn$)(1)
Development of Collaboration Features (see sections titled "Business Objectives" and "Milestones" above)	$410,000
Development of Virtual Photography Template (see sections titled "Business Objectives" and "Milestones" above)	$325,000
Enhancements to Configurator, Modeling and Materials Templates (see sections titled "Business Objectives" and "Milestones" above)	$225,000
Develop Platform Analytics (see sections titled "Business Objectives" and "Milestones" above)	$200,000
General and administrative expenses	$340,000(2)
Unallocated	$658,118

(1) All amounts presented in Canadian dollars.
(2) Consists of transfer agent fees ($5,000), legal fees ($40,000), audit costs ($30,000), estimated management and consulting fees ($250,000), insurance expenses ($5,000) and office administration and other miscellaneous expenses ($10,000).

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*".

4.2 Principal Products or Services

Toggle3D is an AR enhanced standalone web application which enables product designers, 3D artists, marketing professionals and eCommerce site owners to convert, texture, customize and publish high-quality 3D models and experiences without any technical or 3D design knowledge required. All these functionalities happen within one web application, making it an all-in-one platform solution for 3D design. The Toggle3D platform is made up of a few important technological components in this regard, as further described below.

Component 1: Converter

Toggle3D converts CAD files and other 3D formats into lightweight, web-friendly 3D models. Recently, the Toggle3D platform converter was upgraded to produce quad tessellations. This increases the overall quality of 3D models as they are converted from CAD files and offers more control over the model.

Before a user can use their CAD files for 3D CGI (computer generated imagery), the solids in their design have to be tessellated to turn into surfaces. Most CAD software today allow users to naively convert CAD files into a 3D model mesh for which the surfaces are made up of triangles. However, triangle meshes are considered lower quality by experienced 3D artists. Currently, to create quad meshes from CAD files, users first have to export the CAD files into triangulated meshes, and then use other software to re-mesh the triangulated meshes into quad meshes. Unfortunately, details of the model are usually lost in this 'CAD to triangles to quads' translation. Toggle3D, however, converts CAD surfaces into quad meshes directly. Part of the process is described in Nextech's patent applications titled "THREE-DIMENSIONAL (3D) MODEL GENERATION FROM COMPUTER-AIDED DESIGN (CAD) DATA", filed on March 29, 2022 and "MATERIAL ESTIMATION FOR THREE-DIMENSIONAL (3D) MODELLING", filed on March 29, 2022. These patent applications will form part of the Spinout Assets to be acquired by the Issuer pursuant to the Asset Purchase Agreement, and are further described in the chart below:

Title	Description	Date Filed	Status	Jurisdiction
THREE-DIMENSIONAL (3D) MODEL GENERATION FROM COMPUTER-AIDED DESIGN (CAD) DATA	Covers core artificial intelligence algorithms for creating 3D models automatically from 2D photos	March 29, 2022	Non-provisional utility patent	United States
MATERIAL ESTIMATION FOR THREE-DIMENSIONAL (3D) MODELLING	Covers the artificial intelligence techniques for creating 3D textures and materials automatically from 2D reference photos	March 29, 2022	Non-provisional utility patent	United States

(1) There are two different types of utility patent applications in the United States: (i) provisional applications; and (ii) non-provisional applications. The provisional application is a patent application filed with the U.S. Patent and Trademark Office ("USPTO") which involves less formal documentation and is not subject to examination by the USPTO. The provisional application has a one year term and is not legally enforceable. In order for a provisional application date to be effective, a non-provisional patent application must be prepared and filed within one year of the provisional application. The non-provisional patent application is a more detailed filing and subject to examination by the USPTO.

A patent granted on the basis of the non-provisional application is legally enforceable in the United States. The filing of a provisional application is not a pre-requisite to the filing of a non-provisional application.

CAD is a function of product engineering, and the use of CAD files is ubiquitous across manufacturing verticals including automotive, aerospace, industrial machinery, civil and construction, electrical & electronics, pharmaceutical, healthcare, consumer goods and others. Industrial designers, working for product manufacturers, use CAD software like AutoCAD, and SolidWorks to design many of the products in the modern world.

Component 2: Material Creation

Toggle3D has launched an AI generated Physics Based Rendering (PBR) material creation tool within the app which now allows users to make high-quality 3D materials from a reference image at scale.

Reference images often contain small patches of patterns and textures, making it difficult for artists to recreate them in a high-quality manner. However, this generative AI-powered technology is a breakthrough in texture expansion, allowing for the first time for real-time, interactive texture expansion. The technology was able to expand a 250x191 pixel patch more than 160 times into a 4K image in just 40.5 seconds.

In comparison, state-of-the-art texture expansion solutions in the literature either do not create high-quality expanded textures or take hours to run for such high-resolution outputs. Toggle3D's technology shows over 720-fold improvement in speed, the state-of-the-art (in quality) texture expansion method took more than 29836 seconds (more than 8 hours) to run with no visible change in quality.

Component 3: Texturing and Building Configurators

Toggle3D allows users to import and convert 3D geometries that can then be textured. The process of texturing is described as adding PBR materials to the surface of the 3D to make it look realistic. Toggle3D has optimized this workflow to be a simple point-and-click procedure that speeds up the industry texturing process and allows users with no previous 3D experience to complete the task. In addition to adding one texture to each part of the model, users can also assign multiple materials to the same part of the 3D model which builds a configurator. By assigning multiple materials, users can use one 3D model to showcase multiple 3D materials useful for prototyping or displaying to online customers for custom orders.

Component 4: Sharing and WebAR

Once the user builds their 3D model, they can send a share link for anyone to view their models and configurators on the web. Additionally, users are provided an embed code that they can take outside the app to add their 3D visualizations in other workspaces or on their e-commerce product pages. Each 3D experience comes with an augmented reality (AR) QR code to view the 3D asset digitally in the physical world.

The Toggle3D platform expected to be developed over the ensuing 12 months as set forth above under the heading "*Milestones*". 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 direct-to-consumer brands, 3D service firms and marketing agencies, engineering product design firms, B2B manufacturers, academic institutions and others as further detailed under the heading. "*Milestones*". See also section titled "*Production and Sales*" below.

4.3 Production and Sales

The Spinout Assets will form the primary business of the Issuer following completion of the Arrangement.

Toggle3D Industry Overview

As a software web-application for manufacturing and design, Toggle3D applies to the Global Computer Graphics Imagery (CGI) Industry. Due to advancements in the digital technologies, computer programming and increased adoption of electronic devices, the Global Computer Graphics Market is projected to reach $308 billion USD by 2030, with a compound annual growth rate (CAGR) of 6%, according to Transparency Market Research, 2020. Alternatively, Knowledge Sourcing Intelligence in 2022 estimated the CGI market to reach $340 billion USD by 2027, with a CAGR of 6.67%. Lastly, ReportLinker in March 2023 revised their market projection for CGI to reach $321 billion by 2030, growing at CAGR 6.1%. Specifically, ReportLinker segmented the CGI Application Software to reach $196 billion in the forecasted period, growing at a rate of 6.5% CAGR.

The Computer Graphics Imagery Market includes software applications in image processing, design, animation, and visualization in both 2D and 3D. Through conducting industry analysis, the Issuer believes the key drivers of the CGI market are the widening scope in computer graphics applications and the demand for more efficient and cost-effective solutions. As the industry continues to evolve, there has been a strong transition from 2D to 3D as the demand for interactive and more realistic designs propels the industry. A few notable market drivers are the effects of the entertainment industry that is seeing a demand for improved graphical representation of characters, objects, and scenes which is supported with the use of 3D computer graphics. Additionally, the importance of CAD as the fundamental method for the development of industrial machinery, product design, buildings, automotive and input to movement and image processing.

Simultaneously, as the growing use cases for 3D continue to expand, so do the users involved with these technologies. The Issuer believes Toggle3D is positioned well to absorb the industry revolution taking place with 3D computer graphics as it allows users to capitalize on this growth in an easy way that supports the need for efficient, productive, and cost-effective solutions.

Issuer's Positioning and Competitive Differentiators

Upon completion of the Arrangement, the Issuer will be seeking to enter the CGI market, as it provides a viable solution to convert and texture large CAD files into lightweight 3D models for the web at affordable prices and at scale, thus seeking to capture a larger market share and generate more revenue.

Positioning and Competitive Differentiators

Toggle3D is uniquely positioned to disrupt the design software market by making 3D easy, scalable, and accessible for all teams of the organization. Its new approach to 3D design will improve the workflows for current users in the industry and welcome new customers that are missed by today's players due to the complexity of their platforms.

1. **No Learning Curve**: What makes Toggle3D different from the legacy 3D design software is its ease-of-use and democratization of 3D design. The goal is for anyone with no prior technical or 3D design experience to be able to hop into the platform and create a high-quality 3D visual in minutes. This is unlike legacy 3D modeling systems, that require months to truly feel comfortable with. Users would first be required to learn and understand the industry lingo, learn what the tools do and then learn how to use them in the legacy software. Meanwhile, we have streamlined this process in Toggle3D by "humanizing" 3D design terminology, creating templates to guide creation and simplifying the tools using machine learning to transfer the complexity out of the user experience into the backend platform, and instead allow more room for creativity.

2. **Web-based**: Toggle3D is a web-based design studio which means the user can access everything on the browser and start designing instantly. No desktop downloads involved, no updates to keep track of, and no system requirements to worry about. All the templates are organized into project panels that a user can access anywhere and seamlessly navigate between. This is different from how legacy software were built back in the day with the software package being broken out into multiple desktop apps that would require the user to understand system compatibility, download, sync, and learn independently.

3. **Collaboration:** Toggle3D will allow advanced, in-app collaboration. These sets of features to be built in Q2 2023 that will allow multiple users to work at the same time and on the same project, resulting in quick feedback and decision making cross-department and team. These tools will allow businesses to adopt 3D organization-wide and unlock the power of group iteration. Users could set up workflows, permissions, and version history to keep up with real-time design changes. These advanced collaboration cycles are harder to set up in desktop apps and may sometimes slowdown or isolate the design workflow.

4. **AI-Powered Creation:** Toggle3D has built and will continuing developing advanced AI tools inside the app that will continue to make texturing, modeling, and creating easier and faster for advanced and new 3D artists. With streamlined and technologically empowered workflows, Toggle3D is changing the manual ways 3D is created today, while still providing enough creative flexibility and freedom for users to add their own twist to the finished product. For example, rather than building a material from scratch map by map as currently done in the legacy software platforms, Toggle3D uses advanced texture expansion to build the material for the user in just a few seconds with no manual work required from the user. These advances will allow new customers to enter the industry that would not have been able to learn 3D before and will speed up creation flows for experience 3D artists.

Development and Production

The idea of a CAD converter that can bridge the world of engineering 3D computer-aided-design (CAD) and the art of 3D modeling was first examined at Threedy.ai in 2019, and first lines of code for a primitive CAD to 3D mesh converter were written at that time. Nextech subsequently acquired Threedy.ai in June 2021. Following such acquisition, the team at Threedy.ai began utilizing the resources of Nextech to commence development of the Toggle3D platform. Following the completion of the Arrangement, the Issuer intends to further develop the Spinout Assets as set forth above under the heading "*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.

4.4 Competitive Conditions

The Issuer's technology business plan will leverage the rapid adoption and widening demand for 3D in the computer graphics market to target various market segments, including product manufacturing, entertainment, advertising, marketing, and architectural applications. 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 Computer Graphics Market industry is rapidly changing and highly competitive. Notably, the Issuer will compete with legacy computer graphics players. Nextech has identified the following entities as the key competitors in the Computer Graphics Industry: Adobe Systems Ltd, Nvidia Corporation, Autodesk Inc, Siemens PLM Software and Dessault Systemes SA. All of the foregoing information is estimated and based on the Issuer's knowledge, information, and belief unless otherwise stated.

See also "*Positioning and Competitive Differentiators*" above.

4.5 The Issuer does not carry on any lending operations.

4.6 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.

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

4.8 The Issuer has not implemented any social or environmental policies.

4.9 The Issuer has no asset backed securities outstanding.

4.10 The Issuer has no mineral projects.

4.11 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 February 14, 2023, to March 31, 2023, derived from the audited consolidated financial statements of the Issuer for the period from incorporation of the Issuer on February 14, 2023 to March 31, 2023 (the "**Issuer Financial Statements**") included as Schedule "A" to the Listing Statement.

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

The following table is a summary of selected consolidated annual financial information of FinanceCo for the period from incorporation of FinanceCo on February 10, 2023 to March 31, 2023, derived from the audited consolidated financial statements of FinanceCo for the period from incorporation of FinanceCo on February 10, 2023 to March 31, 2023, included as Schedule "A" to the Listing Statement.

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, included as Schedule "A" to this Listing Statement are the audited Carve-Out Financial Statements related to the Spinout Assets for the fiscal years ended December 31, 2021 and 2022. The Issuer 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 December 31, 2021 and 2022, all of which is qualified by the more detailed information contained in the Carve-Out Financial Statements included as Schedule "A" to this Listing Statement.

	Fiscal Year ended December 31, 2022	Fiscal Year ended December 31, 2021
Revenue	Nil	Nil
Total Loss	780,192	173,061
Basic and diluted net loss per share	N/A	N/A
Total Assets	Nil	Nil
Total Liabilities	Nil	Nil

5.2 Quarterly Information

The Issuer was incorporated on February 14, 2023, FinanceCo was incorporated on February 10, 2023, and Subco was incorporated on February 24, 2023. None of the Issuer, Subco, or FinanceCo has completed a financial year, and therefore no quarterly information is available.

5.3 Dividends

The Issuer has not declared any 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.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

A. MD&A of the Issuer for the Period from Incorporation on February 14, 2023 to March 31, 2023

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 February 14, 2023 to March 31, 2023. 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 February 14, 2023 to March 31, 2023, 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

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interpretations of the IFRIC. Information contained herein is presented as of March 31, 2023, 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 Toggle3D application. Toggle3D is an AR enhanced standalone web application which enables product designers, 3D artists, marketing professionals and eCommerce site owners to create, customize and publish high-quality 3D models and experiences without any technical or 3D design knowledge required. 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 "Toggle3D.ai Inc." under the OBCA on February 14, 2023. Effective April 5, 2023, Nextech, the Issuer and FinanceCo entered into the Arrangement Agreement pursuant to which they are proposing to effect the Arrangement whereby Nextech and its shareholders 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 its issued and unissued common shares as

Class A common shares; and

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

- each Nextech shareholder 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 Nextech 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 shareholders of FinanceCo exercising their applicable dissent rights) 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, provided that in the event that the closing price of the FinanceCo Shares is equal to or exceeds Cdn$1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade, FinanceCo may thereafter at any time disseminate a press release announcing the acceleration of such expiry date to a date that is 30 days following the date of such press release. 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 for further development and promotion of the Toggle3D and its 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 early June 2023; 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.

Milestones/Events	**Estimated Timeline**	**Estimated Cost**
Development of Collaboration Features	**Q2 2023**	**$410,000**
Allow users to add feedback to 3D models (i.e. add comments, resolve them, and respond)	*Q2 2023*	
Set up notifications page for any feedback left for the user on their designs	*Q2 2023*	
Allow users to keep version history of their work	*Q2 2023*	
Allow users to set design sharing permissions	*Q2 2023*	
Allow user to set up team workspaces	*Q3 2023*	
Allow users to collaborate in real time with users on their team	*Q3 2023*	
Allows users to collaborate with external users invited to temporarily share their license	*Q3 2023*	
Development of Virtual Photography Template	**Q2 2023**	**$325,000**
Allow users to add environments to their 3D model	*Q2 2023*	
Allow users to load multiple 3D models in one scene	*Q2 2023*	
Allow for babylon scene interporability to let users seamlessly bring one design scene into another	*Q2 2023*	

Build pre-set stock background library	*Q2 2023*	
Develop the ability to render 3D scenes into high-quality photorealistic photography	*Q2 2023*	
Enhancements to Configurator, Modeling and Materials Templates	**Q3 2023**	**$225,000**
Build preview templates to allow for 3D viewer configuration	*Q3 2023*	
Allow users to add custom branding to 3D viewer	*Q2 2023*	
Allow users to bake models and export in different formats	*Q1 2023*	
Allow users to add decals to models	*Q1 2023*	
Enhance texturing features to speed up modeling process	*Q3 2023*	
Allow to publish directly to different platforms and websites through plugins and extensions	*Q4 2023*	
Develop Platform Analytics	**Q4 2023 - Q1 2024**	**$200,000**
Integrate user activity tracking inside the app to better understand user behavior	*Q4 2023*	
Build Admin Analytics Dashboard to Track User Behavior	*Q4 2023*	
Build Dashboard for users to track public design views and CTA	*Q1 2024*	
Expand Plugin Initiative to connect other platforms	*Q1 2024*	
	Total	**$1,160,000**

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**
Product Manufacturing	Q1 2023
Advertising and Marketing	Q2 2023
Entertainment	Q3 2023
Architectural Applications	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. See also “Narrative Description of the Business - Total Available Funds”, “Narrative Description of the Business - Business Objectives" and "Narrative Description of the Business - Milestones” above.

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 March 31, 2023 and for the period from the incorporation of the Issuer on February 14, 2023 to March 31, 2023.

Description	**Period Ended March 31, 2023 $**
Total revenues	nil
Total loss (1)(2)	nil
Net loss per common share – basic and diluted (3)(4)	nil

Description	As at March 31, 2023 $
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 (February 14, 2023) to March 31, 2023

There were no revenue or expenses during the period. The Issuer's objective as a company is described above under the heading "Operational Highlights".

Liquidity and Capital Resources

As at March 31, 2023, 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 March 31, 2023, 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. See “Risk Factors” and “Forward Looking Statements” in the Information Circular and this Listing Statement, which are incorporated herein by reference. 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 February 14, 2023, the Issuer did not give effect to any transactions with related parties during the period from the date of its incorporation (February 14, 2023) to March 31, 2023. As at March 31, 2023, 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.

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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 National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), the Venture Issuer Basic Certificate filed by the Issuer does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**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:

(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 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 February 14, 2023 to March 31, 2023.

B. MD&A of FinanceCo for the Period from Incorporation on February 10, 2023 to March 31, 2023

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 February 10, 2023 to March 31, 2023.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 February 10, 2023 to March 31, 2023, 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 March 31, 2023, 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 FinanceCo.

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. 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 February 10, 2023. Effective April 5, 2023, Nextech, the Issuer and FinanceCo entered into the Arrangement Agreement pursuant to which they are proposing to effect the Arrangement whereby Nextech and its shareholders 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 its issued and unissued common shares as Class A common shares; and

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

- each Nextech shareholder 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 Nextech 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 shareholders of FinanceCo exercising their applicable dissent rights) 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 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, provided that in the event that the closing price of the FinanceCo Shares is equal to or exceeds Cdn$1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade, FinanceCo may thereafter at any time disseminate a press release announcing the acceleration of such expiry date to a date that is 30 days following the date of such press release. 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 Toggle3D and its 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 March 31, 2023 and for the period from the incorporation of FinanceCo on February 10, 2023 to March 31, 2023.

Description	Period Ended March 31, 2023 $
Total revenues	nil
Total loss (1)(2)	nil
Net loss per common share – basic and diluted (3)(4)	nil

Description	As at March 31, 2023 $
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 (February 10, 2023) to March 31, 2023

There were no revenue or expenses during the period. FinanceCo's objective as a company is described above under the heading "Operational Highlights".

Liquidity and Capital Resources

As at March 31, 2023, 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 March 31, 2023, FinanceCo had 100 FinanceCo 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 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" and "Forward Looking Statements" in the Information Circular and this Listing Statement, which are incorporated herein by reference.

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 100 FinanceCo Shares 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 (February 10, 2023) to March 31, 2023.

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 100 issued and outstanding FinanceCo 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 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 52-109. 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).

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 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 February 10, 2023 to March 31, 2023.

C. MD&A for the Business for the Fiscal Years Ended December 31, 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 December 31, 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 December 31, 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 March 31, 2023, unless otherwise indicated.

For the purposes of preparing this MD&A, management, in conjunction with the Nextech 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 Nextech 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 the Issuer, or from www.sedar.com.

Description of Business

Currently, the Business operates within Nextech as an integrated division developing the Toggle3D 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 Toogle3D application. Toggle3D is an AR enhanced standalone web application which enables product designers, 3D artists, marketing professionals and eCommerce site owners to create, customize and publish high-quality 3D models and experiences without any technical or 3D design knowledge required. To date, the Issuer 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” above.

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, December 31, 2020, 2021 and 2022.

Description	Fiscal Year Ended December 31, 2022 $	Fiscal Year Ended December 31, 2021 $	Fiscal Year Ended December 31, 2020 $
Total revenues	N/A	N/A	N/A
Total loss (1)(2)	780,192	173,061	N/A
Net loss per common share – basic and diluted (3)(4)	N/A	N/A	N/A

Description	As at December 31, 2022 $	As at December 31, 2021 $	As at December 31, 2020 $
Total assets	nil	nil	nil
Total non-current financial liabilities	nil	nil	nil

Description	As at December 31, 2022 $	As at December 31, 2021 $	As at December 31, 2020 $
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:

(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, 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”.

Fiscal Year Ended December 31, 2022

Operational Highlights

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

- CAD2POLY launched, a prototype for converting small CAD files to triangulated meshes, with some texturing capabilities in an internal web portal.
- Toggle3D Alpha version was released in September 2022.
- Major upgrades to the UX/UI, integration of AI tools for texture expansion and material creation, and Beta produce with payment options for Pro subscription tier was launched in January 2023.
- Ability to convert CAD models to QUAD meshes in Pro subscriptions was added in February 2023.

Effective April 5, 2023, Nextech, the Issuer and FinanceCo entered into the Arrangement Agreement pursuant to which they are proposing to effect the Arrangement whereby Nextech and its shareholders 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 its issued and unissued common shares as Class A common shares; and

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

- each Nextech shareholder 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 Nextech 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 shareholders of FinanceCo exercising their applicable dissent rights) 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 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, provided that in the event that the closing price of the FinanceCo Shares is equal to or exceeds Cdn$1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade, FinanceCo may thereafter at any time disseminate a press release announcing the acceleration of such expiry date to a date that is 30 days following the date of such press release. 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 for further development and promotion of the Spinout Assets, 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.

Milestones/Events	Estimated Timeline	Estimated Cost
Development of Collaboration Features	**Q2 2023**	**$410,000**
Allow users to add feedback to 3D models (i.e add comments, resolve them, and respond)	*Q2 2023*	
Set up notifications page for any feedback left for the user on their designs	*Q2 2023*	
Allow users to keep version history of their work	*Q2 2023*	
Allow users to set design sharing permissions	*Q2 2023*	
Allow user to set up team workspaces	*Q3 2023*	
Allow users to collaborate in real time with users on their team	*Q3 2023*	
Allows users to collaborate with external users invited to temporarily share their license	*Q3 2023*	
Development of Virtual Photography Template	**Q2 2023**	**$325,000**
Allow users to add environments to their 3D model	*Q2 2023*	
Allow users to load multiple 3D models in one scene	*Q2 2023*	
Allow for babylon scene interporability to let users seamlessly bring one design scene into another	*Q2 2023*	
Build pre-set stock background library	*Q2 2023*	
Develop the ability to render 3D scenes into high-quality photorealistic photography	*Q2 2023*	
Enhancements to Configurator, Modeling and Materials Templates	**Q3 2023**	**$225,000**
Build preview templates to allow for 3D viewer configuration	*Q3 2023*	
Allow users to add custom branding to 3D viewer	*Q2 2023*	
Allow users to bake models and export in different formats	*Q1 2023*	

Allow users to add decals to models	*Q1 2023*	
Enhance texturing features to speed up modeling process	*Q3 2023*	
Allow to publish directly to different platforms and websites through plugins and extensions	*Q4 2023*	
Develop Platform Analytics	**Q4 2023 - Q1 2024**	**$200,000**
Integrate user activity tracking inside the app to better understand user behavior	*Q4 2023*	
Build Admin Analytics Dashboard to Track User Behavior	*Q4 2023*	
Build Dashboard for users to track public design views and CTA	*Q1 2024*	
Expand Plugin Initiative to connect other platforms	*Q1 2024*	
	Total	**$1,160,000**

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
Product Manufacturing	Q1 2023
Advertising and Marketing	Q2 2023
Entertainment	Q3 2023
Architectural Applications	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. See also “Narrative Description of the Business - Total Available Funds”, “Narrative Description of the Business - Business Objectives" and "Narrative Description of the Business - Milestones” above.

Discussion of Operations

During the fiscal year ended December 31, 2022, the Business was focused on the development of Toggle3D to the commercialization stage, in connection with which $780,192 of expenses were incurred. These expenses principally related to salaries and wages for technology development staff. This amount is an increase over the expenses of $173,061 for the fiscal year ended December 31, 2021, which increase was principally related to the acquisition of the Business by Nextech in connection with its acquisition of Threedy.ai in June 2021, and the subsequent commitment of additional resources by Nextech towards the development of the Toggle3D platform and associated technology during the fiscal year, with a view to achieving commercialization by early 2023. No other material expenditures were incurred, that could be reliably and accurately be attributed to the Business as those expenditures (such as hosting costs) were incurred by Nextech for the company as a whole with no reliable or accurate method of allocation to Business.

Liquidity and Capital Resources

As at December 31, 2022, the Business had total assets of $nil (December 31, 2021 - $nil), total liabilities of $nil (December 31, 2021 - $nil) and a net equity position of $nil (December 31, 2021 - $nil). 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 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" and "Forward Looking Statements" in the Information Circular and this Listing Statement, which are incorporated herein by reference. 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 Nextech Board, 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 December 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.

Fiscal Year Ended December 31, 2021

Operational Highlights

During the fiscal year ended December 31, 2021, Nextech acquired Threedy.ai and began to build the Alpha version of the Toggle3D platform, a prototype for converting small CAD files to triangulated meshes, with some texturing capabilities in an internal web portal, the project was internally called CAD2POLY.

Discussion of Operations

During the fiscal year ended December 31, 2021, the Business was focused upon the development of Toggle3D, spending the majority of funds on development of the platform.

Liquidity and Capital Resources

As at December 31, 2021, the Business had total assets of $nil (December 31, 2020 - $nil) total liabilities of $nil (December 31, 2020 - $nil) and a net equity position of $nil (December 31, 2020 - $nil). 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” below.

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 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” 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” and “Forward Looking Statements” in the Information Circular and this Listing Statement, which are incorporated herein by reference. 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 Nextech Board, 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 December 31, 2021 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.

Intentionally Left Blank

(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.

7. MARKET FOR SECURITIES

Currently, there is no market for the Spinco Shares. Listing is subject to the Issuer meeting the initial listing requirements of the CSE and meeting all conditions of listing imposed by the CSE, including filing a standalone listing statement. There can, however, be no assurance as to if, or when, the Spinco Shares will be listed for trading on the CSE.

8. CONSOLIDATED CAPITALIZATION

8.1 The following table sets out the share and loan capital of the Issuer, based on completion of the Private Placement which raised aggregate gross proceeds of Cdn$2,158,118.25. The table should be read in conjunction with the audited financial statements referenced in this Listing Statement.

Capital	Authorized	Amount Outstanding as of March 31, 2023	Amount Outstanding as of the date of the Listing Statement	Amount Outstanding Assuming Completion of Arrangement
Spinco Shares	Unlimited	100	100	28,632,473(1)
Spinco Warrants	8,632,473	Nil	Nil	8,632,473(2)

(1) Represents 20,000,000 Spinco Shares issuable to Nextech and its shareholders, in the aggregate, in connection with the Arrangement and 8,632,473 Spinco Shares issuable upon conversion of the Subscription Receipts and completion of the Amalgamation.

(2) Represents 8,632,473 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 will be implemented upon acceptance by 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 the 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 Cdn$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, subject to requisite shareholder approval where required.

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 28,632,473 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 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.

10.3 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.

10.4 The Issuer has no debt securities.

10.5 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 8,632,473 Spinco Warrants to be issued in exchange for the FinanceCo 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 provided that in the event that the closing price of the Spinco Shares is equal to or exceeds Cdn$1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade, the Issuer may thereafter at any time disseminate a press release announcing the acceleration of such expiry date to a date that is 30 days following the date of such press release.

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.

10.6 Prior Sales

On February 14, 2023, the Issuer issued 100 Spinco Shares to Nextech. Other than the foregoing, the Issuer has not issued any other shares as of the date of this Listing Statement. On the Effective Date, it is expected that 28,632,473 Spinco Shares will be issued and outstanding assuming completion of the Arrangement pursuant to its terms, and the conversion of all Subscription Receipts (assuming conversion of all Subscription Receipts issued pursuant to the Private Placement). Based on the foregoing assumptions, an aggregate of 28,632,473 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, 8,632,473 will be held by subscribers in the Private Placement, 13,000,000 will be retained by Nextech and 3,000,000 will be transferred by Nextech to certain service providers pursuant to the Shares for Services Distribution.

10.7 Listing of Spinco Shares

An application has been made for the listing of the Spinco Shares on the CSE. Listing will be subject to the Issuer fulfilling all the initial listing requirements of the CSE. There can be no assurances as to if, or when, the Spinco Shares will be listed or traded on the CSE, or any other stock exchange. As at the date of the Listing Statement, there is no market through which the Spinco Shares to be distributed pursuant to the Arrangement may be sold and shareholders may not be able to resell the Spinco Shares to be distributed to them pursuant to the Arrangement. This may affect the pricing of the Spinco Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Spinco Shares, and the extent of issuer regulation. As at the date of the 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 TSX, the CSE, a U.S. marketplace, or a marketplace outside Canada and the United States of America.

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 46-201. 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	1/4 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 14,775,417 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**"), as follows:

Name and Position of Escrow Holder	**Number of Escrowed Securities**	**Percentage of Class(1)**
Nextech Significant Shareholder	13,000,000 Spinco Shares	45.4%
Evan Gappelberg Director and Chief Executive Officer	1,696,137 Spinco Shares(2)	5.9%(2)
Belinda Tyldesley Director and Corporate Secretary	2,367 Spinco Shares(3)	0.01%(3)
Andrew Chan Chief Financial Officer	76,913 Spinco Shares(4)	0.3%(4)
Jeff Dawley Director	Nil Spinco Shares(5)	0%(5)

(1) Percentage calculated based upon 28,632,473 Spinco Shares issued and outstanding upon completion of the Arrangement, including the issuance of 8,632,473 Spinco Shares upon conversion of the Subscription Receipts.
(2) Calculated based upon (i) 1,300,000 Spinco Shares to be issued to Mr. Gappelberg pursuant to the Shares for Services Distribution; and (ii) 396,137 Spinco Shares to be distributed to Mr. Gappelberg pursuant to the Pro Rata Share Distribution.

(3) Calculated based upon 2,367 Spinco Shares to be distributed to Ms. Tyldesley pursuant to the Pro Rata Share Distribution.
(4) Calculated based upon (i) 75,000 Spinco Shares to be issued to Mr. Chan pursuant to the Shares for Services Distribution; and (ii) 1,913 Spinco Shares to be distributed to Mr. Chan pursuant to the Pro Rata Share Distribution.
(5) Calculated based upon no Spinco Shares to be distributed to Mr. Dawley pursuant to the Pro Rata Share 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 1,477,541 Spinco Shares) will be released from escrow on the date the Spinco Shares are listed on the CSE (the "Listing Date"). The remaining 13,297,876 Spinco Shares which will be held in escrow immediately following the Listing Date will represent 46.4% 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 Nextech, which will hold approximately 45.4% of the outstanding Spinco Shares.

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[2]	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][8] New York, USA Chief Executive Officer and Director	Chief Executive Officer of Nextech and Arway	1,696,137 (5.9%)[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.	2,367 (0.01%)[6]	Closing of the Arrangement
Jeff Dawley[1] Ontario, Canada Director	Director of Nextech, Chair of Audit Committee	Nil (0%)[5]	Closing of the Arrangement
Andrew Chan Ontario, Canada Chief Financial Officer	Chief Financial Officer of Nextech and Arway	176,913 (0.6%)[7]	February 14, 2023

(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.
(3) Figures calculated based upon 28,632,473 Spinco Shares issued and outstanding upon completion of the Arrangement, including the issuance of 8,632,473 Spinco Shares upon conversion of the Subscription Receipts.
(4) Calculated assuming (i) 1,300,000 Spinco Shares to be issued to Mr. Gappelberg pursuant to the Shares for Services Distribution; and (ii) 396,137 Spinco Shares to be distributed to Mr. Gappelberg pursuant to the Pro Rata Share Distribution.
(5) Calculated assuming no Spinco Shares to be distributed to Mr. Dawley pursuant to the Pro Rata Share Distribution.
(6) Calculated assuming 2,367 Spinco Shares to be distributed to Ms. Tyldesley pursuant to the Pro Rata Share Distribution.
(7) Calculated assuming (i) 75,000 Spinco Shares to be issued to Mr. Chan pursuant to the Shares for Services Distribution; (ii) 100,000 Spinco Shares to be issued to Mr. Chan upon conversion of the Subscription Receipts; and (iii) 1,913 Spinco Shares to be distributed to Mr. Chan pursuant to the Pro Rata Share Distribution.
(8) Mr. Evan Gappelberg resides outside of Canada. Mr. Gappelberg has appointed Fogler, Rubinoff LLP at Suite 3000, 77 King Street West, Toronto, Ontario, Canada, M5K 1G8, as his agent for service of process in Canada.

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 1,875,417 Spinco Shares, or approximately 6.5% 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.

13.4 Board Committees

The Board has no standing committees other than the Audit Committee and the Compensation Committee.

Audit Committee

Pursuant to NI 52-110, the Issuer is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Issuer or an affiliate of the Issuer.

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by: (a) reviewing the financial reports and other financial information provided by the Issuer to regulatory authorities and shareholders; (b) reviewing the systems for internal corporate controls which have been established by the Board and management; and (c) overseeing the Issuer's financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Audit Committee is also mandated to review and approve all material related party transactions.

Upon completion of the Arrangement, the Issuer will have an Audit Committee consisting of Belinda Tyldesley, Jeff Dawley 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 of the Issuer, as defined under NI 52-110. Mr. Gappelberg is not independent of the Issuer as a result of his role as an executive officer of the Issuer. The Board may from time to time establish additional committees.

Compensation Committee

Upon completion of the Arrangement, the Issuer expects to have a Compensation Committee comprised of Jeff Dawley and Belinda Tyldesley. The primary function of the Compensation Committee is to assess and make recommendations with respect to executive compensation matters and equity awards.

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 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.

13.9 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 and Arway. 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.

13.10 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 each of Nextech and Arway. He was also co-founder and CEO of an app development company which created, published and owns over 500 apps for both Apple's iTunes store and the Google Play store. Prior to being an 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 expects to dedicate approximately 25% of his time to the Issuer. It is not currently anticipated that Mr. Gappelberg will enter into a confidentiality or non-competition agreement with 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 each of Nextech and Arway. Ms. Tyldesley expects to dedicate approximately 10% of her time to the Issuer. It is not currently anticipated that Ms. Tyldesley will enter into a confidentiality or non-competition agreement with 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. It is not currently anticipated that Mr. Dawley will enter into a confidentiality or non-competition agreement with the Issuer.

Andrew Chan – Chief Financial Officer, Age 46. Mr. Chan has over 21 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 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 revenue forecasting and delivery. He currently serves as the Chief Financial Officer of each of Nextech and Arway. 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. Mr. Chan expects to dedicate approximately 25% of his time to the Issuer. It is not currently anticipated that Mr. Chan will enter into a confidentiality or non-competition agreement with the Issuer.

14. CAPITALIZATION

14.1

Issued Capital

Set forth below is the anticipated capitalization of the Issuer upon completion of the Arrangement.

	Number of Securities (non-diluted)	Number of Securities (fully diluted)	% of issued (non-diluted)	% of issued (fully diluted)
Public Float				
Total outstanding (A)	28,632,473	37,264,946	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)	14,875,417(1)	14,975,417(1)	52%	40.2%
Total Public Float (A-B)	13,757,056	22,289,529	48%	59.8%
Freely-Tradeable Float	13,857,056	22,489,529	48.4%	60.4%
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)	13,000,000 (1)	13,000,000 (1)	45.4%	34.9%

	Number of Securities (non-diluted)	Number of Securities (fully diluted)	% of issued (non-diluted)	% of issued (fully diluted)
Total Tradeable Float (A-C)	15,632,473	24,264,946	54.6%	65.1%

(1) Based upon the knowledge of the Issuer as of the date of this Listing Statement.

Public Securityholders (Registered)

Set forth below is a summary of the anticipated registered shareholders of the Issuer comprising the Public Float upon completion of the Arrangement.

Class of Security

Size of Holding	Number of holders[1]	Total number of securities[1]
1 — 99 securities	42	282
100 — 499 securities	18	4,631
500 — 999 securities	7	5,700
1,000 — 1,999 securities	5	7,164
2,000 — 2,999 securities	6	15,280
3,000 — 3,999 securities	4	13,349
4,000 — 4,999 securities	2	8,163
5,000 or more securities	36	13,702,338
Total	120	13,756,907 [2]

(1) ***Based on the registered shareholders register of Nextech as at June 7, 2023***, assuming completion of the Arrangement and Shares for Services Distribution, and the issuance of Spinco Shares upon conversion of the Subscription Receipts, less the shareholdings of Related Persons. All amounts subject to minor adjustment for rounding in connection with the Pro Rata Share Distribution.

(2) Numbers may not add due to rounding.

Non-Public Securityholders (Beneficial)

Set forth below is a summary of the anticipated beneficial shareholdings of the Issuer held by Related Persons upon completion of the Arrangement.

Class of Security

Size of Holding	Number of holders[(1)]	Total number of securities[(1)]
1 — 99 securities		
100 — 499 securities		
500 — 999 securities		
1,000 — 1,999 securities		
2,000 — 2,999 securities	1	2,367
3,000 — 3,999 securities		
4,000 — 4,999 securities		
5,000 or more securities	3	14,873,050
Unable to confirm		

(1) Based on the shareholdings of Nextech by Related Persons as at June 7, 2023, assuming completion of the Arrangement and Shares for Services Distribution, and the issuance of Spinco Shares upon conversion of the Subscription Receipts. All amounts subject to minor adjustment for rounding in connection with the Pro Rata Share Distribution.

Non-Public Securityholders (Registered)

Set forth below is a summary of the anticipated registered shareholdings of the Issuer held by Related Persons upon completion of the Arrangement.

Class of Security

Size of Holding	Number of holders[(1)]	Total number of securities[(1)]
1 — 99 securities		
100 — 499 securities		
500 — 999 securities		
1,000 — 1,999 securities		
2,000 — 2,999 securities	1	2,367
3,000 — 3,999 securities		

Class of Security

Size of Holding	Number of holders[(1)]	Total number of securities[(1)]
4,000 — 4,999 securities		
5,000 or more securities	3	14,873,050
Unable to confirm		

(1) Based on the shareholdings of Nextech by Related Persons as at June 7, 2023, assuming completion of the Arrangement and Shares for Services Distribution, and the issuance of Spinco Shares upon conversion of the Subscription Receipts. All amounts subject to minor adjustment for rounding in connection with the Pro Rata Share Distribution.

14.2 Set forth below are the details of securities of the Issuer which are convertible or exchangeable into any class of listed securities as of the date of this Listing Statement.

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 Spinco Share for a period of three years (subject to acceleration) at $0.50	8,632,473	8,632,473
Stock options to acquire up to 20% of the aggregate number of Spinco Shares issued and outstanding from time to time, upon terms to be determined	Up to 5,726,494	Up to 5,726,494

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 February 14, 2023 and, accordingly, has not yet completed a financial year or developed a compensation program. Upon completion of the Arrangement, it is anticipated that 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 cash 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 $2,158,118 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 also caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects were temporary and a number of jurisdictions, including in Canada and the United States, have lifted the majority of the COVID-19 related restrictions, the duration of the various disruptions to businesses locally and internationally and related financial impact cannot be reasonably estimated. 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, the Issuer's only material asset will be its interest in the Toggle3D platform 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 long-term 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 will transfer Spinout Assets to the Issuer to hold and operate as contemplated by the terms of the Arrangement. See "General Development of the Business" and "Description of the Securities — Prior Sales" above.

The Spinout Assets have associated costs as reflected in the Carve-Out Financial Statements attached as Schedule "A" to the Listing Statement.

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; or (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, participated in the Private Placement and/or 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 FORM 2A - LISTING STATEMENT

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:

(i) pursuant to the Arrangement, the Issuer will acquire Nextech's interest in the Spinout Assets by way of the Arrangement Agreement dated April 5, 2023 which has been filed on Nextech's SEDAR profile at www.sedar corn; and

(ii) in connection with the listing of the Spinco Shares on the CSE, the Issuer 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, Inc.

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 The following financial statement are attached hereto as Schedule "A":

(a) Audited consolidated financial statements of the Issuer for the period from incorporation of the Issuer on February 14, 2023, to March 31, 2023;

(b) Audited consolidated financial statements of FinanceCo for the period from incorporation of FinanceCo on February 10, 2023 to March 31, 2023;

(c) Carve-Out Financial Statements for the fiscal years ended December 31, 2021 and 2022; and

(d) Pro Forma Financial Statements of the Issuer for period ended March 31, 2023.

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, Toggle3D.ai Inc., hereby applies for the listing of the above mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Toggle3D.ai Inc. 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.

/s/ "Evan Gappelberg"	*/s/ "Andrew Chan"*
Evan Gappelberg. Chief Executive Officer	Andrew Chan, Chief Financial Officer
/s/ "Belinda Tyldesley"	*/s/ "Jeff Dawley"*
Belinda Tyldesley, Director	Jeff Dawley, Director

SCHEDULE "A"
FINANCIAL STATEMENTS

Financial Statements of

1400330 B.C. LTD.

Period From Incorporation on February 10, 2023 to March 31, 2023

(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 1400330 B.C. Ltd.

Opinion

We have audited the financial statements of 1400330 B.C. Ltd. (the "Company"), which comprise the statement of financial position as at March 31, 2023 and the statements of operation and comprehensive loss, changes in shareholders' equity, and cash flows for the period from February 10, 2023 (date of incorporation) to March 31, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023, and its financial performance and its cash flows for the period from February 10, 2023 (date of incorporation) to March 31, 2023 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

April 12, 2023

1400330 B.C. LTD.

Statement of Financial Position
(Expressed in Canadian dollars)

As at		
		March 31, 2023
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)

See accompanying notes to the financial statements.

Approved by the Board of Directors

/s/ "Andrew Chan" , Director

1400330 B.C. LTD.

Statement of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

		Period ended March 31, 2023
Revenue	$	-
Operating expenses:		
Sales and marketing		-
General and administrative		-
Research and development		-
		-
Loss before income taxes		
Current income tax expense		-
Deferred income tax expense		-
Net loss and total comprehensive loss	$	-
Loss per common share		
Basic and diluted loss per common share	$	-
Weighted average number of common shares outstanding basic and diluted		100

See accompanying notes to the financial statements.

1400330 B.C. LTD.

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

	Number of shares	Share capital	Deficit	Total
Balance as at February 10, 2023	**-**	**$ -**	**$ -**	**$ -**
Shares issued on incorporation	100	1	-	**1**
Total net loss	-	-	-	**-**
Balance as at March 31, 2023	**100**	**$ 1**	**$ -**	**$ 1**

See accompanying notes to the financial statements.

1400330 B.C. LTD.

Statement of Cash Flows
(Expressed in Canadian dollars)

		Period ended March 31, 2023
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 the financial statements.

1. NATURE OF OPERATIONS

1400330 B.C. LTD. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 10, 2023. 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. 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 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 financial statements were authorized for issue by the Board of Directors on April 12, 2023.

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)

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.

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 March 31, 2023, 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 February 10, 2023, the date of incorporation, the Company issued 100 common shares at a price of $1.

4. SUBSEQUENT EVENT

Subsequent to the period end Nextech will complete a Plan of Arrangement (the "Arrangement") with the Company, whereby the Company and a subsidiary of Nextech, Toggle3D.ai Inc. ("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 per Company Share for a period of three years from the date of issuance, provided that in the event that the closing price of SpinCo shares is equal to or exceeds $1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade. 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 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 Private Placement financing; and ii) receipt of all requisite regulatory, CSE, court, or governmental authorizations and third party approvals or consents.

Financial Statements of

Toggle3D.ai Inc.

Period From Incorporation on February 14, 2023 to March 31, 2023

(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 Toggle3D.ai Inc.

Opinion

We have audited the financial statements of Toggle3D.ai Inc. (the "Company"), which comprise the statement of financial position as at March 31, 2023 and the statements of operations and comprehensive loss, changes shareholders' equity and cash flows for the period from February 14, 2023 (date of incorporation) to March 31, 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023, and its financial performance and its cash flows for the period from February 14, 2023 (date of incorporation) to March 31, 2023 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

April 12, 2023

Toggle3D.ai Inc.
Statement of Financial Position
(Expressed in Canadian dollars)

As at		
		March 31, 2023
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)

See accompanying notes to the financial statements.

Approved by the Board of Directors

/s/ "Andrew Chan" , Director

Toggle3D.ai Inc.

Statement of Operations and Comprehensive Loss
(Expressed in Canadian dollars)

		Period ended March 31, 2023
Revenue	$	-
Operating expenses:		
Sales and marketing		-
General and administrative		-
Research and development		-
		-
Loss before income taxes		
Current income tax expense		-
Deferred income tax expense		-
Net loss and total comprehensive loss	$	-
Loss per common share		
Basic and diluted loss per common share	$	-
Weighted average number of common shares outstanding basic and diluted		100

See accompanying notes to the financial statements.

Toggle3D.ai Inc.

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

	Number of shares	Share capital	Deficit	Total
Balance as at February 14, 2023	**-**	**$ -**	**$ -**	**$ -**
Shares issued on incorporation	100	1	-	**1**
Total net loss	-	-	-	**-**
Balance as at March 31, 2023	**100**	**$ 1**	**$ -**	**$ 1**

See accompanying notes to the financial statements.

Toggle3D.ai Inc.

Statement of Cash Flows
(Expressed in Canadian dollars)

		Period ended March 31, 2023
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 the financial statements.

1. NATURE OF OPERATIONS

Toggle3D.ai Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) on February 14, 2023. The Company was incorporated as the target company for certain assets that are to be spun out from Nextech AR Solutions Corp. ("Nextech") (see Note 4). 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 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 financial statements were authorized for issue by the Board of Directors on April 12, 2023.

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)

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.

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 March 31, 2023, 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 February 14, 2023, the date of incorporation, the Company issued 100 common shares at a price of $1.

4. SUBSEQUENT EVENT

Subsequent to March 31, 2023, Nextech will complete a Plan of Arrangement (the "Arrangement) with the Company, whereby the Company and a special purpose finance company, 1400330 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 being exercisable to acquire one additional FinanceCo Share at an exercise price of $0.50 per FinanceCo Share for a period of three years from the date of issuance, provided that in the event that the closing price of the Company's shares is equal to or exceeds $1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade. 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, the Company will amalgamate with a wholly-owned subsidiary of SpinCo 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 the Company 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 Private Placement financing; and ii) receipt of all requisite regulatory, CSE, court, or governmental authorizations and third party approvals or consents.

Carve-Out Financial Statements of

Toggle3D.ai Business

(as defined in Note 1)

For The Years Ended December 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 Toggle3D.ai Business

Opinion

We have audited the carve-out financial statements of Toggle3D.ai Business (the "Business"), a division of Nextech AR Solutions Corp., which comprise the carve-out statements of financial position as at December 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 Business as at December 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 Business 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 Business' 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

April 13, 2023

Toggle3D.ai Business

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

	December 31, 2022 $	December 31, 2021 $	December 31, 2020 $
Total assets	–	–	–
Total liabilities	–	–	–
Divisional equity			
Contributed surplus	–	–	–
Total divisional equity	–	–	–
Total liabilities and divisional equity	–	–	–

Nature of Operations and Continuance of Business (Note 2)
Subsequent Event (Note 4)

Approved by the Board of Directors of Nextech AR Solutions Corp.:

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

See accompanying notes to these carve-out financial statements.

Toggle3D.ai Business

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

	Year ended December 31, 2022 $	Year ended December 31, 2021 $	Year ended December 31, 2020 $
Expenses			
Research and development	780,192	173,061	–
Total expenses	780,192	173,061	–
Net loss and comprehensive loss for the year	(780,192)	(173,061)	–

See accompanying notes to these carve-out financial statements.

Toggle3D.ai Business

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

	Contributed surplus $	Divisional equity (deficit) $
Balance, December 31, 2019	–	–
Net contributions and advances from Nextech AR Solutions Corp.	–	–
Net loss for the year	–	–
Balance, December 31, 2020	–	–
Net contributions and advances from Nextech AR Solutions Corp.	173,061	173,061
Net loss for the year	(173,061)	(173,061)
Balance, December 31, 2021	–	–
Net contributions and advances from Nextech AR Solutions Corp.	780,192	780,192
Net loss for the year	(780,192)	(780,192)
Balance, December 31, 2022	–	–

See accompanying notes to these carve-out financial statements.

Toggle3D.ai Business

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

	Year ended December 31, 2022 $	Year ended December 31, 2021 $	Year ended December 31, 2020 $
Operating activities			
Net loss for the year	(780,192)	(173,061)	–
Changes in non-cash operating working capital:	–	–	–
Net cash used in operating activities	(780,192)	(173,061)	–
Financing activities			
Contributions and advances from Toggle3D.ai, net	780,192	173,061	–
Net cash provided by financing activities	780,192	173,061	–
Change in cash	–	–	–
Cash, beginning of year	–	–	–
Cash, end of year	–	–	–

See accompanying notes to these carve-out financial statements.

1. TRANSFER OF ASSETS AND BASIS OF PRESENTATION

On February 14, 2023, Nextech AR Solutions Corp. ("Nextech") incorporated Toggle3D.ai Inc. (the "Company") under the Business Corporations Act (Ontario). Nextech plans, through an internal reorganization, to transfer certain assets to the Company (the "Toggle3D.ai Business" or "Business") pursuant to a Plan of Arrangement.

These carve-out financial statements have been prepared for inclusion in Nextech's Management Information Circular. They reflect the financial position, statement of operations and comprehensive loss, changes in equity, and cash flows of the Toggle3d.ai Business to be transferred the Company by Nextech. As Nextech has not historically prepared financial statements for Toggle3d.ai 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 Toggle3d.ai Business. The carve-out statement of operations and comprehensive loss for each of the years ended December 31, 2022, 2021, and 2020 reflect all revenue and expenses directly attributable to the Toggle3d.ai 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 Toggle3d.ai platform. Toggle3d.ai is an enhanced standalone web application which enables product designers, 3D artists, marketing professionals and eCommerce site owners to create, customize and publish high-quality 3D models and experiences without any technical or 3D design knowledge required. The Business' head office is located at 77 King Street West, Suite 3000, Toronto, ON, Canada, M5L 1G8.

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 April 13, 2023.

These carve-out financial statements of Toggle3d.ai Business include certain assets, liabilities, and results of operations directly attributable to the 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)

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.

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 Business 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 operations.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Research and Development
Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the carve-out statement of operations as incurred.

Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Business intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalized includes the cost of materials, direct labour, and overhead costs that are directly attributable to preparing the asset for its intended use, and borrowing costs on qualifying assets.

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 December 31, 2022, 2021, and 2020, the Business' only component of comprehensive loss is net loss.

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:

Going concern
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.

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

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 December 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. SUBSEQUENT EVENT

Subsequent to December 31, 2022, Nextech will complete a Plan of Arrangement (the "Arrangement") between Nextech and the Company, whereby the Company and a special purpose finance company, 1400330 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 per FinanceCo Share for a period of three years from the date of issuance, provided that in the event that the closing price of Compnany Shares is equal to or exceeds $1.00 for a period of at least 10 trading days on the principal stock exchange on which such shares trade. 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

Toggle3D.ai Inc.

For The Year Ended March 31, 2023

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

1000259749 Ontario Limited

Pro Forma Statements of Changes in Shareholders' Equity
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

As at	Carveout December 31, 2022	SpinCo 31-Mar-23	FinanceCo March 31, 2023	Note	Pro Forma Adjustment	Pro Forma March 31, 2023
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)	-	-	-		-	-
Accumulated other comprehensive income (loss)	-	-	-		-	-
	-	1	1		3,500,000	3,500,002
Total liabilities and shareholders' equity	$ -	$ 1	$ 1		$ 3,500,000	$ 3,500,002

Nature of Operations (Note 1)

See accompanying notes to the pro forma financial statements.

Approved by the Board of Directors

/s/ "Evan Gappelberg " , Director

/s/ "Belinda Tyldesley" , Director

Toggle3D.ai Inc.

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

	Year ended December 31, 2022	Note	Pro Forma Adjustment	Pro Forma March 31, 2023
Revenue	$ -		$ -	$ -
Cost of sales	-		-	-
Gross profit	0		-	-
Operating expenses:				
Sales and marketing	-		-	-
General and administrative	-		-	-
Research and development	780,192		-	780,192
	780,192		-	780,192
Other expense (income)				
Depreciation	-		-	-
	-		-	-
Loss before income taxes	(780,192)		-	(780,192)
Current income tax expense	-		-	-
Deferred income tax recovery	-		-	-
Net loss	$ (780,192)		$ -	$ (780,192)
Other comprehensive income (loss)				
Foreign exchange translation gain (loss)	-		-	-
Total comprehensive loss	$ (780,192)		$ -	$ (780,192)

See accompanying notes to the pro forma financial statements.

1. NATURE OF OPERATIONS

Toggle3D.ai Inc. (the "Company") was incorporated under the Business Corporations Act (Ontario) on February 14, 2023. 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 March 31, 2023 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 March 31, 2023, and represents a combination of the Company's audited financial statements as at March 31, 2023, the audited financial statements of 1400330 BC Ltd. ("FinanceCo") as at March 31, 2023, and the carveout audited financial statements of Nextech as at December 31, 2022. The unaudited pro forma statement of comprehensive loss has been prepared based on the carveout audited financial statements as at December 31, 2022 as if the Plan of Arrangement described in Note 5 had occurred on January 1, 2022 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)

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.

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.

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.

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

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 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 January 1, 2022 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 Cdn$1,500,000 in proceeds through the issuance of 6,000,000 subscription receipts of FinanceCo (“Subscription Receipts”) at a price of $0.25 per Subscription Receipt (the "Financing"). 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, subject to acceleration in certain circumstances. The gross proceeds from the Financing 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 Financing 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 and all FinanceCo Shares and FinanceCo Warrants shall be exchanged for equivalent securities of the Company on a 1:1 basis.

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. 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. The date of the fairness opinion coincides with the date of these financial statements.

4. SHARE CAPITAL

Authorized

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

Issued and Outstanding

As at March 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 to purchasers of Subscription Receipts 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 Nextech completed the Plan of Arrangement under the Business Corporations Act (British Columbia) with the Company, whereby the Company completed a spinout from Nextech as set out below.

Pursuant to the Plan of Arrangement: (i) the certain assets will be transferred to the Company in consideration of the issuance of an aggregate of 15,999,900 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; and (iii) an 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 Plan of 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.

Pursuant to the Plan of Arrangement, there will also be a reorganization of capital of Nextech which includes (i) the exchange of common shares of Nextech ("Nextech Shares") by Nextech's shareholders for new Nextech shares ("Nextech New Shares") and Company shares; and (ii) the amalgamation of FinanceCo and 1402354 B.C. Ltd, a company existing under the BCBCA and a wholly-owned subsidiary of the Company, pursuant to which the proceeds of the Financing (see Note 3(a) – Pro Forma Assumptions and Adjustments - Financing) will become available to the Company.

Immediately following completion of the Plan of Arrangement, shareholders of Nextech who receive Company shares will continue to hold an interest in each part of the current business of Nextech through the continued ownership of their Nextech New Shares and the ownership of Company shares distributed to them.

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 Cdn$1,500,000 through the issuance of 6,000,000 Subscription Receipts at a price of $0.25 per Subscription Receipt; and ii) receipt of all requisite regulatory, CSE, court or governmental authorizations and third party approvals or consents.

SCHEDULE B
FAIRNESS OPINION

FAIRNESS OPINION

Proposed Transaction between

NEXTECH AR SOLUTIONS CORP.

&

NumberCo, Inc. & FinancingCo, Inc.

(whom are to be amalgamated into Amalco)

Prepared for:

Special Committee of the Independent Members of the Board of Nextech AR Solutions Corp.

121 Richmond Street West, Suite 501
Toronto, Ontario M5H 2K1

April 12, 2023

RwE GROWTH PARTNERS, INC.

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APPENDIX AND SCHEDULES

1.0 ASSIGNMENT AND PROPOSED TRANSACTION

RwE Growth Partners, Inc. ("RwE" or the "authors of the Report") was engaged by the Independent Members of the Board of Directors (the "Board") of Nextech AR Solutions Corp. ("Nextech", "NTAR" or the "Company") to prepare this Fairness Opinion (the "Report") regarding a proposed transaction (the "Proposed Transaction") between NTAR, NumberCo, Inc. ('SpinCo") and FinancingCo, Inc. ("FinanceCo"), (collectively, the "Parties") whereby the overall items and terms are as follows:

- Nextech, SpinCo and FinanceCo wish to effect a share reorganization transaction by way of a statutory plan of arrangement under Section 288 of the Business Corporations Act (BC) on the terms and conditions set out in an Arrangement Agreement and Plan of Arrangement (the "POA") - refer to Appendix 1.0.

- Nextech AR Solutions Corp. is a public company listing for trading on the Canadian Securities Exchange ("CSE" or the "Exchange") that is organized under the existing under the laws of British Columbia.

- SpinCo is an Ontario incorporated company.

- SpinCo includes the "Spinout Assets" – which refers to all right, title and interest in and to all direct and indirect assets of Nextech utilized in connection with the creation of a streamlined 2D / 3D set of intangible assets ("IP") – under the brand name "Toggle3D". The Toggle3D workplace allows users to creatively build 3D models quickly and easily. It is a 3D Design Studio in the browser. There is no APP downloads, created directly in your browser. Start instantly by uploading a CAD file and let Toggle3D convert it into a web-friendly 3D model ready to be textured. The Spinout Assets include all elements to the IP, the brand, and all business, corporate, legal and accounting books, records and documents used in connection with the foregoing and related undertakings (referred to as the "Toggle3D Assets").

- The Parties confirm that there are zero (C$0.00) liabilities to be assumed or transferred to SpinCo at the closing of the Proposed Transaction.

- FinanceCo is a special purpose finance company established for the purposes of completing a so-called "Subscription Receipt Financing". The Subscription Receipt Financing is a private placement of Subscription Receipts at a price of C$0.25 each, to raise minimum aggregate gross proceeds of C$1,500,000 – i.e., exchanged 6,000,000 shares (the funds raised are referred to as the "New Capital"). The Subscription Receipts of FinanceCo, each of which shall automatically convert upon the satisfaction of the release conditions, into one unit of FinanceCo consisting of one FinanceCo Share and one FinanceCo Warrant. This New Capital will be used to fund SpinCo's business operations for the twelve (12) months following the closing of the Proposed Transaction.

- FinanceCo Warrants means share purchase warrants of FinanceCo, each of which shall entitle the holder to acquire one FinanceCo Share at an exercise price of C$1.00 for a period of three (3) years from the date of issuance of the FinanceCo Warrants.

- The Parties agree that the POA will be carried out as part of a reorganization of the business of NTAR and with the intention that all SpinCo Shares and SpinCo Warrants issued on completion of the POA or exchanged with the Nextech Shareholders, FinanceCo Shareholders and/or holders of FinanceCo Warrants, as applicable, in the United States will be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act.

- The authorized capital of NTAR consists of an unlimited number of Nextech Shares without par value of which, as at the date of the POA, 100,729,121 Nextech Shares are issued and outstanding as fully paid and nonassessable;

- The authorized capital of SpinCo consists of an unlimited number of SpinCo Shares without par value, of which, as at the date of this Arrangement Agreement.

- 100 SpinCo Shares are issued and outstanding as fully paid and non-assessable.

- The authorized capital of FinanceCo consists of an unlimited number of FinanceCo Shares without par value, of which, as at the date of the POA, one (1) FinanceCo Share is issued and outstanding as fully paid and non-assessable.

- Pursuant to an Asset Purchase Agreement (refer to Appendix 1.0 and from NTAR's Board), Nextech will transfer all of the Spinout Assets and all Spinout Liabilities to SpinCo in consideration for the issuance by SpinCo of such number of fully-paid and non-assessable SpinCo Shares to Nextech such that immediately after the foregoing issuance Nextech shall hold an aggregate of 12,000,100 SpinCo Shares.

- Through the POA process, obtain an aggregate number of SpinCo Shares to be distributed on a pro rata process amongst all Nextech Shareholders per the Report's Schedules.

- As part of closing the Proposed Transaction there will be an amalgamation completed between FinanceCo and Subco such that a new entity ("Amalco" or the "Resulting Issuer") will own all of the SpinCo Assets.

- Also, all of the New Capital raised will be placed in Amalco, which will be a highly focused, surviving entity that will be listed for trading on the CSE.

- The Resulting Issuer shall issue 3,000,000 shares to the founders of the Resulting Issuer; i.e., CEO + NTAR Mgt.

All of the above, as defined above, forms the "Proposed Transaction".

The Report opines as to the fairness of the Proposed Transaction from a financial point of view of the NTAR shareholders.

Given this, and the related nature of the Parties, the Special Committee of the Board of the Company is interested in obtaining an independent opinion as to the fairness of the Proposed Transaction, from a financial point of view of the shareholders of record of NTAR near to the completion of the Proposed Transaction.

The Report, or a summary, will be submitted to the Supreme Court of British Columbia or Ontario as part of completing the Proposed Transaction.

NTAR paid RwE a fixed professional fee, plus GST taxes to prepare this Report.

RwE, its principals and partners, staff and associates, do not assume any type of responsibility and/or business/financial liability for losses incurred by NTAR, SpinCo, FinanceCo and Amalco and/or any related shareholders or securityholders, NTAR, SpinCo, FinanceCo and Amalco directors and/or its management, and/or any regulatory bodies and/or other parties as a result of the circulation, publication, reproduction, or use of the Report, as well as any as any use contrary to the provisions of the Report and our engagement letter.

The Report is based on the scope of work that has been undertaken, the data and information provided by NTAR, SpinCo, FinanceCo and Amalco (the "Companies") and the assumptions made.

RwE has not audited the information and data provided by NTAR, SpinCo, FinanceCo and Amalco, nor has it performed any forensic review, nor can it be expected to catch or identify any fraud and/or misleading data or information from the Company.

Instead, RwE has relied on the fact that NTAR, SpinCo, FinanceCo and Amalco has provided accurate and reliable data.

RwE also reserves the right to review all calculations included or referred to in the Report and, if RwE considers it necessary, to revise the Report in light of any information existing at the Valuation Date (i.e., as at or near February 28, 2023) which becomes known to RwE after the date of the Report.

Unless otherwise indicated, all monetary amounts are stated in Canadian dollars (C$).

2.0 BACKGROUND

RwE has reviewed all of the materials provided from the Company.

Nextech acquired all of the issued and outstanding shares of:

Threedy.ai Inc

On June 25, 2021, the Company acquired 100% of the shares of Threedy.ai Inc ("Threedy.ai"). Threedy.ai is an AI based end-to-end platform used to produce 3D augmented reality models in an efficient manner.

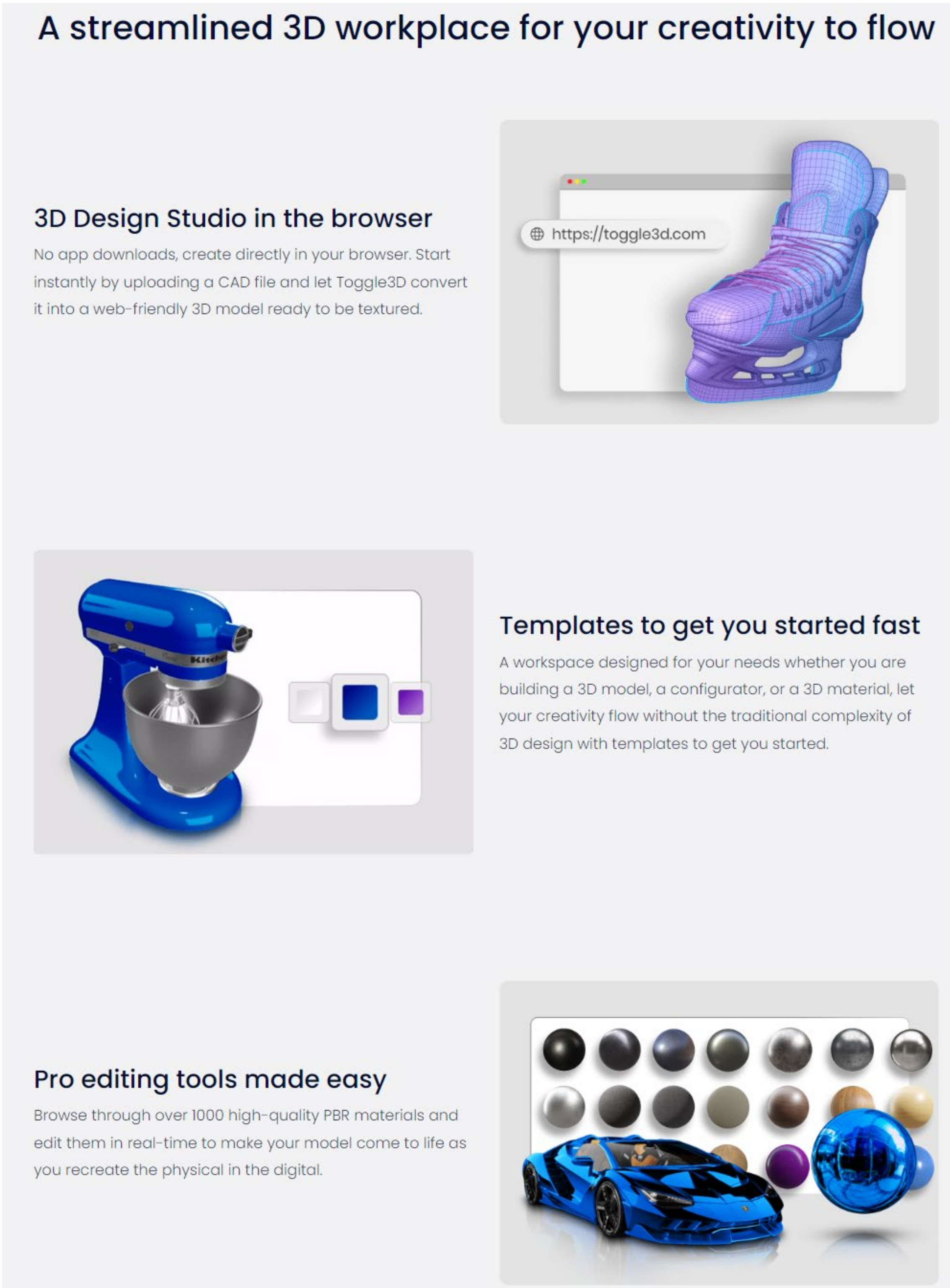
The purchase price consists of 3,877,551 common shares of the Company with an estimated fair value of $6,805,102, including cash acquired of $16,235. The Company incurred acquisition-related costs of $45,769.

The following table presents the purchase price allocation at the acquisition date:

Tangible assets & liabilities		
Cash	$	16,235
Trade receivables		13,277
Other current assets		3,762
Equipment, net (Note 9)		2,344
Accounts payable and accrued liabilities		(50,969)
Deferred tax liability		(726,835)
	$	(742,186)
Intangible assets		
Technology (Note 10)		4,179,960
	$	4,179,960
Goodwill (Note 10)		3,367,328
Total Consideration	$	6,805,102

		Technology
Costs		
December 31, 2020	$	1,530,787
Acquisition of Threedy.ai (Note 3)		4,179,960
Acquisition of ARway (Note 3)		674,298
Effects of movement in exchange rates		125,766
December 31, 2021	$	6,510,811
Impairment of intangible assets & goodwill		(708,730)
Assets held for sale (Note 17)		-
Effects of movement in exchange rates		286,650
September 30, 2022	$	6,088,731
Accumulated depreciation		
December 31, 2020	$	80,072
Additions		1,539,712
December 31, 2021	$	1,619,784
Additions		1,687,226
Impairment of intangible assets		(642,538)
Effects of movement in exchange rates		(26,607)
September 30, 2022	$	2,637,865
Net book value		
December 31, 2021	$	4,891,027
September 30, 2022	$	3,450,866

Since the above noted acquisition, NTAR's Toggle3D technical and business team has further developed the "Toggle3D IP".



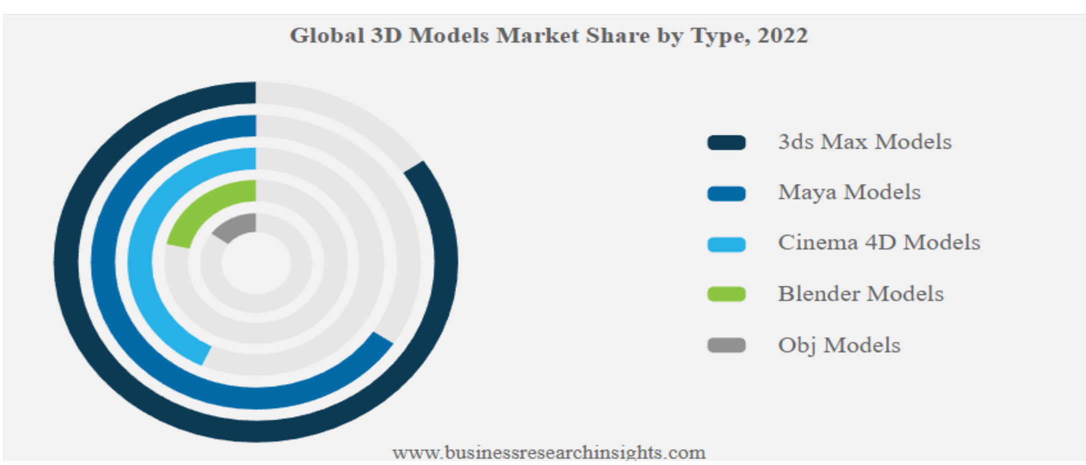
Given all of the above, the Board of NTAR has decided that it wants to separate the Toggle3D IP and the related business opportunities into a new CSE-listed public entity (the Resulting Issuer) that will be solely focused on the Toggle3D IP (versus the multi-faceted business of NTAR). The reorganization will enable the Resulting Issuer to have a business focus that will allow it to attract new investors and partners with a simple, straight forward message.

3.0 SCOPE OF THE REPORT

Note: A 3D model is a mathematical representation of something three-dimensional. 3D models are used to portray real-world and conceptual visuals for art, 3D models are used by game developers, news agencies, architects, visual effects studios, advertisers and creative professionals around the world, 3D models for download, files in 3ds, max, c4d, maya, blend, obj, fbx with low poly, animated, rigged, game, and VR options.

RwE has relied on the following documents and information:

- Interviewed the NTAR Company's CEO and CFO and Toggle3D management and collected data from technical personnel, and from certain members of the Company.
- Interviewed Dasha Vdovina and Nima Sarshar to gather and collect data regarding the past, present and planned development of the Toggle3D IP.
- Collected data on the Toggle 3D IP and functionality to-date and planned IP developments.
- Collected data on the 3D models creation marketplace.
- 3D Models market size was valued at USD1.1 billion in 2023 and is forecast to reach USD2.2 billion by 2029 with a CAGR of 10.3%.
- Global key players of 3D models include TurboSquid (Shutterstock), Unity Asset Store, Sketchfab (Epic Games), Unreal Engine Marketplace (Epic Games), Envato, etc.



The top five players hold a share of about 62%. North America is the largest market, has a share about 37%, followed by Europe and China, with share 31% and 14%, separately.

- The Top Two-Three Companies that are Comparable to Toggle3D:

1. Abobe Substance 3D:
   i. Product Description: "Adobe Substance 3D brings you an ecosystem of apps and content that empower you to design 3D. Texture assets and render your scenes intuitively. Connect your workflow to Adobe Creative Cloud apps." (Adobe, 2023)
   ii. Most comparable legacy system
   iii. Toggle3D is directly targeting Adobe's ecosystem of 3D artists and graphic designers

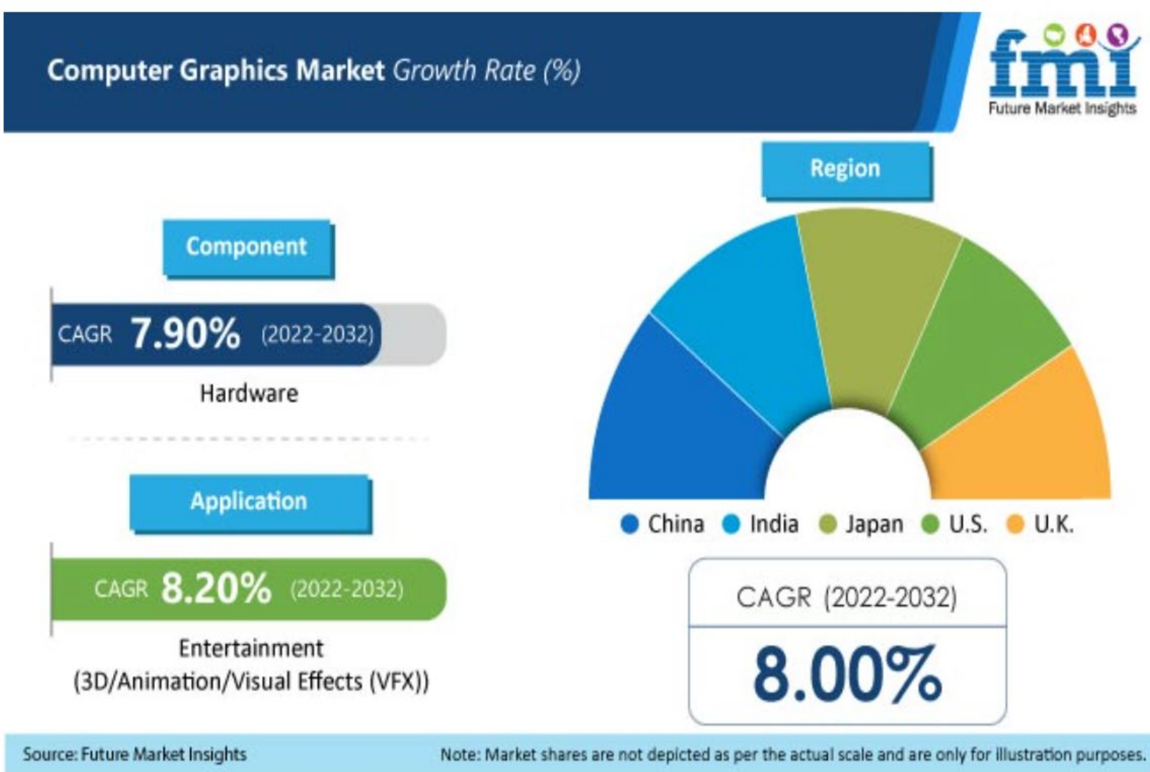
2. Blender:
   i. Product Description: "Blender is the free and open-source 3D creation suite. It supports the entirety of the 3D pipeline—modeling, rigging, animation, simulation, rendering, compositing and motion tracking, even video editing and game creation" (Blender, 2023)
   ii. Free and open-source platform. With our free plan we are hoping to attract Blender's users and upgrade them with a low, affordable "pro" plan
   iii. Since Blender is free, a lot of new artists sign up, we aim for these new 3D artists sign up for Toggle3D instead for its simplicity.

3. Vectary:
   i. Product Description: "Meet Vectary, an online platform for creating and managing interactive 3D designs that inspire, educate and solve problems. No downloads, no-code - all in the browser." (Vectary, 2023)
   ii. They are our closest start-up competitor
   iii. They are similar to us as they are affordable and web-based too, but their technology is clunky, complicated and looks very much like an "Adobe" copycat product. We are different from them as we are not trying to copy the way Adobe already does 3D texturing, we are trying to disrupt/change the way 3D is done altogether.

- The computer graphics market is expected to witness market growth at a rate of 6.12% from 2023 to 2029. Data Bridge Market Research report on computer graphics market provides analysis and insights regarding the various factors expected to be prevalent throughout 2023 to 2029. The rise in the oil and gas industry globally is escalating the growth of the computer graphics market. The increasing demand for graphics software in various business processes and the use of technology in order to develop animated visual content in animated films, sci-fi movies, games, and others, further boost the growth of the market. Additionally, the rise in the adoption of the Internet of things, the huge amounts of data generated, rapid digitization, smartphone penetration, and the widening application of computer graphics positively drive the Computer Graphics Market. Furthermore, advancements in computer programming and the advent of 3D computer graphics are extending profitable opportunities to the major market players during the forecasted period. Contrary to that, the constant requirement for hardware charges is expected to obstruct the market growth of computer graphics.

- Report Ocean published a research report on the Computer-Generated Imagery (CGI) Services Market in 2022. In the report they note that the CGI Services market is expected to reach US$1.8 billion by 2030, with a CAGR of greater than 8%.

- The global multi-functional CGI market size reached US$3.18 billion in 2022 and is expected to have a material CAGR to 2030 according to Emergen Research. Increasing demand for more cost-effective animation tools and the need to improve brand credibility are some key factors driving global computer-generated imagery market revenue growth. The increasing need for creating better options for film scene creation and presentation is also expected to boost revenue growth of the market to a significant extent. Computer-generated imagery solutions are used to transform many situations, including bringing scenes to life, changing a sunny day into a stormy day, morphing one component into another, and many other normally impossible to do actions or effects, allowing filmmakers to have a variety of alternatives when creating an attractive scene. This factor is expected to continue to drive market revenue growth going ahead.



- Reviewed the Toggle3D target markets and found the target numbers to be generally accurate as to market potential.

Product/Industrial Designer

For prototyping to accelerate product design iterations and stakeholder buy-in

Market Size: 7.31 million CAD Users[1]

3D Artist

For recreating physical objects in the digital world or for creating something new

Market Size: ~ 3-5 million active Blender users[2]

Graphic Designer

For creating digital media for product marketing, ads, sales and more

Market Size: 30 million users of Adobe's Creative Cloud[3]

- Collected more detailed data on Vectary. Inc. The firm's product is a design platform that allows the firm to specialize in the fields of augmented reality, computer vision, and 3D technology. In January of 2023 the firm raised US$4,596,479 (some of which is from BlueYard Capital). In October of 2020 the form raised US$4.6m from a variety of parties. In October of 2016 the firm raised US$7.3m from EQT Ventures and raised US$2.5m from BlueYard Capital in 2014. In total, it has raised around US$14.5m in four rounds.

	Vectary	Foundry	DAZ 3D	XRHealth
Description	Vectary is an online 3D modeling tool which they claim to be very...	Foundry is a VFX and animation software for the entertainment...	Provider of a suite of software for creating 3D animation. It offers...	VRHealth offers an AI-based cloud VR solution that monitors patient...
Founded Year	2014	1996	2000	2016
Location	Bratislava (Slovakia)	London (United Kingdom)	Draper (United States)	Brookline (United States)
Company Stage	Series A	Acquired	Series A	Series B

- Conducted limited financial due diligence with Bloomberg, Reuters, Capital IQ, Bank of Canada, Toronto Dominion Bank, Scotiabank, Moodys, Financial Week, Barrons, The Globe and Mail, mergermarket, TD Securities, BMO Capital Markets, CIBC World Markets, National Bank, The Economist, Morningstar Dividend Investor and Standard Bank.

- Reviewed financial and stock market trading data on comparable companies in the 3D modeling markets and whose shares trade on North American stock exchanges. In addition to reviewing financial information, RwE reviewed the operations of these various companies to determine if any had undertaken any material or relevant acquisitions in the last 12 - 24 months. Found that a number of acquisitions were occurring within these markets in Canada and the United States.

- Reviewed provide Toggle3D historical costing and R&D data and financial information as provided by NTAR.

- Reviewed all NTAR SEDAR filings for 2022 and 2023, including available financial data.

- Reviewed management provided multi-year financial projections for the Toggle3D IP.

4.0 CONDITIONS AND RESTRICTIONS OF THE REPORT

- The Report is for the Board of the Company and for their use for internal circulation purposes and only the final signed Report can be relied on by the Company's Board and related regulatory bodies.

- RwE understands that a summary of the signed Report may be included in the documentation advising only NTAR's Committee and Board of such findings.

- The signed Report may be used for inclusion in public disclosure documents in Canada and the U.S. only. RwE will require that it review public disclosure documents in order to ensure accuracy and consistency with the Report. Such consent will not be unreasonably withheld.

- The Report cannot be submitted to any non-North American or international stock exchanges and or foreign regulatory authorities, or to the CRA or the IRS.

- RwE did apply generally accepted CICBV valuation principles to the financial information it received from the Company and followed valuation standards.

- RwE has assumed that the information, which is contained in the Report, is 100% accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Companies, or their representatives, are aware of.

- RwE did not attempt to audit the accuracy or completeness of the financial, technical, exploration, development and business data and information provided to it.

- This Report contains conclusions on fair value and on the fair market value of assets based on the review and analysis undertaken.

- This Report has been prepared in light of those standards of the Canadian Institute of Chartered Business Valuators and the American Society of Appraiser (both of which Richard W. Evans is a member in good standing).

- Should the assumptions used in the Report be found to be incorrect, then the valuation and conclusions may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information.

- The Report, and more specifically the assessments and views contained therein, is meant as independent review of the Spinco Projects as at the Valuation Date respecting the scope outlined above.

- The authors of the Report make no representations, conclusions, or assessments, expressed or implied, regarding Companies after the Valuation Date.

- The information/assessments contained in the Report pertain only to the conditions prevailing at the time the Report was completed in December of 2022 to the Report Date.

- RwE denies any responsibility, financial or legal or otherwise, for any use and/or improper use of the Report however occasioned.

- Any legal disputes or legal action against RwE Growth Partners, Inc. as a result of the Report, or any other matter, is agreed by NTAR, SpinCo, FinanceCo and Amalco, and their management, officers, directors and their respective shareholders are agreed to be settled only in a Canadian court of law.

- RwE as well as all of its principals, partner, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by RwE, its principals, partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report.

- No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report.

5.0 ASSUMPTIONS OF THE REPORT

The authors of the Report have made the following assumptions in completing the Report:

(1) As at the Valuation Date all assets and liabilities in respect of the Toggle3D IP, NTAR, SpinCo, FinanceCo and Amalco have been recorded in their financial statements and follow IFRS standards. A current audit of the Companies' financial

statements would not result in any material change to the financial data set out by NTAR as provided to RwE.

(2) NTAR, SpinCo, FinanceCo and Amalco and all of their related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Report that would affect the evaluation or comments on the Spinco Projects.

(3) All conditions precedent to the closing of the Proposed Transaction have, or will be completed, or waived, as set out in the Report, as at or before the closing of the Proposed Transaction and that all Companies complete the Proposed Transaction without any material change/concern/addition/deletion to the shares issued to each of the Companies.

(4) There are no other dilutive events at the close of the Proposed Transaction other than what has been disclosed by the Company's Board in the Report.

(5) There will be no unforeseen and/or material negative tax consequences to the Company's shareholders and/or securityholders through the closing of the Proposed Transaction.

(6) RwE has been advised by the NTAR Board that FinanceCo and Amalco will complete a Proposed Transaction financing for gross proceeds of C$1,500,000. RwE has assumed this to be accurate.

(7) All terms and conditions of the Arrangement Agreement (refer to Appendix 1.0) is complete, accurate and complete. All conditions for closing of the Proposed Transaction close and the Resulting Issuer is listed for trading on the CSE.

(8) NTAR will, and can, provide SpinCo and Amalco with an electronic version of the Toggle3D IP that is complete, clean, separate and fully documented.

(9) The existing founders / management of Toggle3D will continue to be responsible for the development and commercialization of the Toggle3D IP.

(10) SpinCo and Amalco will acquire zero (C$0) liabilities from NTAR.

(11) The Board has noted to RwE that it is not aware of any other facts or data involving the Proposed Transaction or and other matter that would have any material effect on the conclusions in the Report that has not been provided to RwE.

RwE reserves the right to review all information and calculations included or referred to in this Report and, if it considers it necessary, to revise its views in the light of any information which becomes known to it during or after the date of this Report.

6.0 DEFINITION OF FAIR VALUE AND FAIR MARKET VALUE

For the Report, fair value is set out in International Financial Reporting Standards (IFRS) 13 Fair Value Measurement.

This applies to IFRS that require or permit fair value measurements or disclosures and provides a single IFRS framework for measuring fair value and requires disclosures about fair value measurement.

The standard defines fair value on the basis of an 'exit price' notion and uses a 'fair value hierarchy', which results in a market-based, rather than entity-specific, measurement. IFRS 13 was originally issued in May 2011 and applies to annual periods beginning on or after January 1, 2013 on a o forward basis.

Fair Value is the method of valuing business assets (and liabilities) for financial reporting in line with accounting practices as established by the Financial Accounting Standards Board (FASB). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair Value is also defined as "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's-length transaction" in the International Valuation Standards, 2007, p. 88 by the International Valuation Standards Council. IFRS uses this definition. In conducting this assignment, sufficient information, and due diligence investigations regarding the background of the Assets, operations, future plans, the industry and markets and major risk factors must be researched, reviewed, and analyzed. This information and our assessments of these areas will be incorporated into the Report.

In this Report, fair market value is the price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts. In Canada, the term "price" should be replaced with the term "highest price".

This definition is set out in: https://cbvinstitute.com/wp-content/uploads/2020/02/Practice-Bulletin-No.-2-E.pdf.

With respect to the market for the shares of a company viewed "en bloc" there are, in essence, as many "prices" for any business interest as there are purchasers and each purchaser for a particular "pool of assets", be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner peculiar to it. In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or "synergies" that may result from such an acquisition.

Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different price for a particular pool of assets than can each other purchaser.

Based on the authors of the Report's experience, it is only in negotiations with such a special purchaser that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor.

In this engagement RwE was not able to expose the Toggle3D IP or the Companies for sale in the open market and were therefore unable to determine the existence of any special interest purchasers who might be prepared to pay a price equal to or greater than the fair value or fair market value outlined in the Report. RwE should note that it is possible that a special interest purchaser may pay a price that is higher than fair market value (i.e., the special purchaser price).

The reason for this may be synergistic reasons known only to them. RwE has not factored in any likely special purchaser consideration for the reasons that valuators cannot reasonably quantify such synergies, and valuation literature supports that unless such synergies can be quantified and proven (though multiple written bids, etc.) they cannot be included.

7.0 VALUATION METHODOLOGIES

7.1 Overview

In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Valuation approaches are primarily income-based or asset-based. Income-based approaches are appropriate where an asset and/or enterprise's future earnings are likely to support a value in excess of the value of the net assets employed in its operation.

Commonly used income-based approaches are the Capitalization of Indicated Earnings or Capitalization of Maintainable Cash Flows or a Discounted Cash Flow. Asset-based approaches can be founded on either going concern assumptions (i.e. an enterprise is viable as a going concern but has no commercial goodwill) or liquidation assumptions (i.e. an enterprise is not viable as a going concern, or going concern value is closely related to liquidation value).

Standard valuation methods applicable to determining value can be grouped into five general categories:

(1) Cost approach;

(2) Market approach (or sales comparison approach);

(3) Income-based approach;

(4) Rules-of-Thumb approach; and

(5) Combination of any of the above approaches.

As there are many definitions of cost, the Cost approach generally reflects the original cost of the assets and/or business in question or the cost to reproduce the intangible assets of the business itself.

This approach is premised on the principle that the most a notional purchaser and/or an investor will pay for an investment is the cost to obtain an investment of equal utility (whether by purchase or reproduction).

The Market or Sales Comparison approach uses the sales price of comparable assets as the basis for determining value. If necessary, the market transaction data is adjusted to improve its comparability and applicability to the asset being valued.

The Income-Based Approach considers the earnings to be derived through the use of the asset. The capitalized value of the Company's earnings or cash flows is determined with the application of a capitalization rate, reflecting an investor's required rate of return on such an investment.

The Rules-of-Thumb approach can be applied to certain assets to serve as a useful determination of value when industry professionals provide specific information as to standard industry characteristics and/or acknowledged and accepted rules.

Rules-of-Thumb often involve the input of specific industry competitors and professionals to indicate certain measurable criteria that can be assessed and applied to as indications of value.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intangible assets.

8.0 VALUATION METHOD USED

8.1 Methods Used

8.11 The first stage in determining which approach to utilize in valuing assets or a company / business is to determine whether such assets (when deployed) or a company is a going concern or whether it should be valued based on a liquidation assumption.

A set of assets or a business is deemed to be a going concern if it is both conducting operations at a given date and has every reasonable expectation of doing so for the foreseeable future after that date. If such assets or a company is deemed to not be a going concern, it is valued based on a liquidation assumption.

In reviewing the historical financial results of related to the Toggle3D IP with consideration to the past and the future, RwE is of the view that the Toggle3D IP should be valued on a going concern basis. With respect to this, RwE believed it was appropriate to value the Toggle3D IP on a going concern basis.

The reason for this is:

(1) the previous entity and NTAR have been building the Togle3D IP since 2019 and NTAR is finding new business opportunities for the Toggle3D IP in 2023;

(2) the Toggle3D IP roadmap is logic and the commercialization plan is reasonable and it shows signs of generating a return for the shareholders;

(3) the operating history shows the advancement of the Toggle3D IP is material, though little commercial revenues, and it does indicate that commercial goodwill is developing; and

(5) that the going concern approach yields a higher value than a liquidation approach (which indicates nominal value).

8.12 In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for establishing the value of the company. In the absence of open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

(a) The Income / Cash Flow Approach;

(b) The Market Approach; and

(c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

8.13 The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a “going concern”.

8.14 The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the “Guideline Public Company Method”, (b) the “Merger and Acquisition Method”; and (c) analyses of prior transactions of ownership interests.

8.15 The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or construct a similar asset). From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value.

The Cost Approach typically includes a comprehensive and all- inclusive definition of the cost to recreate an asset.

Typically, the definition of cost includes the direct material, labor and overhead costs, indirect administrative costs, and all forms of obsolescence applicable to the asset.

8.16 The Asset-Based Approach is adopted where either:

a) liquidation is contemplated because the business is not viable as an ongoing operation;

b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or

c) there are no indicated earnings/cash flows to be capitalized.

If consideration of all relevant facts establishes that the Asset-Based Approach is applicable, the method to be employed will be either a going-concern scenario ("Adjusted Net Asset Method") or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

8.17 Lastly, a combination of the above approaches may be necessary (i.e., a "Weighted Approach") to consider the various elements and time periods (i.e., past, present and future) that are often found within operating businesses as well as specialized companies and/or those firms associated with various forms of intellectual property and where one or two approaches to value is insufficient to capture the nature of the business and its assets.

8.18 Given the nature and status of the Toggle3D IP's overall technical development and business operations at the Valuation Date as well as the approaches of valuation outlined above, it is the view of the authors of the Report that that the most appropriate method in determining the baseline fair value of the Toggle3D IP as at the Valuation Date was a Cost Method (Replacement Cost). The value here was in the range of C$2.6 million per Schedule 1.1 and 2.1.

The other means of examining Toggle3D IP can be by a Relief from Royalty analysis. The result here was in the range of C$5.0 million per Schedule 4.1.

Specifically, RwE relied the most on the Depreciated Replacement Cost analysis and method given the nature of the IP, the timing issues related to the commercialization stage of the IP and the fact that any party interested in the Toggle3D IP would only be willing to pay for what it has taken to create the IP, versus based solely on the potential of what it may generate in the future (the ability to generate free cash flow in the future). RwE conducted a Relief from Royalty analysis to also assess the IP on its future using material discount rates so as to confirm that the Cost Method was reasonable, as was confirmed by the Income Method.

9.0 FAIRNESS CONSIDERATIONS

The fairness of a Proposed Transaction for NTAR's shareholders is tested by:

i. Assessing the value of the components of the Proposed Transaction.

ii. Assessing the value of the Toggle3D IP .

iii. Not assuming or considering – that the financing occurs per the NTAR Board and management disclosure. This is a material assumption.

iv. Considering qualitative factors, such as simplification or synergies, that may result from the Proposed Transaction.

There are many events that are assumed will occur between the Valuation Date and the closing of the Proposed Transaction.

These events are either conditions of the Proposed Transaction or are necessary (e.g., due diligence, legal costs and other costs incurred in connection with the Proposed Transaction) aspects of the closing process.

10.0 CONCLUSION AS TO FAIRNESS

Based upon RwE's valuation work and subject to all of the foregoing, RwE is of the opinion, as at the Valuation Date, that the terms of the ***Proposed Transaction is fair, from a financial point of view, to the shareholders of NTAR as is shown in Schedule*** .

In assessing the fairness of the Proposed Transaction to the shareholders of NTAR, RwE has considered, *inter alia*, the following:

1. All of the components of the Proposed Transaction.

2. The Toggle3D IP valuation (refer to the Report's Schedules)

3. Other potential benefits that may be realized subsequent to the completion of the Proposed Transaction include focus by both entities and simplification of the messaging of each business. RwE has considered such factors and perhaps other changes/reductions that are likely through the Proposed Transaction. RwE has not attributed any separate value related to this.

RwE has not attempted to quantify other additional qualitative potential benefits. Certain additional potential benefits are as follows:

i. The transaction rationalizes the entities' business models better and more clearly.

ii. Evan Gappelberg assigns a CEO of the Resulting Issuer to drive the commercialization and financing of the Resulting Issuer. As the founder of NTAR Evan Gappelberg is driven to make all of the Companies successful, his attention on the Resulting Issuer will be important and helpful.

iii. Private placements remain difficult for small technology and IT IPR&D and early-stage technology firms that have not developed "scale" business operations.

iv. Terms/conditions, although improving, still do not appear as favorable to such companies as at the Valuation Date as they once did.

When one considers all of the above together, it is reasonable to conclude that the Proposed Transaction is fair, from a financial viewpoint to the shareholders of NTAR.

11.0 QUALIFICATIONS AND CERTIFICATE

11.1 Qualifications

The Report preparation, and related fieldwork and due diligence investigations, were carried out by Richard W. Evans, MBA, CBV, ASA and other analysts of RwE, who were fully supervised by Mr. Evans.

Since 1994 Richard W. Evans has been involved in the financial services and management consulting fields and has been involved in the preparation of over 3,250 technical and assessment reports, business plans, business valuations, and feasibility studies.

Richard Evans is a Principal of RwE.

He has fifteen years of experience working in the areas of valuation, litigation support, mergers & acquisitions and capital formation.

He has more than 10 years of management experience in the high-tech field where he held various positions in technical support, development, marketing, project manager, channels management and senior management positions.

Prior to focusing on expanding and diversifying a small financial consulting firm, Richard was extensively involved in the high technology sector in Western Canada and the U.S. Pacific Northwest where he served for two years as the General Manager of Sidus Systems Inc.

At Sidus he was directly responsible for managing the firm's US$15 million business operation throughout Western Canada and the Pacific Northwest.

Previous to this, he spent almost nine years with Digital Equipment of Canada Limited where he was involved in a technical support, sales, marketing, project management and eventually channels management capacity.

RwE has conducted numerous valuations and fairness opinions of cannabis companies in which its clients, their advisors, buyers, planners, accountants and the courts and regulatory bodies have been satisfied and relied on RwE as a qualified valuator.

Many of the reports he has authored have been used by the court systems in B.C., Alberta and Ontario as well as in the U.S. and Europe.

He has also done work for public regulatory boards and groups worldwide.

Richard has been actively involved in the above professional services with hundreds of companies and has served as a board member for a select number of public and private firms.

His area of professional expertise is in middle market and micro-cap companies, especially firms needing advice and assistance with their business plans, operating plans and valuations.

He has also undertaken work used on and relied upon by public companies and regulatory bodies in Canada, the United States, Europe and Asia.

He has undertaken valuation work for the Courts in British Columbia, Alberta, Ontario and Australia as well as for the Family Court in B.C.

Richard is extensively involved in sports coaching management and volunteer work throughout BC helping young adults and volunteer associations.

He obtained his Bachelor of Business Administration degree from Simon Fraser University, British Columbia in 1981 as well as completed his Master's degree in Business Administration at the University of Portland, Oregon in 1984 (where he graduated with honors). Richard holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser.

He is a member in good standing with both the Canadian Institute of Chartered Business and the American Society of Appraisers.

11.2 <u>Certification and Independence</u>

The analyses, opinions, calculations and conclusions were developed, and this Report has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators and follows standards.

RwE was paid a professional fee, plus GST taxes for the preparation of the Report. The professional fee established for the Report has not been contingent upon the value or other opinions presented.

The authors of the Report have no present or prospective interest in the Companies and/or parties and/or any other entity / company / property that is the subject of this Report.

RwE and its principal has no personal interest with respect to any of the parties involved with any of the entities or properties described within this Report.

RwE has relied on information and data provided to it by the Company's Board and management and from management.

It is understood that this Report is solely for the information of the NTAR Board and is rendered to the NTAR Board in connection with its consideration of the Proposed Transaction and may not be used for any other purpose or relied upon by any other person without RwE's prior written consent.

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APPENDIX AND SCHEDULES

Toggle 3D IP

Depreciated Replacement Cost Analysis

Canadian dollars

Intangible Processes / Base Functionality to 3D Models / System Framework
developed via Toggle3D Team and IP from Threedy.ai Inc.

Schedule 1.1

TECHNICAL AND INTELLECTUAL CREATIVE RE-DEVELOPMENT BURDEN

IP, 2D/3D Models, Software, Database and Processing Backend and Frontend **1**

Individuals involved in Development	Industry Acceptable (North American) Standards - Adjusted Costs/Professional	Annual Rate	Contract Period		Year 1 # People	Year 1 Costs	Year 2 # People	Year 2 Costs	Year 3 # People	Year 3 Costs	Project Total:
Project & Overall Operational Management	2023 - Projected Salary	110,000	3.0	yrs	2.0	$ 220,000	2.0	$ 220,000	1.0	$ 110,000	$ 550,000
Technicians and Industry Related Professionals											
Specialists - Overall Idea Creation	2023 - Projected Salary	95,000	1.0	yr	2.0	$ 190,000	0.0	$ -	0.0	$ -	$ 190,000
Specialists - Concept Design	2023 - Projected Salary	95,000	1.0	yr	2.0	$ 190,000	2.0	$ 190,000	0.0	$ -	$ 380,000
Specialists - Intellectual Development of Methods	2023 - Projected Salary	95,000	2.0	yrs	2.0	$ 190,000	2.0	$ 190,000	0.0	$ -	$ 380,000
#1 Industry Process and IP Engineering - Advanced/Senior	2023 - Projected Salary	90,000	2.5	yrs	6.0	$ 540,000	3.0	$ 270,000	1.0	$ 90,000	$ 900,000
#2 Industry Process and IP Engineering - Mid-Level	2023 - Projected Salary	75,000	2.0	yrs	2.0	$ 150,000	0.5	$ 37,500	0.0	$ -	$ 187,500
Specialists - QA and Testing, etc.	2023 - Projected Salary	60,000	1.0	yr	0.0	$ -	0.0	$ -	4.0	$ 240,000	$ 240,000
						$ 1,480,000		$ 907,500		$ 440,000	$ 2,827,500
Development Operating Expenses	Development Staff Burden	25%				$ 370,000		$ 226,875		$ 110,000	$ 706,875
Other Infrastructure Costs not on Balance Sheet											
Equipment, systems, networks and tools for R&D processes						$ 100,000		$ 50,000		$ 25,000	$ 175,000
Patent assignment						$ 40,000					
R&D Development Leverage from and with Strategic Partners						$ 75,000		$ 37,500		$ 18,750	$ 131,250
Total Development Burden						$ 2,065,000		$ 1,221,875		$ 593,750	$ 3,840,625

Estimated Burdened Replacement Cost

INTELLECTUAL AND ENGINEERING DEVELOPMENT BURDEN - Replacement Value

	Years	Annual %	Total
(based on lost utility/innovation)	3 years	5%	$ 3,292,856
	3 years	10%	$ 2,799,816
	Basic Average:		$ 3,046,336

Net Present Value (15% Discount Rate)		$ 2,648,988
Net Present Value (20% Discount Rate)		$ 2,538,613
Adjustments		-
Fair Value	$ 2,540,000	$ 2,650,000
Other Related IP and/or Systems **2**		
	$ -	$ -
Total Toggle3D IP Fair Value **1+2**		
Total Fair Value	$ 2,540,000	$ 2,650,000

Assumed Facts and Assumptions, Conditions and Analysis:

- RwE reviewed and considered the replacement costs of the above based on review of the industry
- Documentation outlines that R&D occurred over many years and was consistent; IP development has been since 2019; more robust and linear since 2021
- Based on Assumptions and Assumed Facts in the Report; analysis is limited as based on documentation (online) examined
- Combination of Input and Costs giving leveraged-up access to partners facilities, equipment and expertise
- Creative and development professionals, managers and IP engineers are readily available
- Normalized Salary Costs / Personnel Costs are from www.payscale.com
- The commercial life expectancy of the Intangible Assets here are 5 years or less given work completed
- Labor costs for re-development assumed constant over the replacement cost period
- Burden rates are based on a general analysis and assessment of what established companies would require to replicate the development costs
- Technical Re-Development discount rate ranges specified due to level of methodologies in-place; discount risk rates 15% to 20% are reasonable
- Financial statements show technology allocation from Threedy.ai acquisition at $4.1m (then some amortization); plus +$10m spent on IP; hence C$2.7m is reasonable
- Data collected from companies noted in the Report
- Data collected from NATR September 30, 2022 financial data, note 10, as related to acquisition of Threedy.ai acquisition
- Readers are cautioned that the analysis is based on limited data and information and could be subject to material changes if more data available.

SpinCo

Adjusted Book Value

Schedule 2.1

as at Closing of the Proposed Transaction

Canadian dollars

Net Adjusted Tangible Assets & Intangible Assets based on Certain Adjustments

		Company Unadjusted	Adjustments Low	Adjustments High	Adjusted Book Value Low	Adjusted Book Value High	Notes
1							
2	CURRENT ASSETS						
3	Cash equivalents	$ -	$ -	$ -	$ -	$ -	
3	Accounts receivable	$ -	$ -	$ -	$ -	$ -	
4	Other receivable	$ -	$ -	$ -	$ -	$ -	
5	Inventory	$ -	$ -	$ -	$ -	$ -	
6	Prepaid expenses	$ -	$ -	$ -	$ -	$ -	
7	Shareholders	$ -	$ -	$ -	$ -	$ -	
8	Adjusted Current Assets				$ -	$ -	
9							
10	*less:* CURRENT LIABILITIES						
11	Accounts payable	$ -	$ -	$ -	$ -	$ -	
12	Accrued liabilities	$ -	$ -	$ -	$ -	$ -	
13	Other payables	$ -	$ -	$ -	$ -	$ -	
14	Taxes payable	$ -	$ -	$ -	$ -	$ -	
15	Adjusted Current Liabilities				$ -	$ -	
16							
17	WORKING CAPITAL				$ -	$ -	
18							
19	*plus:* OTHER ASSETS						
20	Property	$ -	$ -	$ -	$ -	$ -	
21	Equipment, net	$ -	$ -	$ -	$ -	$ -	
22	Other	$ -	$ -	$ -	$ -	$ -	
23	FV - IP. Software and all Processes/Techniques	$ -	$ 2,540,000	$ 2,650,000	$ 2,540,000	$ 2,650,000	Schedule 1.1
24	FV - Brand / Customer Relationships	$ -	$ -	$ -	$ -	$ -	
25	Adjusted Other Assets				$ 2,540,000	$ 2,650,000	
26							
27	*less:* Long Term Liabilities						
28	Shareholder loan	$ -	$ -	$ -	$ -	$ -	
29	Other	$ -	$ -	$ -	$ -	$ -	
30					$ -	$ -	
31							
32	Assets less Liabilities				$ 2,540,000	$ 2,650,000	
33							
34	Adjusted Book Value, or Fair Market Value of Equity, say				$ 2,540,000	$ 2,650,000	
35						$ 2,595,000	

Toggle 3D IP

Summary of Projections as prepared by Company Management

Schedule 3.1

as at the Valuation Date

Canadian dollars

to December 31st	2023	2024	2025	2026	2027
	from March 1, 2023				
Revenue	$ 904,959	$ 5,656,500	$ 10,732,500	$ 16,794,000	$ 23,463,000
Y-o-Y %		525.1%	89.7%	56.5%	39.7%
Cost of Goods Sold	$ -	$ -	$ -	$ -	$ -
% of Revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Gross Profit	$ 904,959	$ 5,656,500	$ 10,732,500	$ 16,794,000	$ 23,463,000
% of Revenue	0.0%	100.0%	100.0%	100.0%	100.0%
OPEX	$ 1,908,712	$ 2,620,045	$ 3,067,607	$ 3,288,607	$ 3,541,052
% of Revenue	0.0%	50.0%	49.0%	48.0%	45.0%
Y-o-Y %		37.3%	17.1%	7.2%	7.7%
EBITDA	$ (1,003,753)	$ 3,036,455	$ 7,664,893	$ 13,505,393	$ 19,921,948
% of Revenue		53.7%	71.4%	80.4%	84.9%

SpinCo - Toggle 3D IP

Relief from Royalty Method **Schedule 4.1**

Canadian dollars

Year		2023	2024	2025	2026	2027	Terminal Period
		305 days					
		83.6%					
Total Revenue Forecast		$ 904,959	$ 5,656,500	$ 10,732,500	$ 16,794,000	$ 23,463,000	$ 23,932,260
Multiplied by proportion attributable to the Asset		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Brand and Media Presence related Revenues		$ 904,959	$ 5,656,500	$ 10,732,500	$ 16,794,000	$ 23,463,000	$ 23,932,260
Multiplied by the pre-tax royalty rate		11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
Pre-tax Royalty Revenues		$ 104,070	$ 650,498	$ 1,234,238	$ 1,931,310	$ 2,698,245	$ 2,752,210
Less: Related Marketing Costs on Total Sales		2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Marketing Costs		$ 22,624	$ 141,413	$ 268,313	$ 419,850	$ 586,575	$ 598,307
Per-Tax Net		$ 81,446	$ 509,085	$ 965,925	$ 1,511,460	$ 2,111,670	$ 2,153,903
Assumed Income Taxes	26.5%	$ 21,583	$ 134,908	$ 255,970	$ 400,537	$ 559,593	$ 570,784
After-tax Royalty Savings' Cash Flows		$ 59,863	$ 374,177	$ 709,955	$ 1,110,923	$ 1,552,077	$ 1,583,119
					WACC	25.3%	
					Less: Expected Long-term Growth Rate	-2.0%	
					Net Rate of Return in the Terminal Period	23.3%	
					Terminal Capitalization Multiple	4.30	x 4.30 x
					Terminal Value		$ 6,806,187
Start date	1-Mar-23	1-Mar-23	1-Jan-24	1-Jan-25	1-Jan-26	1-Jan-27	
End date		31-Dec-23	31-Dec-24	31-Dec-25	31-Dec-26	31-Dec-27	
Period discounting		0.4167	1.3333	2.3333	3.3333	4.3333	
Present value factor		0.91	0.74	0.59	0.47	0.38	0.38
Present Value of the Cash Flows		$ 54,475	$ 276,891	$ 418,873	$ 522,134	$ 589,789	$ 2,586,351
		1.2%	*6.2%*	*9.4%*	*11.7%*	*13.3%*	*58.1%*
Sum of the PV of the Cash Flows		$ 4,448,514					
Add: Tax Amortization Benefit		$ 520,926					

Tax Amortization Benefit	
Amortization Period	5
CCA Rate	20.00%
Present Value of Cash Flows	$ 4,448,514
Discount Rate	25.26%
Tax Rate	26.5%
Inclusion Rate	100.0%
Tax Amortization Benefit	$ 520,926
(amt * CCA rate * tax) / (discount rate + CCA rate)	

Indicated Potential to the Commericalization of the Toggle3 IP	$ 4,969,441
Total Indicated Total x	$ 5,000,000

Based on the Closing of the Proposed Transaction given the assumptions made

Royalty Rates (www.royaltyrange.com and www.markables.com)

Transaction Parties	Royalty	Description of Business - Use of Technologies
Maxar Technologies Inc. / Vricon, Inc.	23.0%	Vricon is a global leader in satellite-derived 3D data for defense and intelligence markets, with software and products that enhance 3D mapping
Osram Licht AG / Vixar, Inc.	7.9%	Vixar, Inc., based in Plymouth, U.S.A., is a VCSEL specialist. VCSEL technology is used in security applications such as 3D facial recognition
Regal Rexnord Corporation / Arrowhead Systems, LLC	2.9%	Arrowhead has implemented a robust digitization project to support IoT, 3D AI and predictive system capabilities
Chemring Group plc / Cubica Technology Limited	29.7%	Cubica is an R&D company specializing in 3D and artificial intelligence, machine learning, data fusion and autonomy
The Weir Group plc / Motion Metrics Inc.	15.0%	Motion Metrics is the market leading developer of innovative Artificial Intelligence (AI) and 3D rugged Machine Vision Technology used in mines worldw
Average	15.70%	
Median	15.00%	
Selected	11.50%	due to risk and size differences selected a rate after applying a risk discount adjustment

Resulting Issuer

Weighted Average Cost of Capital — Schedule 4.2

Corporate Analysis

		Lower Rate	Mid-Range	Higher Rate	Note
Cost of equity					
Risk free rate	R_f	3.50%	3.50%	3.50%	1
Equity risk premium	RP_m	6.00%	6.00%	6.00%	2
Industry risk premium	RP_i	0.96%	0.96%	0.96%	3
Size premium	RP_s	4.80%	4.80%	4.80%	4
Company specific risk reduction	RP_u	0.00%	0.00%	0.00%	5
Company specific risk premium	RP_u	9.00%	10.00%	11.00%	5
	$k_e = R_f + RP_m + RP_i + RP_s + RP_u$	24.26%	25.26%	26.26%	
After-tax cost of debt					
Pre-tax cost of debt	$k_{d(pt)}$	12.00%	12.00%	12.00%	6
1- Estimated Tax rate of 26.5%	(1-t)	73.5%	73.5%	73.5%	7
After-tax cost of debt	$k_d = k_{d(pt)} \times (1 - t)$	8.82%	8.82%	8.82%	
Capitalization Structure					
Percentage of Equity	W_e	100.0%	100.0%	100.0%	8
Percentage of Debt	W_d	0.0%	0.0%	0.0%	8
Discount Rate					
Cost of Equity		24.3%	25.3%	26.3%	
Cost of Debt		0.0%	0.0%	0.0%	
Weighted Average Cost of Capital	$WACC = (k_e \times W_e) + (k_d \times W_d)$	24.26%	25.26%	26.26%	
Realistic long-term growth rate		2.0%			9

Notes

1 Kroll (Duff & Phelps) Cost of Capital Navigator - Normalized and Recommended
2 Kroll (Duff & Phelps) Cost of Capital Navigator - Recommended
3 Kroll (Duff & Phelps) Cost of Capital Navigator - GICS 45 Full Information Beta (Rpi = 0.96%)
4 Kroll (Duff & Phelps) Cost of Capital Navigator - CRSP Decile 10; Sector: IT Technology
5 Assessed risk given growth and stability of business as at the Valuation Date

Forecast risk	8.0%	10.0%
Implementation risk	1.0%	1.0%

Examined the following study
Used the VC Early-stage ranges for arrive at a reasonable WACC
https://arkona.io/blog/2022/04/20/pepperdine-university-capital-markets-study-with-dr-craig-everett

6 Based on Company's overall debt rates and per industry rates per S&P Capital IQ
7 Tax rates per Mgt and then industry rates
8 Optimal Capital Structure as at the Valuation Date
Based inputs from Mgt and Industry optimal capital structure
Used ReadyRatios and considered this in light of Company position
Some firms carry higher debt ratio but have much bigger asset bases and earnings to support them

Given performance of Company RwE deemed it reasonable to use ratio selected

9 Assumes that company reaches it mature stage at terminal calculation range, otherwise should extend projection period. Assuming that five years is appropriate period, the terminal growth rates typically range between the historical inflation rate 1% - 3% and GDP growth rates of up to 3%.

Terminal growth rate higher than the average GDP indicates Company expects its growth to outperform that of the economy forever

Reasonable long-term growth for this CGU is 2.0%

The cost of capital data presented below identifies medians, 25th percentiles (1st quartile), and 75th percentiles (3rd quartile) of annualized gross financing costs for each major capital type and its segments. The data reveal that loans have the lowest average rates while capital obtained from angels has the highest average rates. As the size of loan or investment increases, the cost of borrowing or financing from any of the following sources decreases. *Note: in this report, cells with only a "-" indicate categories where there were not enough survey observations.*

Table 1. Private Capital Market Required Rates of Return

	1st quartile	Median	3rd quartile
Bank ($1M loan)	5.0%	5.5%	6.0%
Bank ($5M loan)	3.9%	4.3%	4.8%
Bank ($10M loan)	3.9%	4.0%	4.5%
Bank ($25M loan)	3.8%	4.0%	4.3%
Bank ($50M loan)	3.0%	3.3%	3.5%
ABL ($1M loan)	15.5%	16.0%	18.5%
ABL ($5M loan)	14.8%	15.5%	16.3%
ABL ($10M loan)	4.4%	8.5%	15.0%
ABL ($25M loan)	3.5%	5.0%	8.0%
ABL ($50M loan)	3.1%	3.8%	4.4%
Mezz ($1M loan)	11.5%	14.0%	21.0%
Mezz ($5M loan)	11.0%	14.0%	17.5%
Mezz ($10M loan)	9.5%	12.0%	17.0%
Mezz ($25M loan)	8.5%	12.0%	13.0%
Mezz ($50M loan)	8.5%	10.0%	12.0%
PEG ($1M EBITDA)	-	-	-
PEG ($5M EBITDA)	25.5%	30.0%	31.5%
PEG ($10M EBITDA)	22.5%	25.0%	27.5%
PEG ($25M EBITDA)	21.0%	25.0%	27.0%
PEG ($50M EBITDA)	20.0%	25.0%	25.5%
VC (Seed)	33.0%	38.0%	40.0%
VC (Startup)	30.0%	33.0%	40.0%
VC (Early Stage)	23.0%	30.0%	38.0%
VC (Expansion)	19.0%	25.0%	32.0%
VC (Later Stage)	18.0%	23.0%	38.0%
Angel (Seed)	33.0%	43.0%	65.0%
Angel (Startup)	23.0%	33.0%	50.0%
Angel (Early Stage)	23.0%	28.0%	48.0%
Angel (Expansion)	23.0%	25.0%	48.0%
Angel (Later Stage)	18.0%	23.0%	38.0%

Nextech AR Solutions Corp. ("NTAR") sale of the Toggle3D IP to Amalco ("Resulting Issuer") - Proposed Transaction

Fairness Calculations — **Schedule 5.1**

Stated Gross Minimum Financing	**$1,500,000**	**Concurrent Financing**
Pricing of Financing - per NTAR Board	**$0.25**	

PRE Proposed Transaction Basis:

	Low	High	
Toggle3D IP - Fair Value, say	$ 2,540,000	$ 2,650,000	
Other consideration as part of the Proposed Transaction	$ -	$ -	
Less: Other Liabilities	$ -	$ -	
Total Net Assets included in Amalco	$ 2,540,000	$ 2,650,000	
Mid-Point, say		$ 2,595,000	**A**
Relief from Royalty Analysis	$ 5,000,000	$ 5,000,000	
	Potential Related to the IP as at the Valuation Date		

POST Proposed Transaction Basis:

Implied Value of Resulting Issuer Post-Proposed Transaction (C$)

	Low	High
Go Forward related to the Toggle3D IP	$ 5,000,000	$ 5,000,000
Fair value of the Toggle3D IP at Current Date	$ 2,540,000	$ 2,650,000
Assuming Funding of the Proposed Transaction on the Terms and Conditions set out in POA		
Proceeds from Option Exercise - "In-the-Money"	$ -	$ -
Proceeds from Any "In-the-Money" Warrant Exercise	$ -	$ -
Proceeds from Financing - per NTAR Board Disclosure	$ 1,500,000	$ 1,500,000
Expenses to Close Proposed Transaction - Estimate NTAR Mgt	$ (90,000)	$ (90,000)
Less: Estimate Agent Placement Fee	$ -	$ -
Less: Other Liabilities	$ -	$ -
Implied Value of FCC - POST Proposed Transaction, say*	$ 3,950,000	$ 4,060,000

* - assumes completion of the Proposed Transaction.

Calculation of Shares Outstanding in Resulting Issuer POST Proposed Transaction

	Low	High
Shares to be Issued	20,000,100	20,000,100
	Breakdown of the Shares to Be Issued	
Shares Issued to Resulting Issuer Founding Shareholders - CEO + Mgt	3,000,000	3,000,000
Shares being distributed by NTAR directly to its NTAR shareholders	4,000,000	4,000,000
Shares being retained by NTAR	13,000,100	13,000,100
Shares Issued from Any "In-the-Money" Option Exercise - POST Proposed Transaction	0	0
Shares Issued from Any "In-the-Money" Warrant Exercise - POST Proposed Transaction	0	0
Shares Issued for Financing (Proposed price of C$0.25) - per NTAR Board	6,000,000	6,000,000
Related to Parties Performing Closing Services	0	0
Shares Issued for Transaction/Financing Fees (8% fee)	0	0
Other	0	0
Shares Outstanding to All Parties - POST Proposed Transaction	**26,000,100**	**26,000,100**

Assumed Shareholdings in Resulting Issuer POST Proposed Transaction*

Shares issued to Founding Resulting Issuer Shareholders - CEO + Mgt	3,000,000	11.54%	
Shares to be Issued to the NTAR Shareholders	**4,000,000**	**15.38%**	**(1)**
Shares Retained by NTAR (held pro rata by NTAR Shareholders)	**13,000,100**	**50.00%**	**(2)**
Shares Issued for Financing	6,000,000	23.08%	
"In the Money" Options that purchase shares	0	0.00%	
"In the Money" Warrants that purchase shares	0	0.00%	
	26,000,100	100.0%	

Combined Fair Market Value of Resulting Issuer, say:	$ 3,950,000	$ 4,060,000
Mid-Point of the Resulting Issuer, say		**$ 4,005,000**

Nextech AR Solutions Corp.

		Value Held	
Pre-Proposed Transaction	**Fair Value of the Toggle3D IP owned 100% by NTAR Shareholders - Pre-Proposed Transaction, say:**	**$ 2,595,000**	**(a)**
		Value Received	
Post-Proposed Transaction	**Implied Current Value of the Consideration Received by the NTAR shareholders - (1) & (2) - Closing of Proposed Transaction - for the Toggle3D IP, say:**	**$ 2,620,000**	**(b)**

(b) is equal to or greater than (a) so the *Proposed Transaction is Fair to the Nextech AR Solutions Corp. Shareholders*