

**Form 45-106F19**  
***Listed Issuer Financing Document***

**INSTRUCTIONS**

**1. Overview of the offering document**

This is the form an issuer must use as the offering document for a distribution under section 5A.2 of the Instrument. In these instructions, the form is also referred to as the “offering document.”

The objective of the offering document is to provide information about the offering.

Present information in the offering document using a question-and-answer format.

**2. Incorporating information by reference**

Do not incorporate information into the offering document by reference.

**3. Plain language**

Use plain, easy to understand language in preparing the offering document. Avoid technical terms but if they are necessary, explain them in a clear and concise manner.

**4. Format**

Except as otherwise stated, use the questions presented in this form as headings in the offering document. To make the document easier to understand, present information in tables.

**5. Date of information**

Unless this form indicates otherwise, present the information in this form as of the date of the offering document.

**6. Forward-looking information**

If the issuer discloses forward-looking information in the offering document, the issuer must comply with Part 4A.3 of National Instrument 51-102 *Continuous Disclosure Obligations*.

## PART 1 SUMMARY OF OFFERING

### 1. Basic disclosure about the distribution

On the cover page, state the following with the bracketed information completed:

“Offering Document under the Listed Issuer Financing Exemption [Date]

[Name of Issuer]”

### 2. Details of the offering

On the cover page, state the following in bold:

**“What are we offering?”**

Provide the following details about the offering:

- (a) the type and number of securities the issuer is offering, and a description of all significant attributes of the securities;
- (b) the offering price;
- (c) the minimum and maximum amount of securities that the issuer may offer;
- (d) whether the offering may close in one or more closings and the date by which the offering is expected to close (if known);
- (e) the exchange and quotation system, if any, on which the securities are listed, traded or quoted;
- (f) the closing price of the issuer’s securities on the most recent trading day before the date of the offering document.

### 3. Required statement

On the cover page, state the following in bold with the bracketed information completed:

***“No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.*”**

[Name of issuer] is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with this offering, the issuer represents the following is true:

- The issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of this offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed [Insert the greater of \$5 000 000 and the amount that is equal to 10% of the issuer’s market capitalization, to a maximum of \$10 000 000].
- The issuer will not close this offering unless the issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.

- **The issuer will not allocate the available funds from this offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.”**

## **PART 2 SUMMARY DESCRIPTION OF BUSINESS**

### **4. Summary description of business**

State the following in bold:

**“What is our business?”**

Provide a brief summary of the business the issuer carries on or intends to carry on.

### **5. Recent developments**

State the following in bold:

**“Recent developments”**

Provide a brief summary of key recent developments involving or affecting the issuer.

### **6. Material facts**

If there is a material fact about the securities being distributed that has not been disclosed elsewhere in this offering document or in any other document filed since the date that is the earlier of the date that is 12 months before the date of this offering document and the date that the issuer’s most recent audited annual financial statements were filed, disclose that material fact.

### **7. Business objectives and milestones**

State the following in bold:

**“What are the business objectives that we expect to accomplish using the available funds?”**

State the business objectives that the issuer expects to accomplish using the available funds disclosed under item 8. Describe each significant event that must occur for the business objectives described to be accomplished and state the specific period in which each event is expected to occur and the cost related to each event.

## **PART 3 USE OF AVAILABLE FUNDS**

### **8. Available funds**

State the following in bold:

**“What will our available funds be upon the closing of the offering?”**

Using the following table, disclose what the issuer’s available funds will be after the offering. If the issuer plans to combine additional sources of funding with the offering proceeds to achieve its principal purpose for raising capital, provide details about each additional source of funding.

If there has been a significant decline in working capital since the most recently audited annual financial statements, explain the decline.

		Assuming minimum offering only	Assuming 100% of offering
A	Amount to be raised by this offering	\$	\$
B	Selling commissions and fees	\$	\$
C	Estimated offering costs (e.g., legal, accounting, audit)	\$	\$
D	Net proceeds of offering: $D = A - (B+C)$	\$	\$
E	Working capital as at most recent month end (deficiency)	\$	\$
F	Additional sources of funding	\$	\$
G	Total available funds: $G = D+E+F$	\$	\$

### 9. Use of available funds

State the following in bold:

**“How will we use the available funds?”**

Using the following table, provide a detailed breakdown of how the issuer will use the available funds. Describe in reasonable detail each of the principal purposes, with approximate amounts.

Description of intended use of available funds listed in order of priority	Assuming minimum offering only	Assuming 100% of offering
	\$	\$
	\$	\$
Total: Equal to G in the available funds in item 8	\$	\$

*Instructions:*

1. *If the issuer will use more than 10% of available funds to reduce or retire indebtedness and the indebtedness was incurred within the 2 preceding years, describe the principal purposes for which the indebtedness was used. If the creditor is an insider, associate or affiliate of the issuer, identify the creditor and the nature of the relationship to the issuer and disclose the outstanding amount owed.*
2. *If the issuer will use more than 10% of available funds to acquire assets, describe the assets. If known, disclose the particulars of the purchase price being paid for or being allocated to the assets or categories of assets, including intangible assets. If the vendor of the asset is an insider, associate or affiliate of the issuer, identify the vendor and nature of the relationship to the issuer, and disclose the method used to determine the purchase price.*
3. *If any of the available funds will be paid to an insider, associate or affiliate of the issuer, disclose in a note to the table the name of the insider, associate or affiliate, the relationship to the issuer, and the amount to be paid.*
4. *If the issuer will use more than 10% of available funds for research and development of products or services,*
  - a. *describe the timing and stage of research and development that management anticipates will be reached using the funds,*
  - b. *describe the major components of the proposed programs the issuer will use the available funds for, including an estimate of anticipated costs,*
  - c. *state if the issuer is conducting its own research and development, is subcontracting out the research and development or is using a combination of those methods, and*
  - d. *describe the additional steps required to reach commercial production and an estimate of costs and timing.*
5. *If the issuer's most recently filed audited annual financial statements or interim financial report included a going concern note, disclose that fact and explain how this offering is anticipated to address any uncertainties that affect the decision on whether a going concern note is included in your next annual financial statements.*

**10. Use of funds from previous financings**

State the following in bold:

**“How have we used the other funds we have raised in the past 12 months?”**

Provide a comparison, in tabular form, of disclosure the issuer previously made about how the issuer would use available funds or proceeds from any financing in the past 12 months, an explanation of the variances, and the impact of the variances, if any, on the issuer's ability to achieve its business objectives and milestones.

## **PART 4 FEES AND COMMISSIONS**

### **11. Involvement of dealers or finders and their fees**

State the following in bold:

**“Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?”**

If any dealer, finder or other person has or will receive any compensation (e.g., commission, corporate finance fee or finder’s fee) in connection with the offering, provide the following information to the extent applicable:

- a) the name of the dealer, finder, or other person;
- b) a description of each type of compensation and the estimated amount to be paid for each type;
- c) if a commission is being paid, the percentage that the commission will represent of the gross proceeds of the offering (assuming both the minimum and maximum offering);
- d) details of any broker’s warrants or agent’s option (including number of securities under the warrants or option, exercise price and expiry date);
- e) if any portion of the compensation will be paid in securities, details of the securities (including number, type and, if options or warrants, the exercise price and expiry date).

### **12. Dealer conflicts**

If the issuer has engaged a dealer in connection with the offering, state the following in bold with the bracketed information completed:

**“Does [identify dealer(s)] have a conflict of interest?”**

If disclosure is required under National Instrument 33-105 *Underwriting Conflicts*, include that disclosure.

## **PART 5 PURCHASERS’ RIGHTS**

### **13. Purchasers’ rights**

State the following in bold with the bracketed information completed:

**“Rights of Action in the Event of a Misrepresentation**

**If there is a misrepresentation in this offering document, you have a right**

- a) **to rescind your purchase of these securities with [insert name of issuer or other term used to refer to the issuer], or**
- b) **to damages against [insert name of issuer or other term used to refer to the issuer] and may, in certain jurisdictions, have a statutory right to damages from other persons.**

**These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.**

**If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.**

**You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.”**

## **PART 6          ADDITIONAL INFORMATION**

### **14.      Additional information**

State the following in bold:

**“Where can you find more information about us?”**

State that a security holder can access the issuer’s continuous disclosure at [www.sedarplus.com](http://www.sedarplus.com). If applicable, provide the issuer’s website address.

## **PART 7          DATE AND CERTIFICATE**

### **15.      Certificate**

Include the following statement in bold with the bracketed information completed:

**“This offering document, together with any document filed under Canadian securities legislation on or after *[insert the date which is the earlier of the date that is 12 months before the date of this offering document and the date that the issuer’s most recent audited annual financial statements were filed]*, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.”**

### **16.      Date and signature**

Provide the signature, date of the signature, name and position of the chief executive officer and chief financial officer of the issuer.