



Confidential
AMENDED AND RESTATED
OFFERING MEMORANDUM

HCM Ventures (VCC) Inc.
Up to 7,500,000 Class "A" Shares

October 3, 2018

This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this Offering. By their acceptance of this Offering Memorandum, recipients agree that they will not transmit, reproduce or make available to anyone, other than their professional advisors, this Offering Memorandum or any information contained herein.

AMENDED AND RESTATED OFFERING MEMORANDUM

THIS OFFERING MEMORANDUM CONSTITUTES A PRIVATE OFFERING OF SECURITIES ONLY IN THE PROVINCES OR TERRITORIES OF CANADA. NO SECURITIES REGULATORY AUTHORITY OR REGULATOR HAS ASSESSED THE MERITS OF THESE SECURITIES OR REVIEWED THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE. THIS IS A RISKY INVESTMENT. SEE ITEM 9 - RISK FACTORS.

Date: October 3, 2018.

The Issuer:	HCM Ventures (VCC) Inc. (the "Issuer" or "Corporation")
Head Office Address	2970 Graymar Road, West Kelowna, BC V1Z 1Y8
Telephone Number	1.604.790.9387
Telefax Number	250-762-6665
Email	info@robsonfinancialgroup.com
Currently listed or quoted	No. These securities do not trade on any exchange or market.
Reporting Issuer	No.
SEDAR Filer	No, except to the extent such filings are required by private entities

The Offering

Securities Offered:	Class "A" Voting Common Shares without nominal or par value ("Class "A" Shares")
Price per Security:	\$0.50 per Share for up to 5,000,000 Class "A" Shares sold and thereafter \$1.00 per Class "A" Share for the balance of Class "A" Shares sold to an aggregate maximum of \$5,000,000
Minimum/Maximum Offering:	Maximum offering is \$5,000,000 (7,500,000 Class "A" Shares). Aside from the minimum subscription amount there is no minimum offering. You may be the only purchaser. Funds available under the Offering may not be sufficient to accomplish our proposed objectives.
Min. Subscription Amount:	The minimum subscription amount an investor must invest is \$10,000. The Issuer may waive this minimum in certain circumstances its sole discretion.
Eligibility:	See Item 5.2 - Subscription Qualification for specific provincial eligibility requirements
Payment Terms:	By certified cheque, money order or bank draft payable to " Pushor Mitchell LLP In Trust " of 301 – 1665 Ellis Street, Kelowna, BC V1Y 2B3, with a Subscription Agreement, Risk Acknowledgement Form(s) and, if applicable, eligible investor forms.
Proposed Closing Dates:	Closings will occur from time to time at the discretion of the directors of the Issuer (each being a "Closing Date").
Income Tax Consequences:	There are important tax consequences to these securities. (See Item 6 - Income Tax Consequences).
Selling Agent	The Issuer reserves the right, as allowed by applicable securities legislation, to retain several non-exclusive securities dealers to assist with effecting sales of the Class "A" Shares. The Issuer may compensate such securities dealers with a commission of up to 9% of the gross proceeds realized on the sale of the Class "A" Shares for soliciting, or assisting with effecting, sales of the Class "A" Shares. In addition to the foregoing, the Issuer may pay an administration fee of up to 1% of the gross proceeds realized on the sale of the Class "A" Shares for administration costs incurred by the securities dealers associated with such activities. (See Item 8 - Compensation Paid to Sellers and Finders).
Resale Restrictions	Except for residents of Manitoba, New Brunswick and the Yukon Territory, you will be restricted from selling your securities for an indefinite period. (See Item 11).
Purchaser's Rights	You have two (2) business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right to sue either for damages or to cancel the agreement (See Item 12 - Purchaser's Rights).

ISSUER COPY - Please initial below and submit this page with your Subscription Agreement.

Investor Initial

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INVESTOR COPY - Please retain this complete copy of the Offering Memorandum for your records

THIS OFFERING IS SUBJECT TO A MAXIMUM SUBSCRIPTION LEVEL OF 7,500,000 SHARES TOTALING MAXIMUM SUBSCRIPTION PROCEEDS OF UP TO \$5,000,000. ALL PROCEEDS FROM SUBSCRIPTIONS WILL BE AVAILABLE TO THE ISSUER UPON THE CLOSING THEREOF AND WILL NOT BE REFUNDED TO THE PURCHASER UNLESS THE PURCHASER HAS CANCELLED THEIR SUBSCRIPTION IN ACCORDANCE WITH THE TWO DAY CANCELLATION RIGHT (SEE ITEM 12.1).

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS OFFERING MEMORANDUM AND ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON. THIS OFFERING MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF THE PERSONS INTERESTED IN THE PROPOSED OFFERING AND MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSE.

THIS DOCUMENT IS NOT TO BE PHOTOCOPIED OR REPRODUCED IN ANY MANNER OR FORWARDED TO ANY OTHER PERSON.

THE OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION IN WHICH OR TO ANY PERSON TO WHOM SUCH OFFER OR SOLICITATION MAY NOT BE LAWFULLY MADE. THIS OFFER IS MADE ONLY TO THE PERSONS TO WHOM THIS OFFERING MEMORANDUM HAS BEEN DELIVERED AND BY THEIR ACCEPTANCE HEREOF, PROSPECTIVE SUBSCRIBERS AGREE THAT THEY WILL NOT TRANSMIT, REPRODUCE OR MAKE AVAILABLE TO ANYONE THIS OFFERING MEMORANDUM OR ANY INFORMATION CONTAINED HEREIN AND ANY DUPLICATION OF THIS OFFERING MEMORANDUM IS STRICTLY PROHIBITED. THIS OFFERING MEMORANDUM IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING TO ANY RESIDENT OF THE UNITED STATES OF AMERICA OR ANY TERRITORY OR POSSESSION THEREOF OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OF THE ISSUER TO SUCH RESIDENT.

Subscriptions for the Class “A” Shares will be received subject to rejection or allotment in whole or in part, at the Issuer’s sole discretion, and the Issuer reserves the right to close the Subscription books without notice. The Issuer may keep open the Offering herein made until the dates when Subscriptions have been received and accepted by the Issuer for the Maximum Offering or such other dates as determined by the Issuer in its sole discretion (the “Closing Dates”). On the Closing Dates, the Issuer may close Subscriptions and apply the funds from the Subscriptions in accordance with the Use of Available Funds section of this Offering Memorandum (See “Item 1.2 – Use of Available Funds”).

Subscription proceeds shall be forwarded to the legal counsel of the Issuer, at the address indicated under “Payment Terms”, to be held in trust until the Closing Dates. Confirmation of the acceptance of a Subscription will be forwarded to the Subscriber promptly after its acceptance.

Offering Document

This Amended and Restated Offering Memorandum replaces the Issuer’s previous Amended Offering Memorandum dated February 21, 2018. In addition to being provided to new subscribers, this Amended and Restated Offering Memorandum will be provided to certain parties that provided executed subscription documents pursuant to the February 21, 2018 Amended Offering Memorandum. Such parties will be asked to execute and deliver an updated Risk Acknowledgement Form attached as Exhibit “I” to Schedule “A” of the Offering Memorandum (see Item 5.3) in order to bring their Subscriptions in to compliance with the requirements of the Offering Memorandum exemption under NI 45-106 and will be provided with the two day cancellation right described in Item 12.1 from the date that they sign the updated Risk Acknowledgement Form.

EQUITY CAPITAL PROGRAM SUMMARY

The Equity Capital Program is the operating name for the programs operating under the SBVC Act (as defined below) and administered by the Investment Capital Branch of the British Columbia Ministry of International Trade. This program is open to small businesses operating in British Columbia in sectors which result in export enhancement or otherwise diversify the economy of British Columbia and provides such businesses with the opportunity to register as Eligible Business Corporations (“EBCs”). It also encourages early stage or “seed” equity capital investment in such EBCs through companies that are registered as Venture Capital Corporations

(“VCCs”). VCCs typically obtain cash equity by way of private placement financings, such as the current Offering, and then use those funds to invest in eligible small businesses that meet the similar eligibility criteria applicable to EBCs. In turn, the Equity Capital Program allows registered VCCs to apply for a tax credit entitling each of its resident British Columbia investors to a tax credit equal to 30% of the amount received by the VCC from those investors in a particular tax year (the “Tax Credit”).

The Issuer was registered as a VCC on January 24, 2017 for the main purpose of investing in eligible small business that are registered as EBCs or otherwise meet the criteria for registration as an EBC under the SBVC Act. As a VCC, the Issuer is required to meet the following criteria, among others: it may only carry on the activity of making eligible investments in small businesses as permitted by the SBVC Act and providing business and managerial expertise to such small businesses in which it has made or proposes to make an eligible investment; and it must maintain at least \$50,000 in equity capital by the end of its first year after registration as a VCC and thereafter.

On April 12, 2018, pursuant to an additional equity authorization application filed by the Issuer, the Issuer received its approval to raise up to \$1,000,000 of equity capital which is eligible for the Tax Credit effective from April 12, 2018 until December 31, 2018. The Issuer may apply for further additional equity authorizations to raise additional amounts and for an additional period of time expiring on March 1, 2019. All additional equity authorizations issued under the SBVC Act are subject to being withdrawn at any time with limited notice to the Issuer. As noted, the Tax Credit may only be applied for in respect of individual investors who are resident in British Columbia for tax purposes and eligible corporate investors who have a permanent establishment in British Columbia for tax purposes. The Tax Credit may be denied in whole or in part if the Province of British Columbia’s budget for its Equity Capital Program is reduced or used up prior to the Issuer completing the filing of the required share purchase reports. The Issuer is required under the SBVC Act to invest a minimum of 80% of the equity capital it raises in one or more eligible small businesses for a total of not less than five years, failing which it may be required to repay some or all of the Tax Credits issued in respect of such equity capital to the Province of British Columbia. Of this amount, 40% must be invested by the end of the next following full fiscal year after the equity capital was raised and 80% must be invested by the end of the second following full fiscal year after the equity capital was raised. See Item 6 - “Income Tax Consequences”.

Provincial Government Disclaimer:

The Province of British Columbia in no way guarantees the value of any shares issued by a VCC registered under the SBVC Act nor does it in any way express an opinion as to the financial condition of the issuing company, or the merits of the Issuer’s investments in eligible small businesses or any business proposal.

FORWARD LOOKING STATEMENTS

This Offering Memorandum contains certain statements or disclosure that may constitute forward-looking information under applicable securities laws. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that the Issuer anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking statements can be identified by the use of the words such as **potential, enable, plan, continue, contemplate** or the negative equivalent of those words or other comparable terminology, that certain actions, events or results **may, could, would, might, or will be taken, occur or be achieved**. Forward-looking information presented in such statements or disclosures may, among other things, relate to: the nature of the Issuer’s operations; sources of revenue; forecasts of capital expenditures and the sources of the financing thereof; expectations regarding the ability of the Issuer to raise capital; the Issuer’s business outlook; plans and objectives for future operations; forecast business results; and anticipated financial performance.

The risks and uncertainties of the Issuer’s business, including those discussed under ITEM 9 – RISK FACTORS, could cause the Issuer’s actual results and experience to differ materially from the anticipated results or other expectations expressed. In addition, forward-looking statements are based on assumptions about future events, which may or may not prove to be accurate. In light of these risks, uncertainties and assumptions, you should not place undue reliance on forward-looking statements and should be aware that events described in the forward-looking statements set out in the Offering Memorandum may not occur.

The Issuer cannot assure prospective investors that its future results, levels of activity and achievements, or those of any EBC that it invests in, will occur as the Issuer expects, and neither the Issuer nor any other person will assume responsibility for the accuracy and completeness of the forward-looking statements. Except as required by law, the Issuer assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to the Issuer, from EBCs that the Issuer invests in, third party industry analysts and other third party sources. In some instances, material assumptions and factors are presented or discussed elsewhere in this Offering Memorandum in connection with the statements or disclosure containing the forward-looking information. We caution you that the following list of material factors and assumptions is not exhaustive. The factors and assumptions include but are not limited to:

- no significant adverse changes in economic conditions in the North American markets for companies that the Issuer invests in;
- a stable competitive or regulatory environment in the North American markets in which the Issuer and the EBCs that it invests in operates;
- no significant adverse changes relating to the manufacturing of any products, including but not limited to manufacturing costs, produced by the EBCs that the Issuer invests in;
- no significant adverse challenges to the proprietary rights associated with any products of EBCs that the Issuer invests in;
- no significant event occurring outside the ordinary course of business such as a natural disaster or other calamity.

The forward-looking information in statements or disclosures in this Offering Memorandum is based (in whole or in part) upon factors which may cause actual results, performance or achievements of the Issuer and/or the EBCs that the Issuer invests in to differ materially from those contemplated (whether expressly or by implication) in the forward-looking information. Those factors are based on information currently available to the Issuer including information obtained by the Issuer from EBCs that the Issuer invests in, from third party industry analysts and other third party sources. Actual results or outcomes may differ materially from those expressed by such statements or disclosures. While we do not know what impact any of those differences may have, the Issuer's and/or EBCs that the Issuer invests in, business, results or operations, financial condition and its credit stability may be materially adversely affected. Factors that could cause actual results, performance, achievements or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things:

- manufacturing risks, including production delays, lack of availability of materials, escalation of production and labour costs and quality control;
- delays resulting from regulatory or industry reviews or approvals;
- the risks associated with general economic conditions including, but not limited to, general economic conditions affecting the Issuer, EBCs that the Issuer invests in, any related licensors, licensees, manufacturers and distributors, and the consumers of the products for the EBCs that the Issuer invests in;

- the risks of competitive products entering the market and the risks that the innovative products of the EBCs that the Issuer invests in, will not be adopted or accepted into the market at the rate and to the extent planned;
- the risks that the marketing efforts and the development of the channels of distribution for the products of the EBCs that the Issuer invests in, will be delayed or be insufficient;
- the risks associated with unanticipated products liability, intellectual property or other commercial litigation;
- the risks associated with the Issuer's and/or EBCs that the Issuer invests in, financing efforts, including that the Issuer and/or EBCs that the Issuer invests in, will not be able to arrange sufficient, cost-effective financing to finance their respective activities, fund capital expenditures and meet their other financial obligations;
- the Issuer and/or EBCs that the Issuer invests in, may be adversely affected by changes in income tax laws and other laws, governmental policies or regulations;
- the risk that the Class "A" Shares cease to be a "qualified investment" for a RRSP, RRIF, RESP or TFSA for any reason or that an EBC that the Issuer invests in, ceases to qualify as an eligible small business under the SBVC Act; and
- legislative and regulatory developments that may affect costs, revenues, the speed and degree of competition entering the market, global capital markets activity, timing and extent of changes in prevailing interest rates, changes in counterparty risk and the impact of accounting standards issued by Canadian standard setters.

Investors are cautioned that the above list of risk factors is not exhaustive. Other factors which could cause actual results, performance, achievements or outcomes of the Issuer and/or EBCs that the Issuer invests in, to differ materially from those contemplated (whether expressly or by implication) in the statements or disclosure containing forward-looking information are disclosed under ITEM 9: RISK FACTORS.

The Issuer is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable laws. Because of the risks, uncertainties and assumptions contained herein, prospective investors should not place undue reliance on forward-looking statements or disclosures. The foregoing statements expressly qualify any forward-looking information contained herein.

DEFINITIONS

“BC Tax Act” means the *Income Tax Act* (British Columbia), as amended.

“Class “A” Shares” means Class “A” Voting Common Shares, without nominal or par value in the capital of the Issuer;

“EBC” means an eligible business corporation as registered by the Investment Capital Branch of the BC Ministry of International Trade;

“Exempt Market Dealer” means a person who is registered in the category of “Exempt Market Dealer” under NI 31-103;

“Finders” means any person, including an employee, consultant, or Exempt Market Dealer of the Issuer who finds an investor for the Offering;

“NI 31-103” means National Instrument 31-103 “Registration Requirements, Exemptions and Ongoing Registrant Obligations” promulgated by the Canadian Securities Administrators;

“NI 45-102” means National Instrument 45-102 “Resale of Securities” promulgated by the Canadian Securities Administrators;

“NI 45-106” means National Instrument 45-106 “Prospectus Exemptions” promulgated by the Canadian Securities Administrators;

“SBVC Act” means the *Small Business Venture Capital Act* (British Columbia);

“SBVC Regulations” means the regulations to the SBVC Act;

“Subscriber” means any investor who executes a Subscription Agreement for the purchase of Class “A” Shares;

“Subscription” means an offer to purchase Class “A” Shares pursuant to this Offering Memorandum;

“Subscription Agreement” means the agreement between the Subscriber and the Issuer for the Class “A” Shares;

“Tax Act” means the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.);

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SCHEDULE “A” – SUBSCRIPTION AGREEMENT

1. USE OF NET PROCEEDS

1.1 Net Proceeds

The net proceeds of the Offering and the funds that will be available to the Issuer after the Offering will be as follows:

		Assuming Minimum Offering ¹	Assuming Maximum Offering
A.	Amount to be raised by this Offering	\$0	\$5,000,000
B.	Selling commission and fees	\$0	\$500,000
C.	Estimated Offering costs (e.g., legal, accounting, audit)	\$60,000	\$75,000
D.	Available funds: $D = A - (B + C)$	(\$60,000)	\$4,425,000
E.	Additional sources of funding required	\$0	\$575,000 ²
F.	Working capital deficiency	(\$60,000)	Nil
G.	Total: $G = (D+E) - F$	(\$60,000)	\$5,000,000

¹ As of the date of this Amended and Restated Offering Memorandum, the Issuer has raised aggregate gross proceeds of \$823,604 and incurred selling commissions and fees of \$82,360, subject to the exercise of any two day cancellation rights described in Item 12.1. Taking into account these amounts, the available funds under item D would be \$721,242, the working capital deficiency under Item F would be "nil" and the total under item G would be \$Nil.

² The Issuer anticipates that it will obtain additional bridge financing and/or receive expense reimbursements or other payments of fees and/or expenses from EBCs that the Issuer invests in sufficient to enable it to ultimately invest the equivalent of up to 100% of the proceeds of the Offering into such EBCs.

1.2 Use of Available Funds

Net proceeds of the Offering will be released to the Issuer on the Closing Dates. The Issuer plans to use the available funds to purchase securities in EBCs as follows:

Description of intended use of Available Funds listed in order of priority	Assuming Minimum Offering ¹	Assuming Maximum Offering
Net Proceeds	\$0	\$5,000,000
Make investments in EBCs	\$0	\$4,750,000
Working capital reserve for general and administrative expenses, including legal and accounting costs, compliance costs, management and office services costs, etc.	\$0	\$250,000 ³

¹ As of the date of this Amended and Restated Offering Memorandum, the Issuer has raised aggregate gross proceeds of \$823,604 and incurred selling commissions and fees of \$82,360 subject to the exercise of any two day cancellation rights described in Item 12.1. Taking into account these amounts, and the estimated offering costs of \$60,000 (assuming the minimum offering), for the purposes of this Table 1.2, the net proceeds under this column would be \$721,242, all of which would be allocated to making investments in EBCs.

² Net proceeds may be more or less than the amount shown.

³ The Issuer may determine to establish the working capital reserve from other sources, such as bridge financing and/or expense reimbursements or other payments of fees and/or expenses from EBCs that the Issuer invests in. Under the SBVC Act, the Issuer is prohibited from using more than 20% of the funds raised to pay administrative and operating costs.

The Issuer anticipates that the funds invested in the EBCs will be used to research, develop, market, launch and/or upgrade the products and/or services of the EBCs that the Issuer invests in. The amounts of the Offering used, and the purposes of such amounts, by the respective EBCs will be dependent on the investment amount paid by the Issuer and the stage of such EBC's business.

1.3 Overview of the Offering

The Offering consists of up to 7,500,000 Class "A" Shares offered at a price of \$0.50 per Class "A" Share for up to the first 5,000,000 Class "A" Shares and thereafter at a price of \$1.00 per Class "A" Share for the remaining Class "A" Shares to an aggregate maximum of \$5,000,000. See Item 5 – Securities Offered for additional terms of the Class "A" Shares. The Offering is intended to provide the Issuer with the necessary equity capital to invest in EBCs to assist such EBCs to carry out their business strategies. Pursuant to the SBVC Act, the Issuer may not expend more than 20% of its issued capital for administrative expenses (including commissions, legal and accounting expenses). See Item 2.1 – Business Structure and Item 2.2 – The Issuer's Business.

The Issuer will use the net proceeds of the Offering to invest in the equity of EBCs. The cost per such EBC share shall be equal to, or less than, the most recent cost of a Class "A" Share. A maximum subscription would result in the purchase by the Issuer of approximately \$5,000,000 in equity of selected EBCs.

Until required for the Issuer's purposes, the proceeds from this Offering will be invested only in securities of, or those guaranteed by, the Government of Canada or any Province of Canada, or in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies. Any interest accrued on subscription proceeds will be solely for the account of the Issuer.

1.4 Reallocation

The Issuer intends to spend the available funds as stated and will reallocate the available funds only for sound business reasons. The Issuer does not intend to reallocate available funds for any purpose unrelated to advancement of its business strategy.

2. THE BUSINESS OF HCM VENTURES (VCC) INC.

2.1 Business Structure

The Issuer was created by way of incorporation under the *Business Corporations Act* (British Columbia) (the "Act"). A Certificate of Incorporation bearing registration number BC1104200 was issued on January 18, 2017. The Issuer's authorized share structure consists of an unlimited number of Class "A" Voting Common Shares, Class "B" Voting Common Shares, Class "C" Voting Common Shares and Class "D" Voting Shares. On January 24, 2017, the Issuer was registered as a VCC, pursuant to the SBVC Act. The Issuer has a head office located 2970 Graymar Road, West Kelowna, BC V1Z 1Y8 and has a registered office located at 301 - 1665 Ellis Street, Kelowna, BC V1Y 2B3.

The Issuer has, to date, completed the raising of \$823,604 in equity capital under the Equity Capital Program.

The Issuer is not a reporting issuer within the meaning of the *Securities Act* (BC).

The first director, by way of resolutions in writing, has appointed BDO Canada LLP to act as the Issuer's first auditor until the Issuer holds its first annual general meeting, at which time the shareholders of the Issuer shall appoint the auditor. The articles of the Issuer provide that the directors have the authority to set the remuneration of the auditor.

Pursuant to the Act, the Issuer is required to hold its first annual general meeting within 18 months after incorporation. The Issuer has determined to defer the holding of its first annual general meeting and anticipates holding the meeting prior to November 30, 2018.

2.2 The Issuer's Business

The Issuer is a private British Columbia company incorporated solely for the purpose of making eligible investments in EBCs and providing business and managerial expertise to EBCs in which it has made or proposes to make an eligible investment under the SBVC Act. The Issuer is an early stage venture capital firm focused on investing in EBCs within the technology and life sciences sectors. A more detailed description of the investment criteria for investment in EBCs appears below.

Investors are cautioned that while the Issuer will seek opportunities with EBCs that demonstrate a potential for a 24 to 36 month investment period from investment to exit, investments and exit time lines for growth companies in the technology and life sciences sectors are often unpredictable and can represent longer term investments of 5 years or more. As required by the SBVC Act, the Issuer will be acquiring equity securities (and/or securities convertible into equity securities, where permitted under the SBVC Act) from the EBCs in which it invests. As such, the Issuer does not anticipate receiving a return of capital or any substantial return on investment on any particular EBC investment until such time as that EBC realizes a liquidity event (such as going public transaction or an acquisition or other business combination transaction) or the EBC generates sufficient earnings and cash flow to enable it to undertake a return of capital or other distribution to the Issuer. Although the Issuer may have certain input into such transactions in some cases, it will not be in a position to control the nature or timing of such transactions. As a result, the EBC investments which the Issuer undertakes will, in most cases, be considered to be illiquid.

The Issuer has access to a pipeline of investment opportunities through RCMA and both RCMA and the directors of the Issuer have established relationships with local incubators, accelerators, other investors and funders and other intermediaries. Notwithstanding these factors, identifying and attracting high quality EBCs with growth potential can be very competitive and challenging. There is a risk that the Issuer may not be able to identify and attract deals that are suitable for the Issuer and its objectives.

See Item 9 - Risk Factors for additional discussion of the nature of the Issuer's business.

Investment Strategy

The Issuer's investment strategy is comprised of five main elements:

1. Identify early stage companies and investment opportunities through our network of contacts in the Western Canadian technology and life science industries, specifically leveraging our relationships with successful start-up incubators that have a proven track record of cultivating business concepts into growing cash flow.
2. Conducting thorough due diligence and investing in the most promising of these companies via seed and/or venture financing rounds.
3. Assisting EBC management to build the business through active mentoring, assisting in the recruitment of key board and management positions, and advising on financing, mergers and acquisitions and corporate partnering strategies.
4. Provide the financial resources to support the EBC's growth requirements.
5. Actively manage the investment exit with a view to maximizing value for the Issuer's shareholders.

Investment Criteria

Prospective investee EBCs must meet the EBC requirements under the SBVC Act which include, among other things, that the EBC:

- (i) Together with their affiliates, have no more than 100 employees;
- (ii) Pay at least 50% of the wages and salaries to employees who regularly report to work in British Columbia (75% if the EBC is not engaged in the export of goods from British Columbia or the provision of services outside of British Columbia); and

- (iii) Be substantially engaged in a qualifying activity under the SBVC Act.

In addition to the investment criteria prescribed by the Act, the Issuer seeks to invest in companies that have:

- (i) Proprietary products and/or services that have a distinct competitive advantage, effective barriers to entry and solutions that are sought by large and/or expanding markets;
- (ii) A unique value proposition that addresses a substantial unmet need in the market place;
- (iii) A highly motivated and capable management team with the understanding and readiness to take on what is required to move the EBC through the accelerated growth stage;
- (iv) The potential for a 24 to 36 month investment period from investment to exit with the realistic potential for a 35% annual average return over the investment period; and
- (v) Clear exit opportunities within the anticipated investment period via sale to strategic buyer, acquisition by private equity group, initial public offering, redemption or the like.

Investment Sectors

The Issuer intends to target high growth potential EBCs within the following sectors.

- (i) Information technology;
- (ii) Communication technology;
- (iii) Wireless technology;
- (iv) Life sciences; and
- (v) Clean technology.

Additional Requirements for Investments

The SBVC Act establishes certain additional requirements for investments by VCCs, including the following:

- (i) The VCC, together with certain deemed related parties and other VCCs, must not own, directly or indirectly, shares carrying 50% or more of the votes for the election of directors of the EBC or, in any manner, control the EBC;
- (ii) The investment must be at risk and at arm's length, as contemplated by the SBVC Act; and
- (iii) Subject to certain exceptions, the investment must not make or hold an investment in an EBC if all or a part of the proceeds of the investment are directly or indirectly used or intended to be used by the EBC for any of the following purposes:
 - (a) lending;
 - (b) investment outside of British Columbia;
 - (c) investment in land, unless the investment is incidental or ancillary to the EBCs eligible activities under the SBVC Act;
 - (d) acquiring securities other than equity securities of an affiliate of the EBC;
 - (e) purchasing goods or services from the VCC or a director, officer or shareholder of the VCC (or their respective associates, as defined in the SBVC Act) other than (i) business and managerial services that are purchased at fair market value by the EBC and (ii) goods or services that are sold at fair market value to the EBC in the ordinary course of the seller's business as a seller of such goods or services in the open market;
 - (f) payment of all or part of a debt obligations (except as permitted under the SBVC Act); and

- (g) certain other prescribed purposes;

Please refer to the SBVC Act and SBVC Regulation for a complete description of the permitted and prohibited investments.

2.3 Development of the Issuer's Business

The Issuer was incorporated on January 18, 2017. Its fiscal year end is February 28. The Issuer was registered as a VCC under the SBVC Act on January 24, 2017. Since incorporation, the Issuer has been engaged primarily in structuring and organizing itself as a VCC and undertaking the Offering. To date, the Issuer has raised \$823,604 of investment capital. On November 30, 2017, two additional directors were added to the Issuer's board of directors (see Item 3 – Directors, Management, Promoters and Principal Holders). The Issuer has not made any investments in EBCs to date but has been engaged in ongoing discussions within its network of start-up incubators, angel investors and venture capital investors during the period since incorporation.

2.4 The Issuer's Long Term Objectives

The Issuer's long term objective is to raise equity capital under the Equity Capital Program and to invest the maximum available net proceeds from such financings into EBCs to support their business objectives, all in accordance with the requirements of the SBVC Act.

2.5 The Issuer's Short Term Objectives and How the Issuer Intends to Achieve Them

The following are the Issuer's short term objectives that it plans to achieve over the next twelve (12) months:

	What the Issuer must do and how it will do it	Target completion date or, if not known number of months to complete	Cost to complete⁽¹⁾
	Deliver September 27, 2018 Non-offering Offering Memorandum and Two Day Cancellation Right to August 2018 Investors	less than 1 month	\$15,000
a.	Continue the Offering Under this Amended and Restated Offering Memorandum	October 2, 2018	\$5,000
b.	Begin investments into EBCs	December 1, 2018	\$10,000
c.	Complete the Offering	10 to 12 months ⁽²⁾	\$550,000
d.	Complete the investments into identified EBCs	December 31, 2019	\$25,000

(1) The Issuer anticipates that an aggregate amount equal to approximately 100% of these costs will be borne by or recovered from identified EBCs through a combination of work fees, expense reimbursements and other payments from such EBCs.

(2) The Issuer's current additional equity allocation under the SBVC Act for the 2018 tax credit budget expires on December 31, 2018. The Issuer intends to apply for a further additional equity allocation under the SBVC Act for the 2018 tax credit budget to enable it to target a completion date for the Offering during the 2018 tax credit budget period ending on March 1, 2019.

2.6 Insufficient Funds

The net proceeds received from the Offering may not be sufficient to accomplish all of the selected EBCs proposed objectives and there is no assurance that alternative financing will be available.

2.7 Material Agreements

The Issuer has entered into to the following material agreements.

Management and Office Services Agreement

The Issuer has entered into a Management and Office Services Agreement dated January 25, 2017 with RCMA Financial Group Inc. (“RCMA”) whereby RCMA has agreed to provide management services for the Issuer and specifically will be assisting the Issuer with identifying EBCs that have strong management, realistic business plans and a strong likelihood of success if provided with investment funds from the Issuer. RCMA, has established relationships within the private equity and early stage venture incubator communities in Canada, as well as with independent investment due diligence consultants. RCMA will use its established relationships to identify prospective investment opportunities in EBCs for the Issuer and will arrange for independent due diligence to be conducted where appropriate.

RCMA’s services under the Management and Office Services Agreement include the following:

- (a) supplying all office, secretarial, telephone answering, bookkeeping and clerical services required for the efficient carrying on of the Issuer’s business;
- (b) ordering and supplying all letterhead, copy paper, ink, pencils and generally all office supplies necessary for the carrying on of the Issuer’s business;
- (c) ensuring the payment of all expenses, including professional fees, sales and income taxes, regulatory fees and expenses and other financial obligations;
- (d) overseeing maintenance of the books and records of the Issuer;
- (e) conducting the banking business of the Issuer, including managing the cash reserves, bank accounts and Investment Protection Account (as defined in the SBVC Act) and furnishing the Issuer with periodic reports of the state of the accounts;
- (f) implementing the Issuer’s policies and procedures including any investment policies, valuation and conflicts of interest policies;
- (g) providing support and assistance to the Issuer’s directors and officers with respect to the Issuer’s marketing activities including liaising with investors and coordinating meetings with investors and assisting with the management and sourcing of investment opportunities;
- (h) ensuring the Issuer has a good working relationship with all governmental and regulatory bodies and is in compliance with all applicable legal and regulatory requirements;
- (i) working with the Issuer’s directors to ensure the Issuer is following proper corporate governance procedures;
- (j) reporting to the shareholders, maintaining share registers, shareholder communications and shareholders meetings;
- (k) coordinating investments on behalf of the Issuer with prospective investee companies and associated third parties, including arranging for appropriate due diligence on prospective investee companies and the preparation of investment transaction information summaries and term sheets for consideration and approval by the Issuer and its board of directors;
- (l) preparing a divestiture plan for consideration by the Issuer and its board of directors concerning its holdings in each investee company which is consistent with the Issuer’s general plan for divestiture of its investments;
- (m) conducting daily routine correspondence including the sealing and distributing of all incoming mail and dispatching all outgoing mail;
- (n) conducting all other aspects of the day-to-day administrative and operational management of the business and affairs of the Issuer;

- (o) reporting periodically to the Issuer on its business operations and making recommendations in connection with it;
- (p) paying all utility charges, business taxes, insurance premiums and other expenses in connection with the office premises provided to the Issuer; and
- (q) performing such other services as may be agreed to by the Issuer and RCMA from time to time.

For these services, RCMA is entitled to receive a success fee equal to 25% of the gross return (including all capital gains, dividends and other distributions) realized by the Issuer from all investments made by the Issuer in investee EBCs (plus applicable taxes); provided, however, that where the gross return includes non-cash items (including, without limitation, securities of another issuer), the gross return shall be calculated on the basis of the actual cash proceeds ultimately realized by the Issuer upon the disposition of such non-cash items for cash proceeds. RCMA is also entitled to be reimbursed for its out-of-pocket expenses incurred or paid by RCMA on behalf of the Issuer, as well as all indirect costs and expenses incurred or paid for by RCMA in the course of providing the Issuer with the services, supplies, office premises, furniture, equipment and any repairs thereof. Where mutually agreed by the Issuer and RCMA, RCMA may be permitted to provide certain services to investee or prospective investee EBCs and RCMA may receive additional compensation from the Issuer as mutually agreed, provided that such additional compensation is paid by the investee EBC as a work fee, consulting fee or otherwise. The success fee will be calculated and paid after the Issuer has divested all applicable investments in investee EBCs and received the proceeds of the same; provided, however that if the Issuer has made aggregate distributions to its shareholders in an amount that is equal to or greater than 100% of the aggregate amount of equity capital raised by the Issuer, then the success fee will be calculated and paid on a rolling basis on any divestiture proceeds which exceeds that aggregate amount.

Glen Vause, a director of the Issuer, is also a director and principal shareholder of RCMA.

All of the above-noted written agreements may be inspected at the offices of the Issuer's solicitors during ordinary business hours.

3. DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS

3.1 Compensation and Securities Held

The following table sets out information about each director, officer and promoter of the Issuer and each person who directly or indirectly, beneficially owns or controls ten (10%) percent or more of any class of voting securities of the Issuer (a "Principal Holder").

Name and municipality of principal residence	Position held (e.g., director, officer, promoter and/or Principal Holder) and the date of obtaining position	Compensation paid by the Issuer since inception and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the Issuer held after completion of Minimum Offering ²	Number, type and percentage of securities of the Issuer held after completion of Maximum Offering ³
Glen Eugene Vause West Kelowna, BC	Director, Officer January 18, 2017	Nil	100 Class "D" Voting Shares (0.00006%)	100 Class "D" Voting Shares (0.0000001%)
Kent Douglas Britton West Kelowna, BC	Director November 30, 2017	Nil ⁴	0 (0%)	0 (0%)
Fred Richard Munn	Director	Nil ⁴	0	0

Name and municipality of principal residence	Position held (e.g., director, officer, promoter and/or Principal Holder) and the date of obtaining position	Compensation paid by the Issuer since inception and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the Issuer held after completion of Minimum Offering ²	Number, type and percentage of securities of the Issuer held after completion of Maximum Offering ³
Edmonton, AB	November 30, 2017		(0%)	(0%)
RCMA Financial Group Inc. Kelowna, BC	Promoter January 25, 2017	see note 1	0 (0%)	0 (0%)

¹ RCMA is compensated by the Issuer solely pursuant to the Management and Office Services Agreement described in Item 2.6 - Material Agreements. The Issuer has not paid any compensation to RCMA to date. The Issuer does not anticipate paying any compensation to RCMA in the current financial year other than reimbursement for out-of-pocket expenses and indirect costs and expenses incurred or paid by RCMA in the course of providing the Issuer with the services, supplies, office premises, equipment and repair thereof pursuant to the Management and Office Services Agreement which the Issuer anticipates will be less than \$10,000 in the current financial year.

² Assumes that the two day cancellation right described in Item 12.1 will not be exercised by any parties to whom such two day cancellation right applies.

³ Assumes that Principal Holder will not participate in future Closings under this Offering.

⁴ The Issuer anticipates paying director compensation of \$5000 per year, plus out-of-pocket expenses, to each of Mr. Britton and Mr. Munn but does not anticipate paying any of such compensation prior to the end of the Issuer's current financial year. In addition, it is anticipated that Mr. Munn, through his corporation Sherwood Management Corp., will be paid a subscription processing fee of \$90 per subscription that is processed through RCMA. This expense will be payable by RCMA but will be reimbursable by the Issuer to RCMA as an out-of-pocket expense under the RCMA Management and Office Services Agreement. It is anticipated that the aggregate value of these fees will be approximately \$45,000 if the Maximum Offering is achieved at the minimum subscription amount of \$10,000 per subscription.

3.2 Management Experience

Name	Principal occupation and related experience
Glen Eugene Vause	Over the last 20 years Mr. Vause has acted in roles ranging from founder to advisor for several rapid growth companies including Encore Vineyards Ltd., which owns and operates multiple winery assets in British Columbia, DVDPlay (Redbox), an automated movie rental service, and West Coast ATM Financial, a white label ATM provider in Western Canada. In these capacities, Mr. Vause has overseen capital formation, strategy development, financial/project management, acquisitions/rollups/divestitures and value creator for underperforming assets. Mr. Vause has significant experience in the financial industry, covering a multitude of areas and industries, both private and public through his work with Titan Pacific Capital Partners, LLC. His responsibilities included principal trading, equity and debt raising, mergers and acquisitions and venture capital as a facilitator and principal investor in real estate, energy, financial services, viticulture, agriculture and consumer finance industries. Mr. Vause was appointed as a director of SomaLife Consulting Ltd. on November 12, 2015 and as Senior Corporate Finance Officer on November 20, 2015. Mr. Vause has been a director of several VCCs registered under the SBVC Act, including SomaLife Ventures (VCC) Inc. since its inception on April 11, 2016, Trenchant Ventures (VCC) Inc. (formerly HCM Bridge Ventures (VCC) Inc.) since its inception on September 18, 2017, and Fanson Ventures (VCC) Inc. since its inception on October 16, 2017. Mr. Vause has been a director of HCM Ventures Alberta (VCC) Inc., a venture capital corporation registered under the <i>Investing in a Diversified Economy Act</i> (Alberta), since its inception on May 4, 2017. Mr. Vause is also a director and principal shareholder of RCMA.

<p>Kent Douglas Britton</p>	<p>Mr. Britton has over 20 years of management experience in both large and small company settings domestically and internationally. His experience spans a variety of roles and disciplines where he has held both senior and executive roles in marketing, sales, operations, finance and administration.</p> <p>Mr. Britton served as an executive of Stony Mountain Waste Management Ltd., a rapidly growing waste management company focussed on the Alberta market, from January 2012 to September 2017, mostly recently as a Managing Partner focussed on creating continued efficiencies to allow for steady, managed growth. Prior to his role with Stony Mountain Waste, Mr. Britton was Chief Operating Officer, Asia for one of North America's leading real estate groups with responsibility for operations spanning 7 countries with over 50,000 clients and a staff of 1100 people. Mr. Britton was also a founding partner of Brisco Capital Partners which provided investor relations services and raised capital for Canadian public companies in many industries including mining, real estate, technology and consumer products during Mr. Britton's tenure with that firm.</p> <p>Mr. Britton has a Bachelor of Economics from the University of Calgary and currently serves on the board of directors for two public companies: Peloton Minerals Corporation (since January 2013) and Vela Minerals Ltd. (since January 2013). He has been a director of HCM Ventures Alberta (VCC) Inc., a venture capital corporation registered under the <i>Investing in a Diversified Economy Act</i> (Alberta), since May 11, 2017.</p>
<p>Fred Richard Munn</p>	<p>Mr. Munn is a seasoned former professional banker, venture capitalist and business management professional with over 20 years of experience. From 1992 until 2008, Mr. Munn held a number of senior roles, such as Senior Operations Manager, Branch Manager and Commercial Business Relationship Manager, with ATB Financial (a regional Alberta-based bank). Mr. Munn managed ATB Edmonton Main Branch for three years, the bank's flagship branch with the largest portfolio in excess of \$500 Million combined loans and deposits. He led the team to net results of \$65 Million growth. As a Commercial Business Relationship Manager, Business Sales & Service, Mr. Munn managed a portfolio of clients in the mid-size market with borrowing requirements of \$5 Million.</p> <p>Mr. Munn is currently the Canadian director for several entities related to Rockspring Capital, a Texas real estate firm that has entered Canada to acquire investor capital utilizing the exempt market distribution model. Mr. Munn's role within Rockspring is to act as guardian/monitor on behalf of investors and enforce strict policies and controls with respect to asset management and governance. To date, Rockspring has successfully raised \$75 Million dollars through its first three investment trusts and their related administrator companies and general partner companies: (i) Rockspring Capital Texas Real Estate Trust II (for which Mr. Munn has served as director since January 2013, along with the related Rockspring Capital Texas Real Estate Adminco Inc. and Rockspring Capital Texas Real Estate GP Inc.), (ii) Rockspring Capital Texas Real Estate Trust I (for which Mr. Munn has served as director since July 2014, along with the related Rockspring Capital Texas Real Estate Adminco II Inc. and Rockspring Capital Texas Real Estate GP II Inc.) and (iii) Rockspring Capital Texas Real Estate Trust III (for which Mr. Munn has served as director since April 2016, along with the related Rockspring Capital Texas Real Estate Adminco III Inc. and Rockspring Capital Texas Real Estate GP III Inc.).</p> <p>In addition to Rockspring, Mr. Munn has held both senior level and executive positions in a variety of leading information, technology and communications companies with roles at Machlink Corporation (a private security and monitoring company for which</p>

Mr. Munn currently serves as director, President and CEO), Uniserve Communications Corp. (a public company for which Mr. Munn served as a director from January 2014 to April 2015) and Orion Networks Monitoring Inc. (a private company for which Mr. Munn has served as a director from October 2016 to present). In April 2017, Mr. Munn was selected to join the National Board for CANASA - The Canadian Security Association. Established in 1977, CANASA advocates, educates and provides leadership to its members across Canada in a self-regulated environment of Canadian security professionals.

During the past five years, Mr. Munn has also served as director and officer of several private, closely held companies of which he is a principal, including 1418720 Alberta Ltd. (a private holding company), Sherwood Management Corp. (a private management services company), Goldstone Capital Inc. (the general partner of Goldstone Capital Limited Partnership), and Charity Solutions Inc. (a private company owned by Mr. Munn, along with his wife, which was established in 2008 and is dedicated to assisting charities and non-profit organizations across Western Canada). He has been a director of HCM Ventures Alberta (VCC) Inc., a venture capital corporation registered under the *Investing in a Diversified Economy Act* (Alberta), since May 11, 2017.

There are no existing material conflicts of interest among the Issuer, its directors, officers, principal security holders, promoters or persons providing professional services to the Issuer that could reasonably be expected to affect the investment decision of a Subscriber. However, potential conflicts of interest could arise in the future if, for example, a dispute were to arise under the Management and Officer Services Agreement between the Issuer and RCMA, of which Mr. Vause is a director and principal shareholder. See Item 9.2 – Issuer Risks (Conflicts of Interest).

3.3 Penalties, Sanctions and Bankruptcy

No director or officer, nor any company of which any director or officer is or has been a director, senior officer or control person, is or was subject to a penalty or sanction, a declaration of or voluntary assignment in bankruptcy, a proposal under bankruptcy or insolvency legislation, a proceeding, arrangement or compromise with creditors or an appointment of a receiver, receiver manager or trustee of assets, which is currently in effect or has been in effect during the last ten (10) years nor any cease trade order that has been in effect for a period of more than 30 consecutive days during the past 10 years.

3.4 Loans

Nil.

4. CAPITAL STRUCTURE

4.1 Share Capital

The following table provides a summary of the outstanding securities of the Issuer (including options, warrants, and other securities convertible into Class “A” Shares).

Description of security	Number authorized to be issued	Number outstanding as at August 31, 2018	Number outstanding after Minimum Offering	Number outstanding after Maximum Offering
Class “A” Voting Common Shares	Unlimited	1,667,208	1,667,208	7,500,000
Class “B”	Unlimited	0	0	0

Description of security	Number authorized to be issued	Number outstanding as at August 31, 2018	Number outstanding after Minimum Offering	Number outstanding after Maximum Offering
Voting Common Shares				
Class "C" Voting Common Shares	Unlimited	0	0	0
Class "D" Voting Shares	Unlimited	100	100	100

4.2 Long Term Debt

The following table summarizes information about outstanding long term debt of the Issuer.

Description of long term debt (including whether secured)	Interest rate	Repayment terms	Amount outstanding at August 31, 2018
Nil	Nil	Nil	Nil

4.3 Prior Sales

The Issuer has issued the following securities during the last twelve (12) months:

Date of issuance ⁽¹⁾	Type of security issued	Number of securities issued	Price per security	Total funds received
Jan. 18, 2017	Class "D" Voting Shares	100	\$0.01	\$1.00
Oct. 10, 2017	Class "A" Voting Common Shares	88,000	\$0.50	\$44,000
Oct. 16, 2017	Class "A" Voting Common Shares	20,000	\$0.50	\$10,000
Nov. 21, 2017	Class "A" Voting Common Shares	205,760	\$0.50	\$102,880
February 26, 2018	Class "A" Voting Common Shares	65,000	\$0.50	\$32,500
February 27, 2018	Class "A" Voting Common Shares	260,000	\$0.50	\$130,000
February 28, 2018	Class "A" Voting Common Shares	56,000	\$0.50	\$28,000
August 3, 2018	Class "A" Voting Common Shares	286,583	\$0.50	\$143,291.50
August 10, 2018	Class "A" Voting Common Shares	685,865	\$0.50	\$342,932.50

This Amended and Restated Offering Memorandum replaces the Issuer's previous Amended Offering Memorandum dated February 21, 2018. In addition to being provided to new subscribers, this Amended and Restated Offering Memorandum will be provided to certain parties that provided executed subscription documents pursuant to the February 21, 2018 Amended Offering Memorandum. Such parties will be asked to execute and deliver an updated Risk Acknowledgement Form attached as Exhibit "I" to Schedule "A" of the Offering Memorandum (see Item 5.3) and will be provided with the two day cancellation right described in Item 12.1 from the date that they sign the updated Risk Acknowledgement Form. Accordingly, the securities shown as issued on August 3, 2018 and August 10, 2018 in the foregoing table are subject to revision in respect of any corresponding Subscriptions for which such two day cancellation right may be exercised.

5. SECURITIES OFFERED

5.1 Terms of Securities

The Issuer is authorized to issue an unlimited number of Class "A" Voting Common Shares (the Class "A" Shares), Class "B" Voting Common Shares (the "Class "B" Shares"), Class "C" Voting Common Shares (the "Class "C" Shares") and Class "D" Voting Shares ("Class "D" Shares") all without nominal or par value (the Class "A" Shares, the Class "B" Shares and the Class "C" Shares are collectively referred to herein as the "VCC Common Shares"). Subject to the Issuer's articles, applicable corporate law and the SBVC Act, the directors of the Issuer are at liberty to declare non-cumulative dividends on each class of the VCC Common Shares in such amounts and at such times as the directors shall determine. However, unless approved by an ordinary resolution of the holders of the Class "A" Shares, the Class "B" Shares and the Class "C" Shares, respectively, if and when the Issuer declares a distribution or dividend on any class of shares it shall (i) simultaneously declare a distribution or a dividend in the same amount per share, but not necessarily of the same type, in respect of every other class of VCC Common Shares and pay all declared distributions and dividends at the same time and in the same manner for all classes of VCC Common Shares. No dividend shall be declared or paid on the Class "D" Shares. The Issuer does not anticipate declaring dividends or distributions for the foreseeable future. The directors of the Issuer may consider declaring dividends or distributions in the future when operational circumstances, including earnings, cash flow and financial and business considerations permit.

Holders of the VCC Common Shares and the Class "D" Shares are entitled to receive notice of and attend all meetings of shareholders of the Issuer and are entitled to vote at any such meeting. Each VCC Common Share and each Class "D" Share entitles the holder thereof to one vote per share. The directors may call a meeting of shareholders whenever they see fit. For so long as the Issuer is not a public company, the Issuer must send notice of the time, date and location of any meeting of the shareholders at least 10 days before the meeting. Notices to shareholders may be sent by mail or delivery to the registered address of the shareholder. Notices mailed to a shareholder by ordinary mail will be deemed to have been received by the shareholder on the day following the date of mailing, Saturdays, Sundays and holidays excepted.

Upon liquidation or winding-up of the Issuer, each holder of a Class "D" Share shall be entitled to be paid an amount equal to the lesser of the issue price of such Class "D" Share and the value of the consideration received by the Issuer in respect of such Class "D" Share and the holders of the VCC Common Shares shall be entitled to share in the distribution of the assets of the Issuer, with each of the VCC Common Shares ranking *pari passu*. **The Class "A" Shares, the Class "B" Shares, the Class "C" Shares and the Class "D" Shares are all non-redeemable. Pursuant to the provisions of the SBVC Act, if a VCC directly or indirectly acquires one of its own shares, the VCC will become liable to pay all or a portion of the associated tax credit to the provincial Minister of Finance in an amount calculated in accordance with Section 22(2) of the SBVC Act. The Issuer anticipates that, upon meeting the SBVC Act requirements of having at least 80% of its raised equity capital invested in one or more eligible small businesses for an aggregate of at least 5 years, at which point it will no longer have any tax credit repayment liability, the Issuer will then de-register as a VCC. Once it has been de-registered as a VCC, subject to obtaining the required shareholder approval and, as warranted, exited or otherwise liquidated its investments, the Issuer will be wound up and its assets distributed to the holders of the VCC common Shares ranking *pari passu*.**

The Subscription Price for the Class “A” Shares has been arbitrarily determined by the Issuer. The Issuer is offering a maximum of 7,500,000 Class “A” Shares for gross aggregate proceeds of up to \$5,000,000. **Should the maximum offering not be subscribed for, the Issuer intends to seek investments for the Class “A” Shares from persons who are exempt from prospectus and registration requirements pursuant to exemptions provided by NI 45-106.**

The share certificates issued in respect of any Subscriptions will contain a legend setting out the resale restrictions under the applicable securities legislation, as described in Item 11.1. The share certificates will also contain a legend as required under the SBVC Act which states: “The value of these shares may be significantly affected by the repayment provisions of Section 22 of the *Small Business Venture Capital Act*.”

5.2 Subscription Qualification

The Corporation is offering in the Provinces and Territories of Canada, pursuant to prospectus and registration exemptions under the securities legislation of such jurisdictions, up to 7,500,000 Class “A” Shares. The issue price per Class “A” Share will be equal to \$0.50 per Class “A” Share for up to the first 5,000,000 Class “A” Shares sold and thereafter will be equal to \$1.00 per Class “A” Share for the remaining Class “A” Shares sold to an aggregate maximum of \$5,000,000.

The Class “A” Shares are offered pursuant to any one of the exemptions under NI 45-106 from the prospectus requirements of applicable securities laws and the exemptions under NI 31-103 from the registration requirements of applicable securities laws. Such exemptions relieve the Issuer from provisions under applicable securities laws requiring the Issuer to file a prospectus and therefore Subscribers do not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by a securities commission or similar authority.

While NI 45-106 provides for several different possible prospectus exemptions, the most commonly used exemptions utilized for an investment in the Class “A” Shares are the “accredited investor”, “minimum amount investment” and “offering memorandum” exemptions, the terms and conditions of which are summarized below.

Accredited Investor

In all jurisdictions an investor may purchase Class “A” Shares if the investor is an “accredited investor” and purchases the Class “A” Shares as principal. An “accredited investor” is defined in NI 45-106 and is essentially an investor that meets certain minimum income or wealth criteria and can include individuals, corporations, trusts, investment funds and other types of legal entities. For example, for an individual person to qualify as an “accredited investor” they must generally meet one of the following criteria: (i) annual net income of at least \$200,000 for the last two years (or \$300,000 if combined with their spouse); (ii) net assets of at least \$5,000,000, either alone or combined with their spouse; or (iii) net financial assets (i.e. cash, securities, deposits, but excluding real estate and other non-financial assets) of more than \$1,000,000, either alone or combined with their spouse. The Subscription Agreement includes a more detailed description of “accredited investor” and requires the investor relying on this exemption to certify that they meet at least one of the “accredited investor” criteria. Certain individuals who are relying on the accredited investor exemption will also be required to complete and sign a Risk Acknowledgement Form 45-106F9.

Minimum Amount Exemption

In all jurisdictions, an investor who is not an individual may purchase Class “A” Shares, as principal, having a minimum cash acquisition cost of \$150,000. For purposes of determining eligibility for subscribing for Class “A” Shares pursuant to the “minimum amount investment” exemption, an “individual” means a natural person and does not include any of the following: partnerships, unincorporated associations, unincorporated syndicates, unincorporated organizations, trusts and natural persons acting in the capacity of trustee, executor, administrator or personal or other legal representative. The minimum amount investment exemption is not available for an investor that was created or is used solely to purchase or hold securities in reliance on this exemption.

Offering Memorandum Exemption

In **British Columbia and Newfoundland and Labrador**, an investor may purchase Class “A” Shares if, before or at the time the investor completes and signs the Subscription Agreement, the investor receives this Offering Memorandum and completes and signs the Risk Acknowledgement Form 45-106F4 which accompanies the Subscription Agreement and delivers it to the Corporation.

In **Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon**, an investor, who is purchasing as principal and is either an “eligible investor” (see below) or the cash acquisition cost to that investor does not exceed \$10,000, may purchase Class “A” Shares if, before or at the time the investor completes and signs the Subscription Agreement, the investor receives this Offering Memorandum and completes and signs the Risk Acknowledgement Form 45-106F4 and the Representation Letter which accompany the Subscription Agreement and delivers them to the Corporation.

In **Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan**, subject to certain investment limitations, an investor who is purchasing as principal, may purchase Class “A” Shares if, before or at the time the investor completes and signs the Subscription Agreement, the investor receives this Offering Memorandum, the investor completes and signs the Risk Acknowledgement Form 45-106F4, the Schedule 1 Classification of Investors Under the Offering Memorandum Exemption and the Schedule 2 Investment Limits for Investors Under the Offering Memorandum Exemption which accompany the Subscription Agreement and delivers them to the Corporation.

In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan there are limitations on how much an individual investor may invest in the Corporation, such limitations being set out as follows:

- (i) if the investor is an individual and does not qualify as an “eligible investor”, the maximum value of shares purchased under the Offering Memorandum Exemption, for an investment in any company, during the twelve month period preceding the completion of the Subscription Agreement by the investor, including the value of the Class “A” Shares being purchased, cannot exceed \$10,000 in the aggregate;
- (ii) if the investor is an individual and qualifies as an “eligible investor”, the maximum value of shares purchased under the Offering Memorandum Exemption, for an investment in any company, during the twelve month period preceding the completion of the Subscription Agreement by the investor, including the value of the Class “A” Shares being purchased, cannot exceed \$30,000 in the aggregate; and
- (iii) if the investor is an individual and qualifies as an “eligible investor” and has been advised by a portfolio manager, investment dealer or exempt market dealer that the investment in the Class “A” Shares is suitable, the maximum value of shares purchased under the Offering Memorandum Exemption, for an investment in any company, during the twelve month period preceding the completion of the Subscription Agreement by the investor, including the value of the Class “A” Shares being purchased, cannot exceed \$100,000 in the aggregate.

Exemptions from Investment Limits

The investment limits noted above do not apply to Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan non-individual investors, provided that such non-individual investors were not created, or used, solely to purchase or hold securities in reliance on the exemption from prospectus requirements as set out in subsection 2.1 of NI 45-106.

The investment limits noted also do not apply to Alberta, New Brunswick, Nova Scotia, Ontario, Québec Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Yukon and Saskatchewan investors who are accredited investors or are persons who are closely associated with the Issuer either by way of being an officer or director of the Issuer or an affiliate of the Issuer or by way of having a close personal friendship or close business association with an officer or director of the Issuer or an affiliate of the Issuer.

Definition of “eligible investor”

An “eligible investor” is defined in NI 45-106 and is essentially an investor that meets certain minimum income or wealth criteria and can include individuals, corporations, trusts, investment funds and other types of legal entities. For more specific information on the qualifications necessary to be deemed an “eligible investor” please refer to the Representation Letter attached to the Subscription Agreement if you are an investor resident in Manitoba, Northwest Territories, Nunavut, Prince Edward Island or the Yukon or refer to the Schedule 1 - Classification of Investors Under the Offering Memorandum Exemption attached to the Subscription Agreement if you are an investor resident in Alberta, New Brunswick, Nova Scotia, Ontario, Québec or Saskatchewan.

5.3 Subscription Procedure

To subscribe for the Class “A” Shares, Subscribers must deliver to the Issuer or to Pushor Mitchell LLP, the following:

- (a) a Subscription Agreement completed and executed, substantially in accordance with the form attached as Schedule “A” indicating the number of Class “A” Shares that the subscriber wishes to purchase;
- (b) a certified cheque, bank draft or money order payable to “Pushor Mitchell LLP In Trust”, for the total subscription price (the “Subscription Price”);
- (c) two executed copies of the Risk Acknowledgement Form attached as Exhibit I to Schedule “A” **with one copy to be kept by the Subscriber;**
- (d) one executed copy of Personal Information Notification Form attached as Exhibit III to Schedule “A”;
- (e) if a non-registered finder is involved in the investment, two executed copies of the Risk Acknowledgement form attached as Exhibit II to Schedule “A” **with one copy to be kept by the Subscriber; and**
- (f) such other exhibits as are required based on jurisdiction of residency as set out pursuant to Section 4 - Prospectus Exemptions and Required Documentation of the Subscription Agreement.

The Subscription Agreement contains representations and warranties of the Subscriber that the Issuer and its legal counsel will be relying upon in order to determine the eligibility of the Subscriber to participate in this Offering. The Subscriber must read the Subscription Agreement in full prior to execution, and is encouraged to obtain independent legal advice. Subscriptions for the Class “A” Shares will be received subject to rejection or allotment in whole or in part in the sole discretion of the Issuer and the Issuer reserves the right to close the Subscription book at any time without notice.

The Issuer reserves the right to allot to a Subscriber a number of Class “A” Shares that are less than subscribed for by the Subscriber. Promptly after the Issuer’s acceptance or rejection of a Subscription, confirmation of the acceptance or rejection will be delivered to the Subscriber. If the Subscription is rejected in whole, the Issuer will also return the Subscription Price. If the Subscription is accepted in part, the Issuer will deliver to the Subscriber a cheque in an amount equal to the Subscription Price for the value of the Class “A” Shares subscribed for but not accepted by the Issuer. Any Subscription payment returned to Subscribers will be without interest, penalty or deduction.

Where required pursuant to NI 45-106, when a Subscription is received by the Issuer, the Subscription Price will be held in trust for at least two (2) business days to permit the Subscriber, if the Subscriber so elects, to cancel the purchase of the subscribed for Class “A” Shares in accordance with provisions set out in Exhibit I. Thereafter, the Subscription Price is not refundable and is available to the Issuer as herein provided.

Subscriptions will be accepted from time to time at the discretion of the Issuer as Subscriptions are received up to and on the Closing Dates. Within 30 days of a closing, the Issuer will deliver, unless directed otherwise in writing by the relevant Subscribers, a certified true copy of the certificate representing the fully paid-up and non-assessable Class “A” Shares provided that the Subscription Price has been paid in full.

5.4 Exemptions from Registration Requirements

The Issuer does not consider itself to be in the business of trading securities and therefore will rely upon the registration exemption contained in Part 8.4 of NI 31-103 and the equivalent exemptions under applicable provincial securities laws. In the event that the Issuer is deemed to be in the business of trading securities, it will rely on the exemption contained in British Columbia Instrument 32-513 “Registration exemption for trades in connection with certain prospectus-exempt distributions” and equivalent exemptions as adopted in Alberta, Manitoba and the Territories to the extent available.

5.5 Exemptions from Prospectus Requirements

The Issuer will rely upon the exemptions outlined under Item 5.2 - Subscription Qualification. These exemptions provide that the prospectus requirement does not apply to a distribution by an issuer of a security of its own issue if the purchaser purchases the security as principal and provides the documentation noted for each specific prospectus exemption relied on.

The Class “A” Shares offered in this Offering may only be purchased by persons who are, or who are deemed to be (under the applicable securities legislation) purchasing as principals for their own account and not for the benefit of any other person, for the purpose of investment only and not with a view to, or for sale in connection with, any sale or distribution thereof.

This Amended and Restated Offering Memorandum replaces the Issuer’s previous Amended Offering Memorandum dated February 21, 2018. In addition to being provided to new subscribers, this Amended and Restated Offering Memorandum will be provided to certain parties that provided executed subscription documents pursuant to the February 21, 2018 Amended Offering Memorandum. Such parties will be asked to execute and deliver an updated Risk Acknowledgement Form attached as Exhibit “I” to Schedule “A” of the Offering Memorandum (see Item 5.3) in order to bring their Subscriptions in to compliance with the requirements of the Offering Memorandum exemption under NI 45-106 and will be provided with the two day cancellation right described in Item 12.1 from the date that they sign the updated Risk Acknowledgement Form.

6. INCOME TAX CONSEQUENCES

6.1 General

The information in this Section 6 was reviewed by Pushor Mitchell LLP, legal and tax counsel to the Issuer. Pushor Mitchell LLP considers the following to be a fair summary of the principal Canadian federal income tax considerations generally relevant to Subscribers who, for the purposes of the Tax Act, are resident in Canada, deal at arm’s length with the Issuer at all relevant times and beneficially hold their Class “A” Shares as capital property. Class “A” Shares are generally considered to be held as capital property unless the Class “A” Shares are held by the Subscriber in the course of carrying on a business or as an adventure or concern in the nature of trade.

The Issuer is registered as a VCC under the SBVC Act. This summary assumes that the Issuer is, and will continue to be, qualified as a VCC under the SBVC Act.

The summary is based upon the current provisions of the Tax Act and the SBVC Act, all published proposals to amend the Tax Act and the SBVC Act to September 13, 2018 and on the published administrative practices of the Canada Revenue Agency. It is assumed that all such published proposals to amend the Tax Act and the SBVC Act will be enacted substantially as currently proposed, and that there will be no other material change to any relevant law or practice, although no assurances can be given in these respects.

This summary is not exhaustive of all possible applicable income tax consequences, nor does it take into account any provincial, territorial or foreign income tax considerations, which considerations may differ significantly from those discussed.

Pushor Mitchell LLP has reviewed and relied on certain information provided to them by management of the Issuer, and has not made any independent verification of facts.

Subscribers should consult their own professional tax advisors to obtain advice on the income tax consequences associated with acquiring, owning, and disposing of the Class “A” Shares that specifically

apply to them. Income tax consequences are not a material aspect of the securities being offered and it is not anticipated that there are any material income tax consequences to the Subscriber resulting from this Offering. No application has been made, nor is it intended that any application will be made, to the Canada Revenue Agency for an advanced income tax ruling with respect to the tax consequences of acquiring or holding the Class “A” Shares.

6.2 Income Tax Considerations - Subscriber

Tax Credit

Tax Credits pursuant to the SBVC Act are outlined below under Item 6.5.

Interest Deductibility

Reasonable interest that is paid or payable pursuant to a legal obligation to pay interest on money borrowed to purchase the Class “A” Shares may be deductible by a Subscriber provided that the Class “A” Shares are purchased for the purpose of gaining or producing income from the Class “A” Shares, except to the extent that the Subscriber holds the shares in a registered retirement savings plan (a “RRSP”), a registered education savings plan (a “RESP”) or a tax-free savings account (a “TFSA”).

Disposition of Class “A” Shares

On a disposition of Class “A” Shares to a person other than the Issuer or on a deemed disposition of Class “A” Shares in a taxation year, the Subscriber will generally realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are exceeded by, respectively) the adjusted cost base to the Subscriber of those Class “A” Shares.

One-half of any such capital gain (the taxable capital gain) must be included in the Subscriber’s income. If the Class “A” Shares are held in a RRSP, a registered retirement income fund (a “RRIF”), a RESP or a TFSA, no income tax will be currently payable on any capital gain realized on a disposition or a deemed disposition of Class “A” Shares, however tax will be payable upon withdrawal from a RRSP, RRIF or RESP.

The Subscriber may, subject to certain limits, deduct one-half of any such capital loss (the allowable capital loss) from taxable capital gains realized in the year and, to the extent not so deductible, from taxable capital gains realized in any of the three preceding or any following taxation year. A capital loss may be reduced by all or a portion of tax credits received pursuant to the SBVC Act.

Redemption of Class “A” Shares

On the redemption or purchase by the Issuer of Class “A” Shares, the Subscriber will be deemed to receive a dividend to the extent, if any, that the payment by the Issuer for the Class “A” Shares exceeds the paid-up capital of the Class “A” Shares, and the balance of the payment by the Issuer will be received by the Subscriber as proceeds of disposition of the Class “A” Shares. To the extent, if any, that such proceeds of disposition exceed (or are exceeded by) the Subscriber’s adjusted cost base of the Class “A” Shares, the Subscriber will realize a capital gain (or capital loss, respectively) that will be subject to the usual rules of the Tax Act applicable to capital gains or losses (as described above).

Alternative Minimum Tax

The Tax Act provides for an alternative minimum tax applicable to individual Subscribers if their minimum amount, which is computed by reference to an adjusted taxable income amount, exceeds their tax otherwise payable. Alternative minimum tax is applied at the rate of 15% on the amount by which an individual’s adjusted taxable income exceeds \$40,000, subject to certain adjustments, and may be carried forward for seven years to reduce federal tax in future years.

Capital gains realized on the disposition or deemed disposition of Class “A” Shares may result in an individual Subscriber being liable to alternative minimum tax, or increase the individual Subscriber’s liability for alternative minimum tax.

Dividends

Dividends, other than capital dividends, received on Class “A” Shares will be included in computing the Subscriber’s income. Individual Subscribers will be subject to the gross-up and dividend tax credit rules in the Tax Act. Corporate Subscribers may be entitled to a deduction in respect of the dividends, but may also be liable for refundable dividend tax under Part IV of the Tax Act.

Capital dividends received on Class “A” Shares will be received by the Subscriber tax-free.

If the Class “A” Shares are held in a RRSP, RRIF, RESP or TFSA, no dividend tax will be currently payable on dividends received on Class “A” Shares, however tax will be payable upon withdrawal from a RRSP, RRIF or RESP.

6.3 Eligibility for Registered Investments

Qualified Investment

The Class “A” Shares will be qualified investments for a trust governed by a RRSP, RRIF, RESP or TFSA (each a “Registered Plan”) at any particular time provided that the Class “A” Shares at such particular time are not a prohibited investment for the purposes of the Tax Act.

The Class “A” Shares will be a prohibited investment for a Registered Plan of a particular Subscriber who is the annuitant of the RRSP or RRIF, subscriber of the RESP or holder of the TFSA, as the case may be, unless the shares are excluded property, at any time if:

- (a) the Subscriber does not deal at arm’s length with the Issuer;
- (b) the Subscriber holds, directly or indirectly, not less than 10% of the issued shares of any class of shares of the Issuer or of any corporation that is related to the Issuer; or
- (c) the Issuer ceases to be a VCC registered under the SBVC Act.

For the purposes of determining whether an individual Subscriber holds not less than 10% of the issued shares of any class of shares of the Issuer or of any corporation that is related to the Issuer:

- (a) each Subscriber is deemed to own each share of the capital stock of the corporation owned at that time by a person with whom the Subscriber does not deal at arm’s length;
- (b) subject to (d) below, each beneficiary of a trust is deemed to own that proportion of all such shares owned by the trust at that time that the fair market value at that time of the beneficial interest of the beneficiary in the trust is of the fair market value at that time of all of the beneficial interests in the trust;
- (c) each member of a partnership is deemed to own that proportion of all the shares of any class of the capital stock of the corporation that are property of the partnership at that time that the fair market value at that time of the member’s interest in the partnership is of the fair market value at that time of the interests of all members in the partnership; and
- (d) a beneficiary of a discretionary trust is deemed to own all of the shares of the capital stock of the corporation owned at that time by the trust.

The Class “A” Shares will be excluded property of a Subscriber for the purposes of the Tax Act, and not a prohibited investment, if certain equity tests of the Subscriber’s holdings are met.

The above is a summary only. The detailed rules for determining whether the Class “A” Shares will be a qualified investment for a Subscriber are set out in the Tax Act. Not all Class “A” Shares are qualified investments and Subscribers should consult their own professional tax advisors to obtain advice as to whether the Class “A” Shares are qualified investments based on their own particular circumstances.

Class “A” Shares Acquired by a RRSP

An individual Subscriber that is the annuitant of a RRSP or whose spouse is the annuitant of a spousal RRSP can cause the RRSP to acquire the Class “A” Shares by making a contribution to the RRSP, subject to having sufficient

RRSP deduction limit. The annuitant is entitled to the Tax Credit under the SBVC Act where the Class “A” Shares are acquired by the RRSP.

Contributions to RRSPs are deductible in accordance with the provisions of the Tax Act. An individual Subscriber may, for each year, deduct against taxable income an amount equal to the lesser of the contribution and the Subscriber’s remaining RRSP deduction limit for the year. A Subscriber’s RRSP deduction limit for a year is generally defined in the Tax Act as the Subscriber’s unused RRSP deduction room at the end of the preceding taxation year, plus the lesser of 18% of the Subscriber’s earned income for the preceding year and the RRSP dollar limit for the current taxation year, all subject to certain adjustments.

An individual Subscriber’s unused RRSP deduction room for 1991 and subsequent years can be carried forward to increase the amount of the individual Subscriber’s RRSP deduction limit, subject to adjustment, for a subsequent year. Contributions made to a RRSP on or before the day that is 60 days after December 31 can be deducted against taxable income, subject to certain limitations, for the year in which the contribution is made, or the preceding year.

Class “A” Shares Contributed to a RRSP

An individual Subscriber that has acquired Class “A” Shares from the Issuer can transfer those shares to a RRSP of which the Subscriber is the annuitant or whose spouse is the annuitant of a spousal RRSP, subject to having sufficient RRSP deduction limit. The transfer will be a contribution equal to the fair market value of the Class “A” Shares, and will be deductible in accordance with the usual rules of the Tax Act (as described above).

The determination of the fair market value of the Class “A” Shares at the time of the transfer is dependent on the facts, and subject to review and challenge by the Canada Revenue Agency. An individual Subscriber who wishes to acquire the Class “A” Shares and then transfer them to a RRSP at a later date should be aware that there is a potential risk of realizing a capital gain or capital loss as a result of doing so.

Class “A” Shares Contributed to or Acquired by a RRIF

An individual Subscriber can transfer Class “A” Shares to a RRIF which will be a disposition of the Class “A” Shares by the Subscriber subject to the usual rules of the Tax Act applicable to capital gains or losses (as described above).

The annuitant is entitled to the Tax Credit under the SBVC Act where the Class “A” Shares are acquired by the RRIF.

The Tax Act requires that a minimum percentage of the RRIF assets be withdrawn each year. If the RRIF does not hold sufficient liquid assets to meet the minimum withdrawal requirement, a portion of the Class “A” Shares may have to be withdrawn from the RRIF.

Class “A” Shares Contributed to a RESP

An individual Subscriber that has acquired Class “A” Shares from the Issuer can transfer those shares to a RESP of which the Subscriber is the subscriber, subject to the RESP lifetime limit. The transfer will be a contribution equal to the fair market value of the Class “A” Shares.

The determination of the fair market value of the Class “A” Shares at the time of the transfer is dependent on the facts, and subject to review and challenge by the Canada Revenue Agency. An individual Subscriber who wishes to acquire the Class “A” Shares and then transfer them to a RESP at a later date should be aware that there is a potential risk of realizing a capital gain or capital loss as a result of doing so.

The holder is not entitled to the Tax Credit under the SBVC Act where the Class “A” Shares are acquired by the RESP.

Class “A” Shares Contributed to a TFSA

An individual Subscriber that has acquired Class “A” Shares from the Issuer can transfer those shares to a TFSA of which the Subscriber is the holder, subject to having sufficient TFSA dollar limit and/or unused TFSA contribution room. The transfer will be a contribution equal to the fair market value of the Class “A” Shares.

The determination of the fair market value of the Class “A” Shares at the time of the transfer is dependent on the facts, and subject to review and challenge by the Canada Revenue Agency. An individual Subscriber who wishes to acquire the Class “A” Shares and then transfer them to a TFSA at a later date should be aware that there is a potential risk of realizing a capital gain or capital loss as a result of doing so.

The holder is not entitled to the Tax Credit under the SBVC Act where the Class “A” Shares are acquired by the TFSA.

6.4 Income Tax Considerations - Issuer

The Issuer will qualify as a Canadian-controlled private corporation under the Tax Act provided that it is not controlled, directly or indirectly in any manner whatever, by one or more non-resident persons, public corporations (other than a prescribed venture capital corporation), corporations a class of the shares of the capital stock of which is listed on a designated stock exchange or any combination of the foregoing.

The Issuer will be required to file income tax returns for each year and pay income taxes owing under the Tax Act.

Dividends

Dividends received by the Issuer from taxable Canadian corporations will generally not be subject to income tax under Part I of the Tax Act. Provided that dividends received are an eligible investment within the meaning of the SBVC Act, the Issuer will not be subject to income tax under Part IV of the Tax Act on such dividends.

Capital Gains and Losses

Gains or losses realized by the Issuer on the disposition of its investments will generally be treated as capital gains or losses, subject to the usual rules of the Tax Act applicable to capital gains or losses (as described above).

Interest and Investment Income

Interest and investment income, other than dividends received on shares of taxable Canadian corporations, will be included in computing the Issuer’s income for a year.

To the extent that dividends are paid by the Issuer, the Issuer will be entitled to a refund of a portion of income tax paid on certain income of the Issuer, including interest and investment income, calculated in accordance with the Tax Act.

6.5 Tax Credit Pursuant to SBVC Act

The Issuer will apply on behalf of each Subscriber who is an individual resident in British Columbia at the date they invest in the Class “A” Shares or a corporation with a permanent establishment in British Columbia, or on behalf of an annuitant where the Subscriber is a RRSP or RRIF, for a tax credit certificate entitling the Subscriber or annuitant to a tax credit equal to 30% of the amount received by the Issuer from the Subscriber for the purchase of the Class “A” Shares. For individuals to be eligible to obtain a tax credit, their investment must be made within a calendar year or within 60 days of the following year. Tax credit certificates may only be issued if the Issuer complies with the requirements and intent of the SBVC Act. The Issuer currently is in compliance with the SBVC Act and intends to continue to remain in compliance.

A Subscriber who is an individual investor must deduct the lesser of his or her tax credit or \$60,000, against tax otherwise payable under the BC Tax Act for that taxation year. To the extent that the tax credit of the individual exceeds the amount of provincial tax payable, the individual will be entitled to a refund of the difference between the lesser of \$60,000 or his or her tax credit and the tax otherwise payable, after deducting certain other credits available under the BC Tax Act.

In administering the refund process, the refund must first apply to offset other amounts payable, including arrears under both the Tax Act and the BC Tax Act. If an individual has a tax credit in excess of \$60,000, the excess may be carried forward and used, subject to the \$60,000 annual limit, in any of the four subsequent taxation years. Note that an individual shareholder may claim a tax credit for the prior taxation year if an investment in shares of a VCC is made within the first 60 days of that year.

If an individual Subscriber resides in British Columbia at the date of the investment for Class “A” Shares but resides outside of the province at the end of the year, this may affect the Subscriber’s ability to claim the tax credit. Individual Subscribers who plan to move outside of British Columbia before year-end are urged to consult with their professional advisors about their eligibility to claim the tax credit.

A Subscriber that is a corporation must deduct the tax credit earned in the taxation year from tax otherwise payable by the Subscriber under the BC Tax Act; there is no annual limit on the tax credit for corporations. A corporation is not entitled to a refund in respect of a taxation year if the amount of the tax credit exceeds the amount of its tax otherwise payable under the BC Tax Act for the taxation year.

A tax credit not so utilized by a corporation may be carried forward for up to four subsequent taxation years and may be utilized to the extent that there is tax otherwise payable under the BC Tax Act for the taxation year.

Equity Capital Authorization

Before a VCC such as the Issuer can raise equity capital and issue shares it must have an authorization from the Equity Capital Program to do so. All authorizations granted to VCC’s are specific both with respect to the maximum amount of capital the VCC can raise and with respect to the length of time in which this raising of funds can occur. On April 12, 2018, the Issuer was granted an authorization for the 2018 taxation year allowing it to raise capital of up to \$1,000,000 on or before December 31, 2018. The Issuer may apply for further additional equity authorizations to raise additional amounts and for an additional period of time ending on March 1, 2019. The Issuer intends to process Subscriptions and the associated share purchase reports in respect of the associated tax credits on a rolling basis and to apply for authorization to raise additional equity capital as and when it appears that the Issuer will exceed its then current additional equity authorization. The Issuer also anticipates that it will apply for authorization to raise additional equity capital during the first sixty days of 2019. **There can be no assurance that the Issuer’s applications for authorizations to raise additional equity capital will be approved and, accordingly, the Issuer intends to process Subscriptions and file the associated share purchase reports for the associated tax credits in the order in which the associated Subscription funds are received.**

It should be noted that the total amount of venture capital tax credits that may be issued each year to investors is limited by Section 29.1 of the SBVC Act and Section 21 of the SBVC Regulations. When the venture capital tax credit budget is reached, the Issuer’s equity authorization will be suspended, and further investments in Class “A” Shares will not qualify for tax credits under the SBVC Act.

No tax credits will be issued to Subscribers who purchase shares in a VCC that does not have a valid authorization to raise equity capital or where the authorization has expired or is suspended prior to the Subscriber’s purchase of the Class “A” Shares.

Term of the Investment

Under the SBVC Act, the Issuer is required to have at least 40% of its raised equity capital invested in eligible small businesses by the end of its next fiscal year and 80% within the second fiscal year following the year in which the equity capital was raised. The Issuer must also have a minimum of 80% of its raised equity capital invested in one or more eligible small businesses for an aggregate of 5 years.

Should the Issuer divest itself of an “eligible investment” prior to the expiration of the statutory 5-year period and fall below the minimum investment level requirements, the Issuer must reinvest additional funds into another “eligible investment” for the remainder of the 5-year period or it may face the possibility of program suspension and repayment of tax credits. As the Issuer anticipates that certain of its prospective investee EBCs may pursue a liquidity event prior to the expiry of the 5-year period, the Issuer intends to seek additional prospective EBC investment opportunities on an ongoing basis.

Consequences of Non-Compliance

There are a variety of situations that can arise to cause a VCC to not be in compliance with the SBVC Act. The result of a failure to comply with the legislation varies depending upon the particular nature of the non-compliance but essentially the Administrator can require any non-complying VCC to either rectify the circumstances of non-compliance or to pay back the tax credits previously issued to its shareholders. In some circumstances, the

directors, officers or major shareholders of a VCC, or an eligible small business, may be held jointly liable to repay tax credits to the province.

Fees and Remuneration

The Issuer, pursuant to its corporate articles, may not pay any fees or remuneration to any director or officer or shareholder of the Issuer, or to any “affiliate” or “associate” (as those terms are defined in the SBVC Act) of those persons except as permitted by “special resolution” (as defined in the SBVC Regulations) voted upon at least annually.

7. OFFERING MEMORANDUM MARKETING MATERIALS

The Issuer and/or one or more Finders or Exempt Market Dealers have distributed the following written communications intended for prospective purchasers regarding the distribution of the Class “A” Shares under this Offering Memorandum which contain material facts relating to the Issuer, the Class “A” Shares or the Offering:

- Executive Summary
- PowerPoint Presentation of RCMA

8. COMPENSATION PAID TO SELLERS AND FINDERS

The Issuer plans to retain several non-exclusive securities dealers to assist with effecting sales of Class “A” Shares. The Issuer may compensate securities dealers with a commission of up to 9% of the gross proceeds realized on the sale of the Class “A” Shares for soliciting, or assisting with effecting, sales of Class “A” Shares. In addition to the foregoing, the Issuer may pay an administration fee of up to 1% of the gross proceeds realized on the sale of Class “A” Shares for administration costs incurred by the securities dealers associated with such activities.

The aggregate commission payable to such securities dealers will be up to \$450,000 in the case of the maximum Offering (there is no minimum Offering). The aggregate administration fees payable to such securities dealers will be up to \$50,000 in the case of the maximum Offering (there is no minimum Offering). To date, the Issuer has paid an aggregate commission of \$82,360 and an aggregate administration fee of \$1,568.80 to securities dealers in connection with completed investments in the Offering. The Issuer may also incur other marketing, administration and other professional services expenses in connection with the Offering. See Item 1.1 – Use of Net Proceeds.

9. RISK FACTORS

Purchase of Class “A” Shares pursuant to this Offering should only be made after consulting with independent and qualified sources of investment and tax advice. Investment in the Class “A” Shares at this time involves a number of risks. If any of these risks materialize, or if others materialize, then the Issuer’s business, operating results and financial condition could be seriously harmed and investors could lose some or all of their investment. In addition to the risk factors discussed elsewhere in this Offering Memorandum, investors should carefully consider the following risks associated with an investment in the Class “A” Shares. An investment in Class “A” Shares is appropriate only for investors who are prepared to invest money at least until after the 5th anniversary of the date of the last investment of the Issuer in any EBC shares and who have the capacity to absorb a loss of some or all of their investment.

9.1 Investment Risks

Investment in the Class “A” Shares is Speculative - An investment in the Class “A” Shares under this Offering is highly speculative. You should buy them only if you are able to bear the risk of the entire loss of your investment and have no need for immediate liquidity in your investment. You should review the Offering Memorandum in its entirety. An investment in the Class “A” Shares should not constitute a major portion of your investment portfolio and is suitable for you only if you have sufficient income and funds such that any loss of the investment you are considering making into the Issuer will not have a material negative impact to your financial standing. You should consult with your own independent professional legal, tax investment and financial advisors, to assess, prior to purchasing the Class “A” Shares, the appropriateness of the Issuer’s Class “A” Shares in relation to your

financial and investment objectives and circumstances, and in relation to the tax consequences of the Class “A” Shares.

Less than Maximum Offering – There can be no assurance that this Offering will be completely sold out. If less than all of the Class “A” Shares are sold pursuant to this Offering, then less than the maximum proceeds will be available to the Issuer and, consequently, its business development plans and prospects, as well as those of any identified EBCs, could be adversely affected. The Offering is not subject to any minimum subscription level.

No Market for the Class “A” Shares - An investment in the Class “A” Shares is an illiquid investment. There is currently no market through which the Class “A” Shares may be sold. The Offering price for the Class “A” Shares has been arbitrarily determined and set by the Issuer. The Issuer is not a “reporting issuer” in any jurisdiction, and a prospectus has not qualified the issuance of the Class “A” Shares. Accordingly, investors will be unable to sell the Class “A” Shares of the Issuer, subject to certain limited exceptions. **See Item 11 – Resale Restrictions. Investors will have no right to redeem the Class “A” Shares. Purchasers should be prepared to hold the Class “A” Shares indefinitely and cannot expect to be able to liquidate their investment even in an emergency. Accordingly, an investment in the Class “A” Shares is suitable only for investors who are able to make and bear the economic risk of a long-term investment.**

Restrictions on Transfer - The Class “A” Shares are subject to a number of restrictions respecting transferability and resale, including a restriction on trading imposed by applicable securities laws. Until the restriction on trading expires, you will not be able to trade the Class “A” Shares unless you comply with an exemption from the prospectus and registration requirements under securities legislation. **See Item 11 – Resale Restrictions.**

No Regulatory Review - Subscribers under this Offering will not have the benefit of a review of this Offering Memorandum by any regulatory authorities.

Tax Risks – Investors should carefully consider and obtain appropriate professional advice in respect of the Canadian federal and provincial tax consequences of an investment in the Shares. **See Item 6 – Income Tax Consequences.** The discussions of the income tax consequences of an investment in the Class “A” Shares contained in this Offering Memorandum are for general information purposes only and are not intended to be a complete analysis or discussion of all possible tax consideration that may be relevant to an investment in the Class “A” Shares. Prospective investors are urged to consult with their own professional advisors concerning their specific circumstances prior to investing in the Class “A” Shares.

Valuation of Class “A” Shares is Uncertain - The Issuer has determined the price of its Class “A” Shares arbitrarily. As this is a new corporation, the price bears no relationship to earnings, net asset value or other criteria. The Issuer cannot offer any assurances that it will be able to raise capital at any price, including any progressively higher price per Class “A” Share.

9.2 Issuer Risks

Voluntary Disclosure Concerning Prior Non-Compliant Securities Transactions – The Issuer has prepared an Amended and Restated Offering Memorandum dated September 27, 2018 as a non-offering document for delivery to certain parties that provided executed subscription documents after June 27, 2018 under the Issuer’s previous Amended Offering Memorandum dated February 21, 2018. Such parties will be asked to execute and deliver an updated Risk Acknowledgement Form substantially in the form attached as Exhibit “T” to Schedule “A” of the Offering Memorandum (see Item 5.3) in order to bring their Subscriptions in to compliance with the requirements of the Offering Memorandum exemption under NI 45-106 and will be provided with the two day cancellation right described in Item 12.1 from the date that they sign the updated Risk Acknowledgement Form. The Issuer will return the corresponding Subscription funds in respect of any Subscriptions for which such two day cancellation right may be exercised. Upon completion of the delivery of the non-offering Amended and Restated Offering Memorandum dated September 27, 2018 to all such parties and the exercise or expiry of all

corresponding two day cancellation rights as described in Item 12.1, the Issuer intends to submit a voluntary disclosure to the applicable securities regulators in respect of the corresponding subscription documents that were provided after June 27, 2018 under the Issuer's previous Amended Offering Memorandum dated February 21, 2018, and accepted by the Issuer between August 3, 2018 and August 10, 2018, which resulted in a distribution of securities that was not in compliance with the requirements of the Offering Memorandum exemption in NI 45-106. There can be no assurance that the Issuer's voluntary disclosure will be accepted by the applicable securities regulators or that the submission of the voluntary disclosure by the Issuer will not result in any penalty, sanction or other enforcement proceedings against the Issuer or its directors, officers and/or promoters which could include, without limitation, administrative penalties, fines, costs, market prohibitions and/or a cease trade order.

Speculative Nature of Venture Capital - The purchase of the Class "A" Shares is suitable for you only if you are aware of the inherent risks of venture capital and the early stage companies, have the ability and willingness to accept the risk of total loss of your invested capital and have no immediate need for liquidity. The Issuer cannot assure you of any return of, or on, your investment in the Class "A" Shares.

Limited Operating History - The Issuer is a recently incorporated entity whose initial activities have been limited to identifying potential EBC's in which to invest net proceeds raised from this Offering - please refer to Item 2.2 - The Issuer's Business. The Issuer has very little operating history, no history of income and no assets. The Issuer is not certain that it will be able to successfully complete its financing under this Offering thus limiting its ability to implement its investment strategy and operate profitably over the short or long term. The Issuer's directors and management company, RCMA, have limited experience in managing a VCC.

Limited Assets - The equity purchased in the EBCs are expected to represent the only major assets of the Issuer (other than cash on hand). The Issuer's financial performance is directly tied to the value of the equity in the EBCs that it will acquire. The Issuer does not have a large portfolio of diverse assets.

Reliance on RCMA - The operating success of the Issuer will be dependent upon the performance by RCMA of its duties under the Management and Office Services Agreement with the Issuer. There can be no assurance that RCMA will consistently perform its obligations in a timely and effective manner, or in a manner that will be positive for the Issuer.

Conflicts of Interest - The directors and officers will not be devoting all of their time to the affairs of the Issuer, but will be devoting such time as required to effectively manage the Issuer. The directors and officers of the Issuer are engaged in, and will continue to be engaged in, other business interests on behalf of themselves, respectively, and/or on behalf of others, including other VCCs. Similarly, RCMA will not be devoting all of its time to the affairs of the Issuer, but will be devoting such time as required to perform its duties under the Management and Office Services Agreement with the Issuer. RCMA is engaged in, and will continue to be engaged in, other business interests on its own behalf and/or on behalf of others, including other VCCs.

Reliance on Third Parties - The operating success of the Issuer will be dependent upon the EBCs that it invests in and such other third parties that the EBCs are engaged with. There can be no assurance that these EBCs or third parties will perform their various obligations in a timely or effective manner, or in manner that will be positive for the Issuer.

Ability to Manage Growth - Managing the growth of a rapidly growing startup company is difficult. The Issuer may not be able to execute on areas of its plan that are critical to the Issuer's success. There may be flaws in the Issuer's investment strategy and the funds necessary to finance the Issuer's investment strategy may not materialize, or the Issuer may expend its capital before a cash positive operation is achieved.

Use of Proceeds - The use of proceeds and the dollar amounts of each item in this Offering Memorandum are estimates only. The actual use will vary from the estimates and such variation may be significant. Any negative variation may leave the Issuer and any EBC short of capital and such shortage may cause the Issuer and any EBC's

business, to fail or require additional funds at uncompetitive or uneconomic price, and you may not receive any return or repayment of your investment.

Uninsured Losses – The Issuer will generally require EBC’s to arrange for comprehensive insurance, including products liability insurance and general commercial liability insurance. There can be no assurance that such insurance coverage will be adequate or sufficient to protect against all potential risks of loss. Any uninsured loss experienced by an EBC could have a material adverse effect on the Issuer and/or its investment in the EBC.

Lack of Separate Counsel - The legal counsel of the Issuer is also the legal counsel of RCMA. Separate counsel has not represented the Subscribers, as a group, and the Issuer’s counsel does not act for them or you and has not conducted any investigation or review on their or your behalf.

Reliance of Registration Exemption - The Issuer does not consider itself to be in the business of trading securities and therefore will rely upon the registration exemption contained in Part 8.4 of NI 31-103 and the equivalent exemptions under applicable provincial securities laws. In the event that the Issuer is deemed to be in the business of trading securities, it will rely on the exemption contained in British Columbia Instrument 32-513 “Registration exemption for trades in connection with certain prospectus-exempt distributions” and equivalent exemptions as adopted in Alberta, Manitoba and the Territories to the extent available. In the event that one or more applicable securities regulators determines that the business activities of the Issuer require registration under one or more categories of registration under NI 31-103, it may become necessary for the Issuer to engage additional services from a registrant (such as an exempt market dealer) or to seek registration or a discretionary exemption from registration, which will involve additional administrative time and expense, and it may also become necessary for the Issuer to suspend certain of its business activities in the interim.

9.3 Industry Risks

Realizing a Return on the Issuer’s Investments - Investors should understand that the Issuer’s investment objectives will only be realized, if at all, over the long term. Since the Issuer will be acquiring equity securities, such as common shares, of EBC’s which are private companies, the Issuer does not expect to realize on an individual investment until such time as the EBC is either sold or becomes publicly traded. Since the Issuer will not have the ability to control the sale or public listing of any EBCs, the Issuer will not have the ability to create a liquidity event for its investments. As such, the investments the Issuer make will, in many cases, be illiquid and should be viewed by Subscribers as long-term investments. In addition, Subscribers should be aware that investing in early stage companies is a high-risk venture and there is no guarantee that the Issuer will realize gains on its investments.

Portfolio Company Risk - The Issuer’s ability to pay dividends or make distribution, is entirely dependent on the success of the Issuer’s investments in EBCs, which is by no means assured. The Issuer’s EBCs will be in the early stage and generally will have a limited history of operations, nominal assets and nominal revenues, if any. There can be no assurance that any EBC will be able to successfully complete its development plan or sustain operations over the short term or an extended period.

Future Operations and Need for Additional Funds - The EBCs may require significant amounts of capital and financing to fund their planned development and operations. Additional financing in excess of that available from the Issuer may be required to complete the financing requirements of the EBCs. In addition, certain non-anticipated events such as cost over-runs, unanticipated liabilities, delayed regulatory approval, or other factors may occur which require the EBCs to obtain additional financing over and above the amounts anticipated at the time of an investment by the Issuer. Amongst other effects, this may result in a significant dilution of the Issuer’s investment in such EBCs.

There is a significant risk that the EBCs may be unable to raise sufficient funds by way of other financings and accordingly may have insufficient funds available to implement their business plans. This may result in the failure of an EBC and losses for the Issuer.

The EBCs likely will not, if they are unable to obtain additional funds, have sufficient funds to meet their costs of development. In such situations companies may be insolvent, as they may not be able to meet their financial obligations as they fall due, and the Issuer may lose all of its invested capital. There can be no assurance that any EBC will obtain required funding.

Issuer, Economic, Market and Political Risk - Venture capital, life sciences and technology industry markets are sensitive to any general downturn or correction in the world equity markets and the overall economy of North America and other regions. Substantial adverse stock market, economic or political conditions may have a negative impact on the Issuer's ability to raise funds, by this or future offerings, and to profitably invest the funds into one or more EBCs. Similarly, one or more of the same adverse conditions, including the possibility of the life sciences and/or technology sectors, or any relevant subsectors, falling out of favour with the capital markets, may have a negative impact of the profitability, viability or liquidity of the business and market of the EBCs in which the Issuer invests.

Investment Strategy - There exists the risk that the Issuer's intended investment guidelines and business strategy may not succeed and/or may not be fully met, depending on the Issuer's success in raising funds pursuant to this Offering and depending on the Issuer's ability to find suitable EBC's that meet all the Issuer's investment guidelines. The Issuer believes that its access to quality investment opportunities will be determined, to some extent, by the amount of funds raised by the Issuer. The Issuer will have difficulty finding high quality opportunities (and negotiating acceptable investment terms) if it is unable to raise sufficient funds under this Offering. This may have a material adverse effect on the performance of the Issuer.

There is a risk that some or all of the investment guidelines may not be satisfied in any investment made by the Issuer. The Issuer will seek investment opportunities that, at the time the investment are made, seem to offer the best risk/reward opportunity. This may or may not be achieved. The effect of investing in EBCs which are not in compliance with the investment guidelines cannot be accurately predicted but may have a material adverse effect on the return of any investment in Class "A" Shares. The Issuer cannot assure the profitability or viability of any EBC in which the Issuer invests and there is a significant risk that the EBCs will incur operating losses.

Deal Flow - The Issuer has access to a pipeline of investment opportunities through RCMA and both RCMA and the directors of the Issuer have established relationships with local incubators, accelerators, other investors and funders and other intermediaries. Notwithstanding these factors, identifying and attracting high quality EBCs with growth potential can be very competitive and challenging. There is a risk that the Issuer may not be able to identify and attract deals that are suitable for the Issuer and its objectives.

VCC Investment Requirements - The SBVC Act requires that the Issuer have at least 40% of its equity capital invested in EBCs by the end of its first fiscal year following the fiscal year in which the equity capital was raised, and at least 80% of its equity capital investment in EBCs by the end of the second fiscal year in which the equity capital was raised. The Issuer has not, as at the date of this Offering Memorandum, identified any prospective EBCs in which it might make an investment after a successful completion of this Offering.

There is the risk that the Issuer may not find any suitable EBCs in which to invest, or be able to enter into investment agreements on favourable terms with a sufficient number of EBCs. The Issuer may incur penalties or other sanctions as a result of non-compliance with the SBVC Act.

Early-stage Ventures - The Issuer will be investing in early-stage ventures with limited or no track record. Some EBCs may have little or no revenues or have inconsistent revenues, some may still be developing a customer base or be in the process of launching new products and/or services.

There is the risk that some of the Issuer's EBCs will not be able to develop strong revenues or will not be successful at launching their products or services or growing their business.

New Technologies - The Issuer expects that a significant proportion of the EBCs in which it invests will have a new technology or invention or will utilize a technology platform in connection with its products or services. Accordingly, there is a risk that the new technology, invention or platform will not be viable. The inability of an EBC to commercialize its technology or create or develop a commercially viable product and/or service would likely have a material adverse effect on the Issuer's investment returns. Additionally, although some of the EBCs may already have a commercially successful product, service or product line at the time the Issuer invests, technology products and services often have a more limited market or life span than products in other industries. Accordingly, the success of the EBCs may depend on their ability to continually innovate in increasingly competitive markets. Technology companies traditionally experience higher than average employee turnover and the success of these companies will partly depend on their ability to attract and retain qualified personnel. The success of the EBCs will partly depend on their ability to protect their intellectual property rights and there can be no assurance that they will be able to do so.

Accuracy of Information - Through the due diligence process, potential EBCs will be required to provide substantial information for RCMA and the directors of the Issuer to evaluate. This includes information about the prospective EBCs business model, strategy, financial projections, commercial and operating assumptions and data, assumptions about market sizing and the competitive landscape, and background on the EBC's management team. A large proportion of the information provided will be budgets, forecasts, projections and assumptions. There a risk that the information may not be accurate.

9.4 Regulatory and Tax Risks

Government Regulation/Administrative Practices - There can be no assurance that the laws, regulations, policies or current administrative practices of any government body, or regulatory agency in British Columbia, or any other jurisdiction or country in which any EBC's products or services may be produced or marketed, will not be changed, applied or interpreted in a manner which will fundamentally alter the ability of the EBC to research or develop its products or services or to have its products or services approved by the applicable regulatory authorities.

Equity Capital Program - There can be no assurance that the Equity Capital Program, operating under the SBVC Act, will continue to operate or continue to provide a 30% Tax Credit to the Subscribers under this Offering. The Issuer will only be able to obtain the 30% Tax Credit for Subscribers if it complies with both the technical requirements and the spirit and intent of the SBVC Act and there is no guarantee that the Issuer will be able to comply with these requirements in the future.

The Province of British Columbia does not guarantee the value of any of the Class "A" Shares nor does it express an opinion about the Issuer's financial condition, the merits of an investment in the Class "A" Shares, or the merits of the Issuer's investments in any EBC.

Equity Allocation - The Issuer currently has an equity allocation of \$1,000,000 until December 31, 2018. If the Issuer is not able to complete this Offering by that date, there can be no assurance that an extension will be granted under the SBVC Act. Further, there can be no assurance that an additional equity authorization will be granted to the Issuer beyond the current \$1,000,000 equity authorization. There can be no assurance that, even with the continuation of the Equity Capital Program, the Issuer will have sufficient equity authorization to provide Tax Credits on the payment of any Subscriptions past December 31, 2018 or in excess of the equity authorization received by the Issuer. All equity authorizations are subject to being withdrawn at any time with limited notice to the Issuer. If the Issuer's equity authorization is withdrawn before the required share purchase report has been filed for the relevant Subscriber, the Subscriber may not be eligible to receive the corresponding Tax Credit.

Tax Credit Repayment/Non-Compliance with SBVC Act - The SBVC Act stipulates that in certain circumstances, a VCC, its directors, officers or shareholders may be liable to repay all or a part of the Tax Credits received by Subscribers to the Province of British Columbia where there is non-compliance with the SBVC Act. The result of a failure to comply with the SBVC Act varies depending upon the particular nature of the non-

compliance. However, among other things, a non-complying VCC may be required to either rectify the circumstances of non-compliance or to pay back the Tax Credits previously issued to its shareholders.

Generally, a VCC will be required to repay to the Province of British Columbia 30% of any amount paid to directly or indirectly acquire its own shares. A VCC will also be required to repay to the Province of British Columbia all Tax Credits issued to its shareholders if it has its registration cancelled, dissolves or otherwise winds up its affairs.

A director, officer or controlling shareholder of a VCC who authorized, permitted or acquiesced in a transaction, event, or series of transactions or events that such person knew or ought to have known, at the time of the authorization, permission or acquiescence, would render the corporation liable for the repayment of the Tax Credits, will be held liable to repay the Tax Credits to the Province of British Columbia.

Where, on the basis of information supplied by a director, officer or shareholder of a VCC, a Tax Credit certificate has been issued and that information is false or misleading and the director, officer or shareholder knew, or ought to have known, that it was false or misleading, the director, officer or shareholder who supplied it is liable to repay the Province of British Columbia the amount of the Tax Credit.

Tax Related Risks - There can be no assurance that income tax laws or administrative practices will not be changed in a manner which will fundamentally alter the tax consequences to a Subscriber of holding or disposing of Class "A" Shares, or that any proposed tax legislation will be enacted as currently proposed.

The Tax Act contains a number of broadly worded anti-avoidance provisions, which may affect the availability of tax deductions. A Subscriber may be adversely affected by a disagreement with the CRA with respect to certain tax consequences of an investment in the Issuer's Class "A" Shares or the contribution of such Class "A" Shares to a RRSP, RRIF or other registered account.

RRSP Contribution Level - There can be no assurance that upon a contribution of Class "A" Shares to a RRSP, RRIF, RESP, TFSA or other registered account, the value of the Class "A" Shares will equal the Subscriber's original cost or that the Subscriber will have sufficient contribution room.

10. REPORTING OBLIGATIONS

The Issuer is not a "reporting issuer" under applicable securities legislation, nor will it become a reporting issuer following the completion of the Offering. Consequently, other than as noted below, the Issuer is not required to provide continuous disclosure documents or follow the continuous disclosure requirements of applicable securities legislation.

However, pursuant to the *Business Corporations Act* (British Columbia) under which the Issuer is governed, the Issuer is required to annually hold a shareholder meeting and to deliver audited financial statements, unless such audit is waived unanimously by the shareholders.

Should the Issuer need to rely on the Offering Memorandum Exemption for residents in any one of Alberta, New Brunswick, Ontario, Saskatchewan or Québec, it will be required, no later than 120 days after its fiscal year end, to file with the Alberta Securities Commission and deliver to the New Brunswick Securities Commission, Ontario Securities Commission, Saskatchewan Financial Services Commission and Autorité des marchés financiers, its audited annual financial statements along with a notice disclosing the use of the aggregate gross proceeds from this Offering, in addition to making such audited annual financial statements and notice disclosing the use of the aggregate gross proceeds from this Offering, available to its shareholders in such provinces, including Nova Scotia.

As well, for Subscribers resident in New Brunswick, Nova Scotia and Ontario who rely on the Offering Memorandum Exemption, the Issuer will also be required to provide them with notice, within 10 days of the occurrence of any of the following events:

- (i) a discontinuation of the Issuer's business;
- (ii) a change in the Issuer's industry; or
- (iii) a change of control of the Issuer.

11. RESALE RESTRICTIONS

The Class "A" Shares will be subject to a number of resale restrictions, including a restriction on trading under NI 45-102. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

Unless permitted under the applicable securities legislation you cannot trade the Class "A" Shares before four (4) months and a day after the date the Issuer becomes a reporting issuer in any province or territory of Canada. This rule does not apply in so-called "open systems" jurisdictions, including Manitoba, New Brunswick and the Yukon Territory. Those jurisdictions do not impose restrictions on first trades in securities distributed under an exemption from the prospectus requirement in those jurisdictions unless the trade is a distribution from a control block.

The Issuer is not a reporting issuer in any jurisdiction. There is no assurance that the Issuer will ever become a reporting issuer in any jurisdiction. Therefore, **the Class "A" Shares purchased hereunder may be subject to an indefinite hold period.**

12. PURCHASER'S RIGHTS

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

12.1 Two Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the agreement to buy the securities. If you provided executed subscription documents after June 27, 2018 under the Issuer's previous Amended Offering Memorandum dated February 21, 2018, you will be asked to execute and deliver an updated Risk Acknowledgement Form attached as Exhibit "I" to Schedule "A" of the Offering Memorandum (see Item 5.3) and you will be permitted to cancel your agreement to purchase these securities by sending a notice to us by midnight on the 2nd business day after you sign the updated Risk Acknowledgement Form.

12.2 Contractual Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Memorandum, you have a contractual right to sue the Issuer:

- (a) to cancel your agreement to buy these Class "A" Shares; or
- (b) for damages.

This contractual right to sue is available to you whether or not you relied on the misrepresentation. However, in an action for damages, the amount you may recover will not exceed the price that you paid for your Class "A" Shares and will not include any part of the damages that the Issuer proves does not represent the depreciation in value of the Class "A" Shares resulting from the misrepresentation. The Issuer has a defense if it proves that you had knowledge of the misrepresentation when you purchased the Class "A" Shares.

If you intend to rely on the contractual rights of action described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within one hundred eighty (180) days after you signed the agreement to purchase the Class "A" Shares. You must commence your action for damages within the earlier of one hundred eighty (180) days after learning of the misrepresentation and three (3) years after you signed the agreement to purchase the Class "A" Shares.

12.3 Statutory Rights of Action in the Event of a Misrepresentation

For Subscribers Resident in Alberta, British Columbia, Nova Scotia Newfoundland and Labrador

Securities legislation in British Columbia and Alberta provides that every purchase of Class “A” Shares pursuant to this Offering Memorandum shall have, in addition to any other rights they may have at law, a right of action for damages or rescission, or both, against the Issuer if this Offering Memorandum or any amendment thereto contains a misrepresentation.

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue the Issuer:

- (a) to cancel your agreement to purchase the Class “A” Shares; or
- (b) for damages against:
 - (i) HCM Ventures (VCC) Inc.;
 - (ii) every director of HCM Ventures (VCC) Inc.; and
 - (iii) every person or company who signs this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Class “A” Shares.

In an action for damages, the Issuer will not be liable for all or any portion of the damages that they prove do not represent the depreciation in value of the Class “A” Shares as a result of the misrepresentations relied on and in no case shall the amount recoverable exceed the price at which the Class “A” Shares were offered.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days from the day of entering the agreement. The current statutory limitation provides that a subscriber must bring an action for damages within the following time within the earlier of:

- 180 days from the day that you first had knowledge of the facts giving rise to the cause of action; and
- three (3) years from the day of entering the agreement that gave rise to the cause of action.

For Subscribers Resident in Manitoba

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue the Issuer:

- (a) to cancel your agreement to purchase the Class “A” Shares; or
- (b) for damages against the Issuer;

This statutory right to sue is available to you whether or not you relied on the misrepresentation.

However, in an action for damages, the amount you may recover will not exceed the price that you paid for your Class “A” Shares and will not include any part of the damages that the Issuer proves does not represent the depreciation in value of the Class “A” Shares resulting from the misrepresentation. The Issuer has a defense if it proves that you knew of the misrepresentation when you purchased the Class “A” Shares.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after you signed the agreement to purchase the Class “A” Shares. You must commence your action for damages within the earlier of 180 days after learning of the misrepresentation and three (3) years after you signed the agreement to purchase the Class “A” Shares.

For Subscribers Resident in New Brunswick

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Issuer to cancel your agreement to purchase the Class “A” Shares; or
- (b) for damages against the Issuer and a selling security holder on whose behalf the distribution was made.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Class “A” Shares.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days from the day of entering the agreement. You must commence the action for damages within the earlier of:

- one (1) year after learning of the misrepresentation; and
- six (6) years from the date of the Corporation having accepted your Subscription to purchase the Class “A” Shares.

For Subscribers Resident in Northwest Territories, Nunavut, Prince Edward Island and the Yukon

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Issuer to cancel your agreement to purchase the Class “A” Shares; or
- (b) for damages against the Issuer and a selling security holder on whose behalf the distribution was made, every director of the Issuer as at the date of this Offering Memorandum, and every person who signed this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Class “A” Shares.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within three (3) years of signing the agreement to buy the Class “A” Shares. You must commence the action for damages within three (3) years after learning of the misrepresentation.

For Subscribers in Ontario

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Issuer to cancel your agreement to purchase the Class “A” Shares; or
- (b) for damages against the Issuer and a selling security holder on whose behalf the distribution was made.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Class “A” Shares.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days of signing the agreement to buy the Class “A” Shares. You must commence the action for damages within the earlier of 180 days after learning of the misrepresentation and three (3) years from the date of the Issuer having accepted your Subscription to purchase the Class “A” Shares.

For Subscribers in Québec

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Issuer to cancel your agreement to purchase the Class “A” Shares; or
- (b) for damages against the Issuer and a selling security holder on whose behalf the distribution was made, every officer and director of the Issuer, every person or company who signed this Offering Memorandum, every expert whose opinion containing a misrepresentation was filed respecting

this Offering Memorandum, and every person or company that sold securities on behalf of the Corporation or selling security holder under this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Class "A" Shares.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within three (3) years of signing the agreement to buy the Class "A" Shares. You must commence the action for damages within three (3) years after learning of the misrepresentation.

For Subscribers in Saskatchewan

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (c) the Issuer to cancel your agreement to purchase the Class "A" Shares; or
- (d) for damages against the Issuer and a selling security holder on whose behalf the distribution was made, every promoter and director of the Issuer or the selling security holder at the time this Offering Memorandum was sent or delivered, every person or company whose consent was filed respecting this Offering Memorandum, and every person or company that sold securities on behalf of the Corporation or selling security holder under this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased the Class "A" Shares.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days from the day of entering the agreement. You must commence the action for damages within the earlier of:

- one (1) year after learning of the misrepresentation; and
- six (6) years from the date of the Corporation having accepted your Subscription to purchase the Class "A" Shares.

General

The rights discussed above are in addition to and without derogation from any other rights the subscriber may have at law. The securities laws of the Provinces and Territories of Canada are complex. References should be made to the complete text of such provisions summarized above relating to the statutory rights of action. Investors should consult their own legal advisors with respect to their rights and remedies available to them. The rights discussed above are in addition to and without derogation from any other rights or remedies which investors may have at law.

ANY PERSON CONSIDERING AN INVESTMENT IN THE ISSUER SHOULD CONSULT ITS OWN ADVISORS IN ORDER TO FULLY UNDERSTAND THE CONSEQUENCES OF AN INVESTMENT IN THE ISSUER WITH RESPECT TO SUCH PERSON'S PARTICULAR SITUATION.

This Offering Memorandum and all Offering Memorandum Marketing Materials are being prepared and delivered in the English language only, which language shall be controlling in all respects, and any versions in any other language shall not be binding on the parties. All communications and notices to be made or given pursuant to this Offering Memorandum shall be in the English language. It is the express wish of the parties receiving this Offering Memorandum that this Offering Memorandum and any related documents be drawn up and executed in the English language. Il est la volonté expresse des parties recevant cette notice d'offre que cette notice d'offre et tous les documents connexes soient élaborés et exécutés dans la langue anglaise.

13. FINANCIAL STATEMENTS OF ISSUER

HCM VENTURES (VCC) INC.

**AUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED FEBRUARY 28, 2018**

**UNAUDITED FINANCIAL STATEMENTS FOR THE
SIX-MONTH PERIOD ENDING AUGUST 31, 2018**

HCM Ventures (VCC) Inc.
Financial Statements
For the Year Ended February 28, 2018

HCM Ventures (VCC) Inc.
Financial Statements
For the Year Ended February 28, 2018

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www.bdo.ca

BDO Canada LLP
1631 Dickson Avenue, Suite 400
Kelowna, BC, V1Y 0B5

Independent Auditor's Report

To the shareholders of HCM Ventures (VCC) Inc.

We have audited the accompanying financial statements of HCM Ventures (VCC) Inc., which comprise the statement of financial position as at February 28, 2018, and the statements of comprehensive loss and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of HCM Ventures (VCC) Inc. as at February 28, 2018, and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

BDO Canada LLP

Chartered Professional Accountants

Kelowna, British Columbia
August 27, 2018

HCM Ventures (VCC) Inc. Statement of Financial Position

February 28	2018	2017
Assets		
Current		
Cash	\$ 47,915	\$ 1
Due from shareholders (Note 3)	186,625	-
Prepaid expenses	5,000	-
Due from related parties (Note 4)	40,508	-
	280,048	1
Equipment (Note 5)	654	-
	\$ 280,702	\$ 1
Liabilities and Shareholder's Equity (Deficiency)		
Current		
Accounts payable and accrued liabilities	\$ 9,577	\$ 7,578
Shareholder's Equity (Deficiency)		
Share capital (Note 6)	347,381	1
Deficit	(76,256)	(7,578)
	271,125	(7,577)
	\$ 280,702	\$ 1

On behalf of the Board:

DocuSigned by:
Glen Vause

6290E6302081462...

Director

HCM Ventures (VCC) Inc.
Statement of Comprehensive Loss

For the year ended February 28	2018	2017
Operating expenses		
Advertising and promotion	\$ 30,951	\$ -
Amortization of equipment	248	-
Bad debt	69	-
Commission	11,288	-
Interest and bank charges	286	-
Professional fees	21,344	7,578
Travel	4,492	-
	(68,678)	(7,578)
Comprehensive loss, end of the period		
Deficit, beginning of the year	(7,578)	-
Deficit, end of the year	\$ (76,256)	\$ (7,578)

The accompanying notes are an integral part of these financial statements.

HCM Ventures (VCC) Inc. Statement of Cash Flows

For the year ended February 28	2018	2017
Cash flows from operating activities		
Cash paid to suppliers and employees	\$ (71,145)	\$ -
Interest paid	(286)	-
	(71,431)	-
Cash flows from investing activities		
Acquisition of property and equipment	(902)	-
Advances to related parties	(36,633)	-
	(37,535)	-
Cash flows from financing activities		
Issuance of share capital	156,880	1
Net increase in cash	47,914	1
Cash, beginning of the year	1	-
Cash, end of the year	\$ 47,915	\$ 1

The accompanying notes are an integral part of these financial statements.

HCM Ventures (VCC) Inc. Notes to Financial Statements

February 28, 2018

1. Nature of Operations and Summary of Significant Accounting Policies

Reporting Entity HCM Ventures (VCC) Inc. (the "Company") was incorporated on January 18, 2017 in British Columbia under the BC Business Corporations Act. The Company was formed for the primary purpose of raising capital through third party investors. The corporate headquarters of the Company is located at 2970 Graymar Road, Kelowna, BC V1Z 1Y8.

Basis of Presentation The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Account Standards Board ("IASB"). The functional and presentation currency is the Canadian dollar.

These statements have been authorized for issue by the Board of Directors on August 27, 2018.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the company's account policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

Financial Instruments Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instruments.

Financial assets and financial liabilities are measured initially at fair value plus directly attributable transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value.

Financial assets and financial liabilities are measured subsequently depending on their classification as discussion below:

Financial assets

Cash, trade and other receivables and loans are that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivables are initially recognized at the fair value and subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.

HCM Ventures (VCC) Inc. Notes to Financial Statements

February 28, 2018

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Financial Instruments (continued)

Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognized within expenses in the Statement of Comprehensive Income (Loss). On confirmation that the trade receivable will not be collectible, the gross carrying value of the asset is written off against the associated allowance.

The Company does not have any financial assets classified as Fair Value Through Profit or Loss, Held to Maturity or Available-for-Sale.

Financial Liabilities

The Company's financial liabilities include accounts payable and accrued liabilities and other payables and loans. These are classified as Other Financial Liabilities and are measured at fair value on initial recognition, net of transactions costs and subsequently at amortized cost using the effective interest rate method.

The Company does not have any financial liabilities classified as Fair Value Through Profit or Loss, Held to Maturity or Available-for-Sale.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated amortization. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the asset are capitalized.

Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Computer equipment	Declining balance	20%

HCM Ventures (VCC) Inc. Notes to Financial Statements

February 28, 2018

1. Nature of Operations and Summary of Significant Accounting Policies (continued)

Revenue Recognition	Revenue is recognized as it is earned and collection is reasonably assured.
Impairment of Long-Lived Assets	In the event that facts and circumstances indicate that the Company's long-lived assets may be impaired, an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write-down to market value of discounted cash flows is required. The Company considers that no circumstances exist that would require such an evaluation.
Provisions	A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognized for future operating losses.
Standards, Amendments and Interpretations Not Yet Effective	<p>Certain new standards, amendments and interpretations have been published that are mandatory for the Company's accounting periods that the Company has decided not to early adopt.</p> <p>New standards, interpretations and amendments not yet effective</p> <p>The following new standards, interpretations and amendments, which have not been applied in these financial statements, that will or may have an effect on the Company's future financial statements are:</p> <p>IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 "Financial Instruments: Recognition and Measurement." IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortized costs and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The Company is in the process of evaluating the impact of the new standard.</p> <p>There are no other IFRS's or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's future financial statements.</p>

HCM Ventures (VCC) Inc. Notes to Financial Statements

February 28, 2018

2. Critical Accounting Estimates and Judgements

The preparation of the financial statements in compliance with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Estimates and judgments are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Judgements

i) Financial Instruments Classification

Financial assets and liabilities are designated upon inception to various classifications. The designation determines the method by which the financial instruments are carried on the Statement of Financial Position subsequent to inception and how changes in value are recorded. The designation may require the Company to make certain judgments, taking into account management's intention of the use of the financial instruments.

Estimates and Assumptions

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only; or in the period of the change and future periods, if the change affects both.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

i) Impairment

An impairment loss is recognized for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

HCM Ventures (VCC) Inc. Notes to Financial Statements

February 28, 2018

3. Due From Shareholders

Amounts due from shareholders arose on the issuance of Class "A" voting common shares, without par value, during the year and have been collected subsequent to year end.

4. Due From Related Parties

All amounts due from related parties arose from the company incurring shared costs from HCM Ventures Alberta (VCC) Inc., a company with common management and ownership. These amounts are non interest bearing and will be repaid within the next fiscal year.

5. Equipment

	2018		2017	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Computer equipment	\$ 902	\$ (248)	\$ -	\$ -
		\$ 654		\$ -

HCM Ventures (VCC) Inc. Notes to Financial Statements

February 28, 2018

6. Share Capital

Authorized:

Unlimited Class "A" voting common shares, (fully participating with Classes "B" and "C"), without par value;

Unlimited Class "B" voting common shares, (fully participating with Classes "A" and "C"), without par value;

Unlimited Class "C" voting common shares, (fully participating with Classes "B" and "C"), without par value;

Unlimited Class "D" voting shares, (participation limited to consideration paid), without par value.

Issued:

	2018	2017
100 Voting Class D shares	\$ 1	\$ 1
694,760 Voting Class A shares	347,380	-
	\$ 347,381	\$ 1

7. Financial Instrument Risk Exposure and Management

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk arising from its bank accounts and cash being held at one financial institution.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Company will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Company is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

It is management's position that the Company is not exposed to significant market risk arising from financial instruments.

**HCM Ventures (VCC) Inc.
Notes to Financial Statements**

February 28, 2018

8. Loss Carryforwards

The company has available \$61,175 in non-capital loss carryforwards expiring February 2038. These losses can be used to reduce taxable income in future years.

9. Subsequent Event

Subsequent to the year end, 857,448 Class "A" voting common shares, without par value, were issued for a total amount of \$428,724.

HCM Ventures (VCC) Inc.
Financial Statements
For the Period Ended August 31, 2018

UNAUDITED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-1-2 Part 4, subsection 4.3(3)(a) released by the Canadian Securities Administrators, the company discloses that its auditors have not reviewed the unaudited interim financial statement for the 6-month period ending August 31, 2018

The accompanying unaudited interim financial statements of the Company have been prepared by, and are the responsibility of, the Company's management.

HCM Ventures (VCC) Inc.
Statement of Financial Position

August 31, 2018 February 28, 2018

Assets

Current

Cash	\$ 579,531	\$ 47,915
Due from shareholders	\$ 0	\$ 186,625
Prepaid Expenses	\$ 0	\$ 5,000
Due from related parties	\$ 42,933	\$ 40,508

622,464 280,048

Equipment	0	654
	<hr/> 622,464	<hr/> \$ 280,702

Liabilities and Shareholder's Deficiency

Current

Accounts payable and accrued liabilities	\$ 6,347	\$ 9,577
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Shareholder's Deficiency

Share Capital	776,105	347,381
Deficit	(159,988)	(76,256)

616,117 271,125

\$ 622,464 \$ 280,702

On behalf of the Board:

Glen Vause Director

HCM Ventures (VCC) Inc.
Statement of Comprehensive Income (loss)

	August 31, 2018		February 28, 2018
Operating expenses			
Advertising and promotion	\$ 15,116	\$	30,951
Amortization of Equipment	\$ 0	\$	248
Bad debt	\$ 0	\$	69
Commission	\$ 44,120	\$	11,288
Interest and bank charges	\$ 72	\$	286
Professional Fees	\$ 15,750	\$	21,344
Travel	\$ 8,674	\$	4,492
	<hr/>		
Comprehensive loss, end of period	(83,732)		(68,678)
Deficit, beginning of year	(76,256)		(7,578)
Deficit, end of period	(159,988)		(76,256)

HCM Ventures (VCC) Inc.
Statement of Cash Flows

	August 31, 2018	February 28, 2018
Cash flows from operating activities		
Cash paid to suppliers and employees	\$ (83,732)	\$ (71,145)
Interest Paid	\$ 0	\$ (286)
	(83,732)	\$ (71,431)
Cash flows from investing activities		
Acquisition of property and equipment	\$ 0	\$ (902)
Advances to related parties	\$ 0	\$ (36,633)
	\$ 0	\$ (37,535)
Cash flows from financing activities		
Issuance of share capital	\$ 428,724	\$ 156,880
Paid from Shareholders	\$ 186,625	\$ 0
Net Increase in Cash	531,617	47,914
Cash, beginning of year	47,915	1
Cash, end of period	\$ 579,531	\$ 47,915

August 31, 2018

1. Nature of Operations and Summary of Significant Accounting Policies

Reporting Entity

HCM Ventures (VCC) Inc. (the “Company”) was incorporated on January 18, 2017 in British Columbia under the BC Business Corporations Act. The Company was formed for the primary purpose of raising capital through third party investors. The corporate headquarters of the company is located at 1385 Stevens Road, West Kelowna, BC V1Z 2S9.

Basis of Presentation

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The functional and presentation currency is the Canadian dollar.

These statements have been authorized for issue by the Board of Directors on September 3, 2018.

The Preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are measured initially at fair market value plus directly attributable transaction costs, except for financial assets and financial liabilities carried at fair market value through profit or loss, which are measured initially at fair market value.

Financial assets and financial liabilities are measured subsequently depending on their classification as discussed below:

August 31, 2018

1. Nature of Operations and Summary of Significant Accounting Policies

**Financial Instruments
(continued)**

Financial Assets

Cash, trade and other receivables and loans that are fixed or determined payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivable are initially recognized at fair market value and subsequently carried at amortized cost using the effective interest rate method, less provisions for impairment.

Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are a reported net, such provisions are recorded in a separate allowance account with the loss being recognized within the expenses in the Statement of Comprehensive Income (Loss). On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated allowance.

The Company does not have any financial assets classified as Fair Market Value Through Profit or Loss, Held to Maturity or Available-For-Sale.

Financial Liabilities

The Company's financial liabilities include accounts payable and accrued liabilities and other payables and loans. These are classified in Other Financial Liabilities and are measured at fair value on initial recognition, net of transaction costs and subsequently at amortized cost using the effective interest rate method.

HCM Ventures (VCC) Inc.
Notes to Financial Statements

August 31, 2018

1. Nature of Operations and Summary of Significant Accounting Policies

**Financial Instruments
(continued)**

The company does not have any financial liabilities classified as Fair Value Through Profit or Loss, Held to Maturity or Available-For-Sale.

Revenue Recognition

Revenue is recognized as it is earned, and collection is reasonably assured.

Impairment of Long-Lived Assets

In the event that facts and circumstances indicate that the Company's long-lived assets may be impaired, an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write-down to market value of discounted cash flow is required. The Company considers that no circumstances exist that would require such an evaluation.

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognized for future operating losses.

**Standards, Amendments and
Interpretations Not Yet Effective**

Certain new standards, amendments and interpretations have been published that are mandatory for the Company's accounting periods that the Company has decided not to early adopt.

The following new standards, interpretations, and amendments, which have not been applied in these financial statements, that will or may have an effect on the Company's financial statements are:

August 31, 2018

1. Nature of Operations and Summary of Significant Accounting Policies

**Financial Instruments
(continued)**

Financial Assets

Cash, trade and other receivables and loans that are fixed or determined payments that are not quoted in an active market are classified as loans and receivables.

Loans and receivable are initially recognized at fair market value and subsequently carried at amortized cost using the effective interest rate method, less provisions for impairment.

Impairment provisions are recognized when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are a reported net, such provisions are recorded in a separate allowance account with the loss being recognized within the expenses in the Statement of Comprehensive Income (Loss). On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated allowance.

The Company does not have any financial assets classified as Fair Market Value Through Profit or Loss, Held to Maturity or Available-For-Sale.

Financial Liabilities

The Company's financial liabilities include accounts payable and accrued liabilities and other payables and loans. These are classified in Other Financial Liabilities and are measured at fair value on initial recognition, net of transaction costs and subsequently at amortized cost using the effective interest rate method.

August 31, 2018

1. Nature of Operations and Summary of Significant Accounting Policies

Standards, Amendments and Interpretations Not Yet Effective (continued)

IFRS 9 Financial Instruments is part of the IASB's wider project replacement IAS 39 "Financial Instruments: Recognition and Measurement." IFRS 9 retains but simplifies the mixed measurement categories for financial assets, amortized costs and fair value. The basis of classification depends on the entity's business model and contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after January 1, 2018. The company is in the process of evaluating the impact of the new standard.

There are no other IFRS's or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company's future financial statements.

2. Critical Accounting Estimates and Judgements

The preparation of the financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that effect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statement and reported amounts of revenue and expenses during the reporting period. Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Judgements

i) Financial Instrument Classification

Financial assets and liabilities are designated upon inception to various classifications. The designation determines the method by which the financial instruments are carried on the Statement of Financial Position subsequent to inception and how changes in value are recorded. The designation may require the Company to make certain judgements, taking into account management's intention of the use of the financial instruments.

Estimates and Assumptions

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of change, if the change affects that period only; or in the period of change and future periods, if the change affects both.

August 31, 2018

2. Critical Accounting Estimates and Judgements (continued)

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

ii) Impairment

an impairment loss is recognized for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operating results. These assumptions relate to future events and circumstances. The actual results may vary, and may cause significant adjustments to the Company's assets within the next financial year.

In most cases, determining the applicable discount rate involves estimating the appropriate adjustment to market risk and the appropriate adjustment to asset-specific risk factors.

3. Share Capital

Authorized:

Unlimited Class "A" Voting common shares, (fully participating with Classes "B" and "C"),
without par value:

Unlimited Class "B" Voting common shares, (fully participating with Classes "A" and "C"),
without par value:

Unlimited Class "C" Voting common shares, (fully participating with Classes "A" and "B"),
without par value:

Unlimited Class "D" Voting common shares, (participation limited to consideration paid),
without par value:

Issued:

	Period Ending August 31, 2108	February 28, 2018
100 voting Class D Shares	\$ 1	\$ 1
Voting Class A Shares	\$ 776,104	\$ 347,380
	<hr/>	<hr/>
	\$ 776,105	\$ 347,381

August 31, 2018

4. Financial Instrument Risk Exposure and Management

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk arising from its bank accounts and cash being held at one financial institution.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The liquidity risk includes risk that, as a result of operational liquidity requirements, the Company will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at value, which is less than they are worth; or may be unable to settle or recover financial assets. The Company is exposed to this risk mainly in the respect of its accounts payable and accrued liabilities.

It is management's position that the company is not exposed to significant market risk arising from financial instruments.

14. DATE AND CERTIFICATE

Dated October 2, 2018.

This Offering Memorandum does not contain a misrepresentation.

CERTIFICATE OF THE CORPORATION

"Glen Vause"

Glen Vause
Chief Executive Officer

"Glen Vause"

Glen Vause,
Acting Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"Glen Vause"

Glen Vause, Director

"Fred Munn"

Fred Munn, Director

"Kent Britton"

Kent Britton, Director

ON BEHALF OF THE PROMOTER

RCMA FINANCIAL GROUP INC.

"Glen Vause"

Glen Vause, Director

HCM VENTURES (VCC) INC.

(THE "ISSUER")

SUBSCRIPTION AGREEMENT (Offering Memorandum)

TO: The Board of Directors of the Issuer
301 – 1665 Ellis Street
Kelowna, British Columbia
V1Y 2B3

1. SUBSCRIPTION

1.1 The undersigned (the "Subscriber") hereby irrevocably offers to subscribe for _____ (_____) Class "A" Voting Common Shares without par value (the "Shares") at a price of either [check one] \$0.50 per Share or \$1.00 per Share, subject to the terms and conditions of this subscription agreement (the "Agreement").

1.2 The Subscriber herewith tenders cash, a certified cheque, a solicitor's trust cheque or a bank draft in the amount of \$_____ made payable to the Issuer's solicitors, **Pushor Mitchell, LLP "In Trust"** (the "Subscription Funds") as full payment of the subscription price for the Shares. The Subscription Funds will be held in trust by Pushor Mitchell LLP until the two-day cancellation right has expired. Thereafter, the Subscription Funds shall be released to the Issuer to fund the objectives noted in the Offering Memorandum.

1.3 The Subscriber acknowledges and agrees that the decision to accept or reject this subscription offer may be made by the Board of Directors of the Issuer at such time, under such circumstances and for such reasons as the Board of Directors may determine in its sole discretion. The Subscriber acknowledges and agrees that this subscription may be accepted or rejected by the Issuer at any time after midnight on the 2nd day after the date of the Agreement, if the Subscriber is relying on the Offering Memorandum exemption as defined by *National Instrument 45-106 Prospectus Exemptions* ("NI 45-106"), or immediately upon receipt of the Agreement if the Subscriber is relying on an exemption other than the Offering Memorandum exemption under NI 45-106. If the subscription is rejected in whole or in part, the balance of the Subscription Funds not accepted by the Issuer shall be returned to the Subscriber without interest, penalty or deduction.

1.4 The Subscriber acknowledges that the Issuer may pay a finder's fee, commission or other consideration of up to 9% to a third party (including a director, officer, founder or control person of the Issuer or of an affiliate of the Issuer) in respect of this Subscription. In addition, the Issuer may also pay an administration fee of up to 1% to a third party (including a director, officer, founder or control person of the Issuer or of an affiliate of the Issuer) in respect of this Subscription.

1.5 The Subscriber acknowledges and agrees that the decision to accept or reject this subscription offer may be made by the Board of Directors of the Issuer at such time, under such circumstances and for such reasons as the Board of Directors may determine in its sole discretion.

2. REPRESENTATIONS AND WARRANTIES

2.1 The Subscriber represents, warrants and acknowledges that:

- (a) the Subscriber has been provided with and has read and understood the Offering Memorandum of the Issuer in connection with the purchase and sale of the Shares, prior to subscribing, and has based the decision to invest in the Shares solely on the disclosure contained therein;
- (b) no prospectus has been filed by the Issuer with any Canadian Securities Commission (collectively the “Commissions”) or any other securities regulatory authority in connection with the offering and the issuance of the Shares, the issuance is exempted from the prospectus and registration requirements of applicable Canadian Securities Laws and Regulations (the “Canadian Securities Legislation”) and that:
 - (i) the Subscriber is restricted from using most of the civil remedies available under the Canadian Securities Legislation;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to the Subscriber under the Canadian Securities Legislation;
 - (iii) the Issuer is relieved from certain obligations that would otherwise apply under the Canadian Securities Legislation; and
 - (iv) neither the Commissions nor any similar authority has approved or otherwise passed upon the merits of the Offering Memorandum;
- (c) the Subscriber is either (complete as applicable) (i) a resident of _____ (province) or (ii) a private corporation incorporated in the jurisdiction of _____ and resident of _____ (province) and the Subscriber is a resident of Canada for the purposes of the Income Tax Act (Canada);
- (d) the Subscriber is purchasing the Shares as principal, for investment purposes only and not with a view to resale or distribution, and no other person, corporation, firm or other organization will have a beneficial interest in the Shares; or if not purchasing the Shares as principal, is purchasing the Shares as an agent or trustee for accounts that are fully managed by it, is authorized to enter into this Agreement and to execute all documentation relating to the purchase of the Shares on behalf of each beneficial purchaser, and is:
 - (i) a trust company or insurance company that has been authorized to carry on business under the laws of a province or territory or Canada;
 - (ii) a portfolio manager registered or exempted from registration under the laws of a province or territory or Canada; or

- (iii) a portfolio manager that carries on business in a jurisdiction other than Canada and purchases the Shares as an agent for accounts that are fully managed by it;
- (e) the Subscriber's offer to subscribe for the Shares pursuant to this Agreement is unconditional and may not be transferred or assigned without the prior express written consent of the Board of Directors of the Issuer and shall become irrevocable after midnight on the 2nd day after the date of this Agreement, if the Subscriber is relying on the Offering Memorandum exemption under NI 45-106 or immediately if the Subscriber is relying on an exemption other than the Offering Memorandum exemption under NI 45-106;
- (f) the Subscriber's decision to subscribe for the Shares has not been induced by any representations or warranties by the Issuer with respect to the present or future value of the Issuer's shares or the Issuer's prospects of becoming a reporting issuer or having its shares listed for trading on any stock exchange at any time in the future and the Subscriber acknowledges that the Issuer is under no obligation to qualify the Shares for resale under a prospectus or otherwise or to assist the Subscriber to do so;
- (g) the Subscriber is aware and has been advised that:
 - (i) the Subscription Funds represent seed or risk capital for the Issuer,
 - (ii) that the Issuer is in an early development stage of its existence,
 - (iii) there is no market for the securities of the Issuer and the Subscriber may never be able to sell the Shares,
 - (iv) that the Issuer has no substantial assets, and
 - (v) the Issuer is not in the business of trading securities and accordingly, is not registered as a dealer with the Commissions;
- (h) the Subscriber is able to bear the economic risks of an investment in the Shares including, but not limited to, the risk of loss of part or all of the Subscription Funds, and the inability to sell, convert, exchange or transfer the Shares for an indefinite period of time or at a price which would enable the Subscriber to realize its investment in the Shares;
- (i) all as detailed in the Offering Memorandum, the Subscriber and/or its advisors has been given an opportunity to review all material information about the Issuer and its business affairs relevant to the Subscriber's decision to invest in the Issuer and the Subscriber has been advised and given the opportunity to seek independent legal advice with respect to the nature and legal effect of the terms of this Agreement;
- (j) the Subscriber is aware that (i) the Shares hereunder may be subject to a hold period and other restrictions on resale pursuant to the provisions of the applicable securities legislation, (ii) the Issuer has made no representations with respect to such hold periods or resale restrictions and (iii) the Subscriber has been advised to seek independent legal advice with respect to any such hold periods or resale restrictions;

- (k) the Issuer is not a reporting company or a “reporting issuer” as defined in the Canadian Securities Legislation and the Shares issuable upon acceptance of this subscription offer by the Issuer will be issued as an exempt distribution, based upon the representations set out in this Agreement, and no filings, clearances or reviews under any applicable securities legislation have been or will be made in connection with the distribution;
- (l) the Subscriber will not resell, assign or otherwise dispose of the Shares other than in accordance with all applicable Canadian Securities Legislation and the requirements of any exchange or over-the-counter market upon which any securities of the Issuer are then listed;
- (m) the Subscriber is aware of the characteristics of the Shares and is aware of and has considered the risks inherent in its investment in the Issuer is familiar with the business objective of the Issuer and has been informed as to the proposed use of proceeds of the offering;
- (n) the Subscriber has sought and obtained such competent independent professional advice regarding the purchase and resale of the Shares under the applicable securities laws as it deems necessary;
- (o) the Subscriber has not sought or received any advice in respect of this Subscription from the Issuer or any person purporting to be a director, officer, employee or agent of the Issuer or of any affiliate of the Issuer;
- (p) the Subscriber is a person, corporation or other entity who, by virtue of their own net worth and investment experience or by virtue of consultation with or advice from a person or company who is not a promoter of the Issuer and who is registered to provide financial advice, is able to evaluate the prospective investment in the Shares on the basis of information respecting the investment provided for in the Offering Memorandum;
- (q) if the Subscriber is an individual, it has the legal capacity to execute this Agreement and to grant the power of attorney contained herein;
- (r) if the Subscriber is a corporation, it is duly incorporated and validly subsisting and it has the legal capacity to execute this Agreement and to grant the power of attorney contained herein and has taken all necessary steps and effected all necessary corporate actions and approvals to execute this Agreement and to grant the power of attorney contained herein; and
- (s) the Subscriber acknowledges that one or more finders may receive a commission or other fees from the Issuer in connection with this Offering;
- (t) the execution of this Agreement by the Subscriber and the transactions contemplated hereby will not result in the violation of any of the terms and provisions of any law applicable to, or the constating documents of, the Subscriber, if a corporation, or of any agreement, written or oral, to which the Subscriber may be a party or by which the Subscriber is or may be bound;

- (u) this Agreement has been duly executed and delivered by the Subscriber and constitutes a valid obligation for the Subscriber legally binding upon the Subscriber and enforceable against the Subscriber in accordance with its terms;
- (v) the Subscriber, by executing this Agreement, agrees to be bound as a shareholder of the Issuer by the terms of the Offering Memorandum and the Issuer's articles, as they may from time to time be amended;
- (w) if required by Canadian Securities Legislation, the Subscriber will execute and file, or assist the Issuer in filing, and hereby agrees that the Issuer may file, such reports, undertakings and other documents with respect to the transactions provided for in this Agreement as may be required by any securities commission or other regulatory authority within the applicable time periods;
- (x) the covenants, representations and warranties contained herein shall survive the completion of the transaction provided for herein and shall continue in full force and effect;
- (y) the Subscriber agrees to be bound by the terms and conditions contained in the Offering Memorandum, as may be amended from time to time, and will comply with all other applicable securities laws, orders or policies concerning the purchasing, holding and resale of the Shares;
- (z) the certificates representing the Shares may contain a legend indicating that the Shares are subject to hold periods pursuant to the Legislation and may only be traded after the expiry of such hold periods and only in accordance with the applicable provisions of the Legislation; and
- (aa) the Subscriber acknowledges that the foregoing representations, warranties and covenants are made by the Subscriber with the intent that they may be relied upon by the Issuer, Pushor Mitchell LLP and any other representatives of the Issuer in determining the Subscriber's suitability as a purchaser of Shares. The Subscriber agrees that the above representations, warranties and covenants in this subsection will be true and correct both as of the execution of this Agreement and as of the day of Closing, and the Subscriber hereby agrees to indemnify the Issuer, Pushor Mitchell LLP and any other representatives of the Issuer against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur as a result of reliance thereon. The Subscriber undertakes to notify the Issuer and its representatives immediately of any change in representation, warranty or other information relating to the Subscriber set forth herein which takes place prior to the Closing. The Subscriber acknowledges that Pushor Mitchell LLP has acted solely on behalf of the Issuer and has no solicitor-client relationship with the Subscriber in respect of this Agreement.

THE SUBSCRIBER IS RESPONSIBLE FOR OBTAINING HIS, HER OR ITS OWN FINANCIAL, LEGAL AND TAX ADVICE.

2.2 The Issuer hereby represents, warrants, covenants and declares that:

- (a) it is a valid and subsisting corporation duly amalgamated and in good standing under the laws of British Columbia;
- (b) it is duly registered and licensed to carry on business in the jurisdiction in which it carries on business or owns property;
- (c) the Offering Memorandum is accurate in all material respects and does not omit any fact, the omission of which would make such representation misleading;
- (d) the Issuer has complied and will comply fully with the requirements of all applicable corporate and securities laws, including without limitation, the Canadian Securities Legislation and the *British Columbia Business Corporations Act* in all matters related to this subscription;
- (e) the issue and sale of the Shares by the Issuer does not and will not conflict with, and does not and will not result in a breach of, any of the terms of the notice of articles and articles of the Issuer or any agreement or instrument to which the Issuer is a party;
- (f) the Issuer is not a party to any actions, suits or proceedings that could materially affect its business or financial condition, and no such actions, suits or proceedings are contemplated or have been threatened;
- (g) this Agreement has been authorized by all necessary corporate action on the part of the Issuer;
- (h) this subscription and all monies tendered herewith, without interest or deduction thereon, shall be returned to the undersigned at the address below if this subscription is not accepted;
- (i) upon acceptance of this subscription, the Issuer will instruct the Trustee to insert the subscriber's name into the Register of Bondholders, evidencing the undersigned's ownership of Shares of the Issuer;
- (j) upon becoming a shareholder, the Issuer will, unless otherwise instructed by the Subscriber in writing, issue to the Subscriber a certified copy of the certificate evidencing the Subscriber's ownership of the Shares issued by the Issuer; and
- (k) the warranties and representations in this action are true and will remain so as of the Issuer's acceptance of this subscription.

3. BRITISH COLUMBIA SECURITIES LEGISLATION REQUIREMENTS

3.1 Pursuant to applicable British Columbia Securities Legislation, under which the Issuer is governed, the following information is required from all of the Issuer's Subscribers:

- (a) Are you an Insider of the Issuer (a director, officer or holder of shares equal to 10% or more of the Issuer's issued and outstanding share capital) - check one:

YES _____ **NO** _____

(b) Are you a registrant (a person who is registered or required to be registered under NI 31-103 Registration Requirements and Exemptions) - check one:

YES _____ **NO** _____

(c) If you are a non-individual subscriber, please provide the name and telephone number of your contact person: _____

4. PROSPECTUS EXEMPTIONS AND REQUIRED DOCUMENTATION

4.1 For British Columbia and Newfoundland and Labrador residents, the Issuer is taking the position you are relying on the Offering Memorandum Exemption as provided under subsection 2.9 of National Instrument 45-106 - Prospectus Exemptions (“NI 45-106”) and accordingly, you are asked to please complete the following:

- (a) this Agreement;
- (b) the Form 45-106F4 - Risk Acknowledgement, in duplicate, attached as Exhibit I (with the appropriate deletion as indicated if a registrant is involved);
- (c) if a finder (other than a registrant) is involved in your subscription, the Risk Acknowledgement Form, in duplicate, attached as Exhibit II;
- (d) the Notification of Personal Information attached as Exhibit III; and
- (e) FOR BC RESIDENTS ONLY who are seeking the tax credit as described under section 6.5 of the Issuer’s Offering Memorandum, the share purchase report attached as Exhibit V - DO NOT DATE THE CERTIFICATION SECTION.

4.2 For Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon residents, please initial the applicable NI 45-106 exemptions that you are relying on:

Initial

(i) the accredited investor exemption, as defined in NI 45-106

Initial

(ii) the \$150,000 minimum amount exemption, as defined in NI 45-106 - NOTE THIS IS ONLY AVAILABLE TO NON-INDIVIDUALS WHO WERE NOT CREATED AND ARE NOT BEING USED SOLELY TO PURCHASE OR HOLD SECURITIES IN RELIANCE ON THIS EXEMPTION

Initial

(iii) the Offering Memorandum exemption, as defined in NI 45-106

4.3 For Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon residents, please complete the following:

- (a) this Agreement;
- (b) the Form 45-106F4 - Risk Acknowledgement, in duplicate, attached as Exhibit I (with the appropriate deletion as indicated if a registrant is involved);
- (c) if a finder (other than a registrant) is involved in your subscription, the Risk Acknowledgement Form, in duplicate, attached as Exhibit II;
- (d) the Notification of Personal Information attached as Exhibit III;
- (e) if relying on the Offering Memorandum exemption and if your investment is over \$10,000, the Representation Letter attached as Exhibit IV confirming your qualification as an eligible investor; and
- (f) if relying on the accredited investor, the Accredited Investor Certificate attached as Exhibit VI and, if applicable depending on the accredited investor categories chosen, the Form 45-106F9 Risk Acknowledgement attached as Exhibit VII

4.4 For Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan residents, please initial the applicable NI 45-106 exemptions that you are relying on:

Initial

- (i) the accredited investor exemption, as defined in NI 45-106

Initial

- (ii) the \$150,000 minimum amount exemption, as defined in NI 45-106 - NOTE THIS IS ONLY AVAILABLE TO NON-INDIVIDUALS WHO WERE NOT CREATED AND ARE NOT BEING USED SOLELY TO PURCHASE OR HOLD SECURITIES IN RELIANCE ON THIS EXEMPTION

Initial

- (iii) the Offering Memorandum exemption, as defined in NI 45-106

4.5 For Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan residents, who are relying on the Offering Memorandum exemption please initial and complete the following information:

Initial

- (i) I am not an eligible investor and the value of my aggregate investments in all entities during the past 12 months under the Offering Memorandum exemption, including this investment is \$ _____

Initial

- (ii) I am an eligible investor **that has not** received any advice from a portfolio manager, investment dealer or exempt market dealer and the value of my aggregate investments in all entities during the past 12 months under the Offering Memorandum exemption, including this investment is \$ _____



- (iii) I am an eligible investor **that has** received advice from a portfolio manager, investment dealer or exempt market dealer and the value of my aggregate investments in all entities during the past 12 months under the Offering Memorandum exemption, including this investment is \$_____

4.6 For Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan residents, please complete the following:

- (a) this Agreement;
- (b) the Form 45-106F4 - Risk Acknowledgement, in duplicate, attached as Exhibit I (with the appropriate deletion as indicated if a registrant is involved)
- (c) if you are an Alberta or Saskatchewan resident and an eligible finder is involved in your subscription, the Risk Acknowledgement Form, in duplicate, attached as Exhibit II;
- (d) the Notification of Personal Information attached as Exhibit III;
- (e) the Schedule 1 - Classification of Investors Under the Offering Memorandum Exemption attached as Exhibit VIII and Schedule 2 - Investment Limits for Investors Under the Offering Memorandum Exemption attached as Exhibit IX; and
- (f) if relying on the accredited investor, the Accredited Investor Certificate attached as Exhibit VI and, if applicable depending on the accredited investor categories chosen, the Form 45-106F9 Risk Acknowledgement attached as Exhibit VII.

5. VENTURE CAPITAL CORPORATION TAX CREDIT FOR BC RESIDENTS ONLY

- 5.1 If the Subscriber is seeking a tax credit under the *Small Business Venture Capital Act* (the "**SBVC Act**"), the Subscriber must complete all relevant information on the Share Purchase Report attached hereto as Exhibit V, **except for the date**, and deliver the Share Purchase Report to the Issuer along with the executed Subscription Agreement. The Subscriber hereby authorizes the Issuer and/or its legal counsel to insert, as the "Investment Date" and the date of execution of the Share Purchase Report, that date on which the Subscriber's subscription is closed.
- 5.2 The Issuer represents and warrants that it is registered as a Venture Capital Corporation under the SBVC Act and that, unless otherwise indicated to the Subscriber in writing, at the time of closing of the Subscriber's subscription it will have sufficient additional equity authorization under the SBVC Act to qualify the Subscriber's subscription for a provincial tax credit under the SBVC Act.
- 5.3 The Subscriber acknowledges and agrees that the eligibility of the Subscriber's subscription for a tax credit under the SBVC Act is subject to the terms and conditions of the Issuer's additional equity authorization and the provisions of the SBVC Act and regulations and that **the Issuer has recommended that the Subscriber seek independent legal advice with respect to the provisions of the SBVC Act.**

- 5.4 The Subscriber acknowledges that if the Subscriber is seeking a tax credit under the SBVC Act, the certificates representing the Securities subscribed for hereunder may bear a legend indicating that the value of the Securities may be significantly affected by the repayment provisions of the SBVC Act.

6. RIGHTS OF ACTION FOR DAMAGES OR RESCISSION

- 6.1 The Subscriber shall have the rights set forth in the Offering Memorandum under Item 12 – Purchaser’s Rights as if such rights were fully set forth in this Subscription Agreement and such rights are hereby incorporated by reference herein.

7. PRIVACY LEGISLATION

- 7.1 The Subscriber acknowledges and consents to the fact that the Issuer is collecting personal information (as that term is defined under applicable privacy legislation, including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time) of the Subscriber for the purpose of completing this Agreement. The Subscriber acknowledges and consents to the Issuer retaining such personal information for as long as permitted or required by law or business practices; the Subscriber agrees and acknowledges that the Issuer may use and disclose such personal information: (i) for internal use with respect to managing the relationships between and contractual obligations of the Issuer and the Subscriber; (ii) for use and disclosure for income tax-related purposes, including without limitation, where required by law disclosure to Canada Revenue Agency; (iii) disclosure to professional advisers of the Issuer in connection with the performance of their professional services; (iv) disclosure to securities regulatory authorities and other regulatory bodies with jurisdiction with respect to reports of trade or similar regulatory; (v) disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure where there is no reasonable alternative to such disclosure; (vi) disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with the Subscriber’s prior written consent; (vii) disclosure to a court determining the rights of the parties under this Agreement; and (viii) for use and disclosure as otherwise required or permitted by law. In addition, the Subscriber further acknowledges and consents to the fact that the Issuer may be required to provide any one or more of the Canadian securities regulators, stock exchanges, Investment Dealers Association of Canada, other regulatory agencies, Canada Revenue Agency or the Issuer’s registrar and transfer agent, if any, with any personal information provided by the Subscriber in this Agreement, and may make other filings of such personal information as the Issuer’s counsel deems appropriate, and the Subscriber hereby consents to and authorizes the foregoing use and disclosure of such personal information and agrees to provide, on request, all particulars required by the Issuer in order to comply with the foregoing.

8. MONEY LAUNDERING LEGISLATION

- 8.1 The Subscriber represents and warrants that the funds representing the aggregate purchase price in respect of the Shares which will be advanced by the Subscriber to the Issuer hereunder will not represent proceeds of crime for the purpose of the *Proceeds of Crime (Money Laundering) and*

Terrorist Financing Act (Canada) (the “PCMLTF Act”) and the Subscriber acknowledges that the Issuer may in future be required by law to disclose the Subscriber’s name and other information relating to this Agreement and the Subscriber’s subscription hereunder, on a confidential basis, pursuant to the PCMLTF Act; to the best of the Subscriber’s knowledge, none of the subscription funds to be provided hereunder (i) have been or will be obtained or derived, directly or indirectly, from or related to any activity that is deemed illegal under the laws of Canada or the United States or any other jurisdiction, or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber. The Subscriber shall promptly notify the Issuer if the Subscriber discovers that any such representation ceases to be true and shall provide the Issuer with appropriate information in connection therewith.

9. ENGLISH LANGUAGE

- 9.1 This Agreement and all the Exhibits attached hereto, are in the English language only, which language shall be controlling in all respects, and any versions in any other language shall not be binding on the parties. All communications and notices to be made or given pursuant to this Agreement shall be in the English language. It is the express wish of the parties to this Agreement that this Agreement and any related documents be drawn up and executed in the English language. Il est la volonté expresse des parties que cette convention et tous les documents s’y rattachant soient rédigés et signés en anglais.

10. GENERAL PROVISIONS

- 10.1 The Subscriber and the Issuer shall, from time to time and without further consideration, do and perform such other acts and execute and deliver such other documents and instruments as may be reasonably necessary to effect the transactions contemplated by the terms of this Agreement.
- 10.2 This Agreement and the related schedules attached to the Offering Memorandum as executed by the Subscriber in connection herewith, constitute the entire agreement between the Subscriber and the Issuer and, other than the Offering Memorandum, there are no other agreements, representations, warranties, conditions or covenants, express or implied, whether written or oral, concerning or affecting the transactions contemplated hereunder all prior agreements, representations, warranties, conditions and covenants concerning the subject matter of this Agreement are hereby amended and replaced by the terms and conditions hereof.
- 10.3 The Subscriber acknowledges and agrees that the Issuer will not be liable for any misrepresentation concerning or affecting the subject matter of this Agreement if the Subscriber purchased the Shares with knowledge of the misrepresentation and, in any event and without limiting the foregoing, the Issuer shall not be liable to the Subscriber for any amount exceeding the value of the Subscription Funds as of the date of this subscription offer.
- 10.4 The Subscriber hereby authorizes the Issuer to correct any minor errors in, or complete any minor information missing from, any document which has been executed by the Subscriber and delivered to the Issuer with respect to this subscription. The Subscriber further authorizes the Issuer to provide to the applicable securities regulator(s) such personal information of the Subscriber as may be required by the applicable securities legislation.

- 10.5 This Agreement may be executed by facsimile transmission and in counterparts and all such copies and counterparts when taken together shall be deemed to be an original executed copy hereof.
- 10.6 This Agreement shall be binding upon the parties hereto and upon their respective heirs, executors, administrators, successors and permitted assigns.
- 10.7 This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia, Canada, without regard to its conflicts of laws rules.
- 10.8 The parties hereto hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of British Columbia.
- 10.9 Where the context requires, all references in this Agreement to gender shall include all other genders and the neuter, and vice-versa, and all references to the plural shall include the singular, and vice-versa.
- 10.10 The Subscriber agrees to update its residential address as necessary from time to time by delivery of notice in writing to the Issuer's solicitors, Pushor Mitchell LLP at 301-1665 Ellis Street, Kelowna, B.C. V1Y 2B3.

[The remainder of this page has been intentionally left blank]

The share certificate should be made out as follows:

NAME _____ *

ADDRESS _____
 (Street) _____

 (City, Province, Postal Code)

* NOTE: If the share certificate is to be held jointly, please indicate, by checking the applicable box, whether you want the share certificate to be issued as held (i) jointly, with rights of survivorship ("WRS"), or (ii) jointly, as tenants in common ("TIC"):

Jointly, WRS

Jointly, TIC

If no election is made, the share certificate will be issued as held jointly, as tenants in common.

IN WITNESS WHEREOF the Subscriber has caused this Agreement to be executed at the City of _____, in the Province of _____, this _____ day of _____, 201_____.

(Name of Subscriber – please print)

Signature (Individual Subscriber)

By: _____
Authorized Signature (Corporate Subscriber)

(Subscriber's Address)

(Official Capacity or Title – please print)

(Telephone Number)

(E-mail address & Fax Number, if applicable)

(Please print name of individual who is the authorized signatory of the Corporate Subscriber)

Beneficial Subscriber Name for a Corporate or Non-Individual Subscriber

(Address of Beneficial Subscriber if different than address above)

<p>Registration Instructions:</p> <p>_____</p> <p>Name</p> <p>_____</p> <p>Account reference, if applicable</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>_____</p> <p>Telephone Number</p> <p>_____</p>	<p>Delivery Instructions:</p> <p>Deliver photocopies of the Certificates representing the Shares as set forth below:</p> <p>_____</p> <p>Instructions</p> <p>_____</p> <p>Account reference, if applicable</p> <p>_____</p> <p>Address</p> <p>_____</p> <p>Telephone Number</p> <p>_____</p> <p>Contact Name</p> <p>_____</p>
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ACCEPTANCE

The Issuer hereby accepts the above Subscription as to _____ Shares.

Dated this _____ day of _____, 201_____.

HCM VENTURES (VCC) INC.

Per: _____
Authorized Signatory

EXHIBIT I
Form 45-106F4

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me. *[Instruction: Delete if sold by registrant]*
I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future HCM VENTURES (VCC) INC. will pay \$_____ [amount of fee or commission] of this to _____ [name of person selling the securities] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to HCM VENTURES (VCC) INC. at its business address. Keep a copy of the notice for your records.

IssuerName and Address: HCM VENTURES (VCC) INC.
c/o 301 – 1665 Ellis Street, Kelowna, BC, V1Y 2B3
Fax: (250) 762-6665 E-mail: forrest@pushormitchell.com

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

You will receive an offering memorandum Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or investment dealer. In Alberta, Manitoba, Northwest Territories, Prince Edward Island, Québec and Saskatchewan to qualify as an eligible investor, you may be required to obtain that advice. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority.

British Columbia Securities Commission

Telephone: (604) 899-6500
Toll free in British Columbia and Alberta 1-800-373-6393
www.bcsc.ca

Alberta Securities Commission

Telephone: (403) 297-6454
www.albertasecurities.com/

Saskatchewan Financial Services Commission

Telephone: (306) 787-5879
www.sfsc.gov.sk.ca

The Manitoba Securities Commission

Telephone: (204) 945-2548
www.msc.gov.mb.ca

Ontario Securities Commission

Toll Free Telephone: 1-877-785-1555
www.osc.gov.on.ca

New Brunswick Securities Commission

Telephone: (506) 658-3060
www.nbsc-cvmbb.ca

Nova Scotia Securities Commission

Telephone: (902) 424-4625
www.gov.ns.ca/nssc/

Prince Edward Island Securities Office

Telephone: (902) 368-4569
www.gov.pe.ca/securities/

Securities Commission of Newfoundland and Labrador

Telephone: (709) 729-4189
www.gs.gov.nl.ca

Government of Yukon

Telephone: (867) 667-5314
www.gov.yk.ca

Government of Northwest Territories

Telephone: (867) 920-3318
www.gov.nt.ca

Government of Nunavut

Telephone: (867) 975-6190
www.gov.nu.ca

*[Instruction: The purchaser must sign 2 copies of this form.
The purchaser and the issuer must each receive a signed copy.]*

EXHIBIT I
Form 45-106F4

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- The person selling me these securities is not registered with a securities regulatory authority and has no duty to tell me whether this investment is suitable for me. *[Instruction: Delete if sold by registrant]*
-
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future. HCM VENTURES (VCC) INC. will pay \$_____ [amount of fee or commission] of this to _____ [name of person selling the securities] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

WARNING

You have 2 business days to cancel your purchase

To do so, send a notice to stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to HCM VENTURES (VCC) INC. at its business address. Keep a copy of the notice for your records.

IssuerName and Address: HCM VENTURES (VCC) INC.
c/o 301 – 1665 Ellis Street, Kelowna, BC, V1Y 2B3
Fax: (250) 762-6665 E-mail: forrest@pushormitchell.com

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the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and

the securities do not have to be sold by an investment dealer registered with a securities regulatory authority.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

You will receive an offering memorandum Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or investment dealer. In Alberta, Manitoba, Northwest Territories, Prince Edward Island, Québec and Saskatchewan to qualify as an eligible investor, you may be required to obtain that advice. Contact the Investment Dealers Association of Canada (website at www.ida.ca) for a list of registered investment dealers in your area.

The securities you are buying are not listed

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority.

British Columbia Securities Commission

Telephone: (604) 899-6500
Toll free in British Columbia and Alberta 1-800-373-6393
www.bcsc.ca

Alberta Securities Commission

Telephone: (403) 297-6454
www.albertasecurities.com/

Saskatchewan Financial Services Commission

Telephone: (306) 787-5879
www.sfsc.gov.sk.ca

The Manitoba Securities Commission

Telephone: (204) 945-2548
www.msc.gov.mb.ca

Ontario Securities Commission

Toll Free Telephone: 1-877-785-1555
www.osc.gov.on.ca

New Brunswick Securities Commission

Telephone: (506) 658-3060
www.nbsc-cvmbb.ca

Nova Scotia Securities Commission

Telephone: (902) 424-4625
www.gov.ns.ca/nssc/

Prince Edward Island Securities Office

Telephone: (902) 368-4569
www.gov.pe.ca/securities/

Securities Commission of Newfoundland and Labrador

Telephone: (709) 729-4189
www.gs.gov.nl.ca

Government of Yukon

Telephone: (867) 667-5314
www.gov.yk.ca

Government of Northwest Territories

Telephone: (867) 920-3318
www.gov.nt.ca

Government of Nunavut

Telephone: (867) 975-6190
www.gov.nu.ca

*[Instruction: The purchaser must sign 2 copies of this form.
The purchaser and the issuer must each receive a signed copy.]*

EXHIBIT II

Issuer Copy

Risk Acknowledgment under British Columbia Instrument 32-513 and Alberta Blanket Order 31-505 and *Registration Exemption for Trades in Connection with Certain Prospectus-Exempt Distributions*

{for use only with finders who are not registrants }

Name of Issuer: **HCM VENTURES (VCC) INC.**

Name of Seller: _____

I acknowledge that:

- The person selling me these securities is not registered with a securities regulatory authority and is prohibited from telling me that this investment is suitable for me;
- The person selling me these securities does not act for me;
- This is a risky investment and I could lose all my money; and,
- I am investing entirely at my own risk.

Date

Signature of Purchaser

Print name of Purchaser

Name of salesperson acting on behalf of seller

Sign two copies of this document. Keep one copy for your records.

National Instrument 45-106 Prospectus and Registration Exemptions may require you to sign an additional risk acknowledgement form.

If you want advice about the merits of this investment and whether these securities are a suitable investment for you, contact a registered adviser or dealer.

EXHIBIT II

Subscriber Copy

Risk Acknowledgment under British Columbia Instrument 32-513 and Alberta Blanket Order 31-505 and *Registration Exemption for Trades in Connection with Certain Prospectus-Exempt Distributions*

{for use only with finders who are not registrants }

Name of Issuer: **HCM VENTURES (VCC) INC.**

Name of Seller: _____

I acknowledge that:

- The person selling me these securities is not registered with a securities regulatory authority and is prohibited from telling me that this investment is suitable for me;
- The person selling me these securities does not act for me;
- This is a risky investment and I could lose all my money; and,
- I am investing entirely at my own risk.

Date

Signature of Purchaser

Print name of Purchaser

Name of salesperson acting on behalf of seller

Sign two copies of this document. Keep one copy for your records.

National Instrument 45-106 Prospectus and Registration Exemptions may require you to sign an additional risk acknowledgement form.

If you want advice about the merits of this investment and whether these securities are a suitable investment for you, contact a registered adviser or dealer.

EXHIBIT III

Notification of Delivery of Personal Information to Applicable Canadian Securities Commissions

In connection with the Issuer's issuance to you of Securities in its capital stock, the Issuer is required, pursuant to securities laws to report such Securities issuance to the applicable securities commissions. The report requires information as to the name and residential address of the person receiving the Securities, the purchase price of the Securities, the date of the distribution of the Securities and the number of Securities being issued. We are also required to receive your authorization to deliver such information to the applicable securities commissions.

This information:

1. is being collected indirectly by the applicable securities commissions under the authority granted to it in securities legislation; and
2. is being collected for the purposes of the administration and enforcement of the securities legislation of the applicable securities jurisdictions.

Please sign the authorization below and provide this form to the Issuer, along with your subscription agreement.

I, _____, do hereby authorize the Issuer to provide the information, as noted above, to the applicable securities commissions.

For an Individual:

For a Corporate Entity:

Signature

Insert Name of Corporate Entity

Print Name

Per: _____
Authorized Signatory

If you have any questions with respect to how this information is being used by the applicable securities commissions please feel free to contact them at:

British Columbia Securities Commission
701 West Georgia Street
Vancouver, BC V7Y 1L2
Telephone: (604) 899-6500

Ontario Securities Commission
Suite 1903 - 20 Queen Street West
Toronto, ON M5H 3S8
Telephone: (416) 593-3682

Alberta Securities Commission
4th Floor, 300 - 5th Avenue SW
Calgary, AB T2P 3C4
Telephone: 1-877-355-0585

The Manitoba Securities Commission
500 - 400 St. Mary Avenue
Winnipeg, MB R3C 4K5
Telephone: (204) 945-2548

Saskatchewan Financial Services Commission
6th Floor, 1919 Saskatchewan Drive
Regina, SK S4P 3V7
Telephone: (306) 787-5879

New Brunswick Securities Commission
85 Charlotte Street, Suite 300
Saint John, NB E2L 2J2
Telephone: (506) 658-3060

Nova Scotia Securities Commission
2nd Floor, Joseph Howe Bldg.
1690 Hollis Street
Halifax, NS B3J 3J9
Telephone: (902) 424-7768

Prince Edward Island Securities Office
95 Rochford Street, 4th Floor Shaw Bldg.
PO Box 2000
Charlottetown, PEI C1A 7N8
Telephone: (902) 368-4569

Government of Newfoundland & Labrador
Financial Services Regulation Division
PO Box 8700, 2nd Floor West Block
Prince Philip Drive
St. John's NFLD A1B 4J6

(709) 729-4189

Autorite des marches financiers
800, Square Victoria, 22e etage
Montreal, QC H4Z 1G3
Telephone: (514) 395-0337

Government of Yukon
Dept. of Community Services
3rd Floor, 2130 Second Avenue
Whitehorse, YT Y1A 5H6
Telephone: (867) 667-5314

Government of NWT
Office of the Superintendent of
Securities
PO Box 1320
Yellowknife, NT X1A 2L9
Telephone: (867) 920-8984

Government of Nunavut
Dept. of Justice – Legal Registries
Div.
PO Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6190

EXHIBIT IV

REPRESENTATION LETTER NI-45-106 ELIGIBLE INVESTOR

TO BE COMPLETED BY MANITOBA, NORTHWEST TERRITORIES, NUNAVUT, PRINCE EDWARD ISLAND AND YUKON RESIDENTS

The undersigned (the "Subscriber") hereby confirms and certifies to HCM VENTURES (VCC) INC. that the Subscriber is purchasing the Shares as principal, that the Subscriber is resident in the jurisdiction set out below and that the Subscriber is: **[check appropriate boxes]**

an "Eligible Investor", being a person whose **[circle one or more]**

- (i) net assets, alone or with a spouse, in the case of an individual, exceed CDN\$400,000,
- (ii) net income before taxes exceeded CDN\$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year; or
- (iii) net income before taxes, alone or with a spouse, in the case of an individual, exceeded CDN\$125,000 in each of the two most recent years and who reasonably expects to exceed that income level in the current year,

a person of which a majority of the voting securities are beneficially owned by Eligible Investors or a majority of the directors are Eligible Investors,

a general partnership in which all of the partners are Eligible Investors,

a limited partnership in which the majority of the general partners are Eligible Investors,

a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are Eligible Investors,

an accredited investor (as defined in NI 45-106), and has completed

a person who is a family member, close personal friend or close business associate as described in section 2.5 of NI 45-106,

a person that has obtained advice regarding the suitability of the investment and, if the person is in a jurisdiction of Canada, that advice has been obtained from an eligibility adviser (as defined in NI 45-106).

EXECUTED by the Subscriber this _____ day of _____ 20 _____.

If a Corporation, Partnership or other entity:

If an Individual:

Signature of authorized Signatory

Signature

Name and Position of Signatory

Print Name

Name of Purchasing Entity

Jurisdiction of Residence

Jurisdiction of Residence

EXHIBIT V

SHARE PURCHASE REPORT



**PROVINCE OF
BRITISH COLUMBIA**

Toll Free: 1-800-665-6597
 Phone: (250) 952-0136
 Fax: (250) 952-0371
 Email: ecp@tbc.gov.bc.ca

Freedom of Information and Protection of Privacy Act (FIPPA) The information collected on this form is collected under the authority of the *Small Business Venture Capital Act, RSBC 1996 c. 429* (Act) and is subject to the provisions of the FIPPA. The personal information will be used for the administration of the Act and the issuance of tax credits. For more information regarding this form and the FIPPA please contact the **Investment Capital Branch, Box 9800 Stn Prov Govt, Victoria, B.C. V8W 9W1**

This report must be completed by the VCC or EBC investor. Please print clearly and legibly.

Name of Venture Capital Corporation (the "VCC") or Eligible Business Corporation (the "EBC") HCM VENTURES (VCC) INC.	
SIN# or Business # (9-Digits) of the Individual or Corporate investor (in the VCC or EBC who will receive the tax credit). - - Failure to complete this section with accurate information may prevent a tax credit certificate from being issued.	
Legal Name of the Individual or Corporate Investor in the VCC or EBC (the "Investor") (this name must appear on the share certificate) Legal Last name (or Corporate Name) Legal First Name Legal Middle Name	
Full Address of Investor (residential address for individual investor or place of business address for corporate investor) Street Address City Postal Code - - Province B.C. Phone Number - -	
Investment Amount Paid for the VCC or EBC Shares (the "Shares")	\$.
Number of Shares Purchased	
Share Certificate Class Class "A" Voting Common	
Name on Share Certificate (if the shares are registered in the name of an RSP Trustee or in joint names)	
Investment Date	

CERTIFICATION I, the undersigned, do hereby certify that:

As at the investment date noted above, I am an individual resident in British Columbia **OR** I am an authorized signing officer of a corporation which has a place of business or permanent establishment in British Columbia;

- no tax credit has been previously allowed or paid for the Shares;
- the Shares were acquired for cash consideration directly from the VCC, EBC or its agent, and the Shares have been fully paid for in cash;
- the Shares purchased do not carry rights or restrictions prohibited by the *Small Business Venture Capital Act* and *Regulations*;
- I have not received any financial assistance to purchase these shares from the EBC, the VCC or any business that the VCC has invested in or any affiliate of the EBC, VCC or business.;
- neither myself or my associates (i.e. relatives) or my affiliates (i.e. other companies controlled by myself or associates) have voting control over the EBC or in any manner control the EBC;
- I have not disposed of any class or type of EBC shares in the two years prior to the investment date;
- I am the beneficial and registered owner of the Shares (except as noted on the share certificate); and
- all information set out above is true and correct.

I am aware that the Province of British Columbia in no way guarantees the value of any shares issued by an EBC or VCC registered under the Small Business Venture Capital Act nor does it in any way express an opinion as to the financial condition of the issuing company or the merits of an investment in shares of the issuing company. **I am aware that the information provided in this form will be used to issue a tax credit certificate and may be shared with Canada Revenue Agency.**

Signature

Full Name

Date

EXHIBIT VI

ACCREDITED INVESTOR CERTIFICATE

The undersigned Subscriber represents and warrants that he/she/it is an “Accredited Investor” within the meaning of National Instrument 45-106, Prospectus and Registration Exemptions, and by initialing the appropriate box below, the Subscriber certifies that he/she/it satisfies one of the following categories:

NOTE: The Subscriber should place an “X” in the appropriate box and initial beside the category applicable to this Exhibit VI.

The Subscriber certifies, represents and warrants to the Issuer that:

IT SATISFIES ONE OR MORE OF THE CATEGORIES INDICATED BELOW (PLEASE PLACE AN “X” IN THE APPROPRIATE BOXES):

<input type="checkbox"/>	Category (a)	except in Ontario, a Canadian financial institution, or a Schedule III bank,
<input type="checkbox"/>	Category (b)	except in Ontario, the Business Development Bank of Canada incorporated under the <i>Business Development Bank of Canada Act</i> (Canada),
<input type="checkbox"/>	Category (c)	except in Ontario, a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
<input type="checkbox"/>	Category (d)	except in Ontario, a person registered under the securities legislation of Canada as an adviser or dealer,
<input type="checkbox"/>	Category (e)	an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d),
<input type="checkbox"/>	Category (e.1)	an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the <i>Securities Act</i> (Ontario) or the <i>Securities Act</i> (Newfoundland and Labrador),
<input type="checkbox"/>	Category (f)	except in Ontario, the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada,
<input type="checkbox"/>	Category (g)	except in Ontario, a municipality, public board or commission in Canada and a metropolitan community, school board, the Comite de gestion de la taxe scolaire de l'île de Montreal or an intermunicipal management board in Quebec,
<input type="checkbox"/>	Category (h)	except in Ontario, any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,
<input type="checkbox"/>	Category (i)	except in Ontario, a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada,
<input type="checkbox"/>	Category (j)	an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$1,000,000, (where “financial assets” means cash, securities term deposits and the cash value of life insurance policies, but excluding real estate and other non-financial assets, and “related liabilities” means liabilities incurred or assumed for the purposes of financing the acquisition or ownership of financial assets or liabilities that are secured by financial assets), [COMPLETE EXHIBIT VII]

<input type="checkbox"/>	Category (j.1)	an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000,
<input type="checkbox"/>	Category (k)	an individual whose net income before taxes exceeded \$200,000 in each of the 2 most recent years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the 2 most recent years and who, in either case, reasonably expects to exceed that net income level in the current calendar year, [COMPLETE EXHIBIT VII]
<input type="checkbox"/>	Category (l)	an individual who, either alone or with a spouse, has net assets of at least \$5,000,000, [COMPLETE EXHIBIT VII]
<input type="checkbox"/>	Category (m)	a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements,
<input type="checkbox"/>	Category (n)	an investment fund that distributes or has distributed its securities only to <ul style="list-style-type: none"> (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [<i>Minimum amount investment</i>] and 2.19 [<i>Additional investment funds</i>], or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [<i>Investment fund reinvestment</i>],
<input type="checkbox"/>	Category (o)	an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Quebec, the securities regulatory authority, has issued a receipt,
<input type="checkbox"/>	Category (p)	a trust company or trust corporation registered or authorized to carry on business under the <i>Trust and Loan Companies Act</i> (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be,
<input type="checkbox"/>	Category (q)	a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,
<input type="checkbox"/>	Category (r)	a registered charity under the <i>Income Tax Act</i> (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded,
<input type="checkbox"/>	Category (s)	an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function,
<input type="checkbox"/>	Category (t)	a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors,
<input type="checkbox"/>	Category (u)	an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser,
<input type="checkbox"/>	Category (v)	a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Quebec, the regulator as an accredited investor, or
<input type="checkbox"/>	Category (w)	a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse;

EXHIBIT VII

Form 45-106F9

Risk Acknowledgement for Individual Accredited Investors

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
1. About your investment:	
Type of Securities: Class "A" Voting Common Shares	Issuer: HCM Ventures (VCC) Inc.
Purchased From: HCM Ventures (VCC) Inc.	
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
2. Risk Acknowledgement	
This investment is risky. Initial that you understand that:	Your Initials
Risk of loss - You could lose your entire investment of \$_____	
Liquidity Risk - You may not be able to sell your investment quickly - or at all.	
Lack of Information - You may receive little or no information about your investment.	
Lack of advice - You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca	
3. Accredited Investor Status	
You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	Your Initials
<ul style="list-style-type: none">Your net income before taxes was more than \$200,000 in each of the two (2) most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	

<ul style="list-style-type: none"> Your net income before taxes combined with your spouse's was more than \$300,000 in each of the two (2) most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year. 	
<ul style="list-style-type: none"> Either alone or with a spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to cash and securities. 	
<ul style="list-style-type: none"> Either alone or with a spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.) 	
4. Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	
Signature:	Date:
SECTION 5 TO BE COMPLETED BY THE SALESPERSON	
5. Salesperson Information	
[The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the Issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of Firm (if registered):	
SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
6. For more information about this investment	
HCM Ventures (VCC) Inc. Suite 800 – 1040 West Georgia St Vancouver, BC V6E 4H1 Glen Vause – 604.790.9387 glenv@robsonfinancialgroup.com www.robsonfinancialgroup.com	
For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca	

EXHIBIT VIII

Schedule 1

Classification of Investors Under the Offering Memorandum Exemption

Instructions: This schedule must be completed together with the Risk Acknowledgement Form and Schedule 2 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

How you qualify to buy securities under the offering memorandum exemption		
Initial the statement under A, B, C or D containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B or C, you are not required to complete A.		
A. You are an eligible investor because:		Your Initials
Eligible Investor	Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse's was more than \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Either alone or with a spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)	
B. You are an eligible investor, as a person described in section 2.3 [Accredited Investor] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the Securities Act (Ontario) because:		Your initials
Accredited Investor	Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$300,000 in the current calendar year.	
	Either alone or with a spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
	Either alone or with a spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	
C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106, because:		Your initials
Family, Friends and Business Associates	You are: <ol style="list-style-type: none"> 1) [check all applicable boxes] <ul style="list-style-type: none"> <input type="checkbox"/> a director of the issuer or an affiliate of the issuer <input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer <input type="checkbox"/> a control person of the issuer or an affiliate of the issuer <input type="checkbox"/> a founder of the issuer 	

	<p>OR</p> <p>2) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>	
	<p>You are a family member of _____</p> <p><i>[Instruction: insert the name of the person who is your relative either directly or through his or her spouse], who holds the following position at the issuer or an affiliate of the issuer: _____.</i></p>	
	<p>You are the _____ of that person or that person's spouse. <i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>	
	<p>You are a close personal friend of _____</p> <p><i>[Instruction: Insert the name of your close personal friend], who holds the following position at the issuer or an affiliate of the issuer:</i></p> <p>_____</p> <p>You have known that person for _____ years.</p>	
	<p>You are a close business associate of _____</p> <p><i>[Instruction: Insert the name of your close business associate], who holds the following position at the issuer or an affiliate of the issuer:</i></p> <p>_____</p> <p>You have known that person for _____ years.</p>	
D. You are not an eligible investor.		Your Initials
Not an Eligible Investor	You acknowledge that you are not an eligible investor.	

EXHIBIT IX

Schedule 2

Investment Limits for Investors Under the Offering Memorandum Exemption

Instructions: This schedule must be completed together with the Risk Acknowledgement Form and Schedule 1 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

SECTION 1 TO BE COMPLETED BY THE PURCHASER
1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption
You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Schedule 1. Initial the statement that applies to you.

A. You are an eligible investor.	Your Initials
Eligible Investor	As an eligible investor that is an individual, you cannot invest more than \$30,000 in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable. Initial one of the following statements:
	You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months.
	You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable. You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000.

B. You are an eligible investor, as a person described in section 2.3 [Accredited Investor] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the Securities Act (Ontario).	Your initials
Accredited Investor	You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 [Accredited Investor], you are not subject to investment limits.

C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106.		Your initials
Family, Friends and Business Associates	You acknowledge that, by qualifying as an eligible investor as a person described in section 2.5 [<i>Family, friends and business associates</i>], you are not subject to investment limits.	

D. You are not an eligible investor.		Your Initials
Not an Eligible Investor	<p>You acknowledge that you cannot invest more than \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> <p>You confirm that, after taking into account your investment of \$____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p>	

SECTION 2 TO BE COMPLETED BY THE REGISTRANT	
2. Registrant information	
<i>[Instruction: this section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.]</i>	
First and last name of registrant (please print):	
Registered as: <i>[Instruction: indicate whether registered as a dealing representative or advising representative]</i>	
Telephone:	Email:
Name of firm: <i>[Instruction: indicate whether registered as an exempt market dealer, investment dealer or portfolio manager.]</i>	
Date:	