

OFFERING MEMORANDUM

December 15, 2022
BLUEPRINT REALITY INC.
("Blueprint")

Minimum Subscription: 5,000.00 Canadian dollars subject to applicable securities laws

IMPORTANT DISCLOSURE

The offering is being made with reliance on certain exemptions from the prospectus filing requirements available under the securities laws of each of the provinces and territories of Canada. As a result, the securities offered herein will not be listed on any stock exchange and will be subject to the applicable resale and transfer restrictions under these laws.

These securities are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* (Canada) and are not insured under that Act or any other legislation.

This Offering Memorandum constitutes a private offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully sold and therein only by those entities permitted to sell such securities. As such, under the terms and conditions related to this instrument, these securities will not be offered for sale in the United States of America.

This Offering Memorandum is not, and under no circumstances is it to be construed as, a prospectus, advertisement or public offering of the securities referred to herein.

If you purchase shares, you will have certain rights. See "PURCHASERS' RIGHTS" in this Offering Memorandum.

This Offering Memorandum does not constitute and may not be used for or in conjunction with, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized, or to any person to whom it is unlawful to make such an offer or solicitation.

You are directed to inform yourself of and observe such restrictions and all legal requirements of your jurisdiction of residence in respect of the acquisition, holding and disposition of the securities offered hereby. Subscribers should thoroughly review this Offering Memorandum and are advised to consult with their professional advisors to assess the business, legal, income tax and other aspects of this investment.

The securities offered hereby will be issued only on the basis of information contained in this Offering Memorandum and no other information or representation is authorized or may be relied upon as having been authorized by the trustees and the Fund.

Persons who will be acquiring securities pursuant to this Offering Memorandum will not have the benefit of the review of the material by the securities commissions or similar authorities in Canada. Any subscription for the securities offered hereby made by any person on the basis of statements or representations not contained in this Offering Memorandum or so provided, or inconsistent with the information contained herein or therein, shall be solely at the risk of said person.

See "DEFINITIONS" for the meaning ascribed to certain capitalized terms used in this Offering Memorandum.

**OFFERING MEMORANDUM
FOR NON-QUALIFYING ISSUERS
BLUEPRINT REALITY INC.**

Suite 220 – 1685 West Fourth Avenue, Vancouver, BC V6J 1L8 Canada
Contact: Tarnie Williams, CEO Email: tarnie@blueprintreality.com Tel. 604-773-4431

LISTING STATUS

<i>Currently Listed or Quoted?</i>	No. These securities do not trade on any exchange or market.
<i>Reporting Issuer?</i>	No.
<i>SEDAR Filer?</i>	Yes.

THE OFFERING

<i>Securities Offered:</i>	Private placement offering of up to 7,188,888 Common Shares with a subscription price of CAD \$0.36 per Common Share.
<i>Price per Security:</i>	The price per Common Share in the offering is \$0.36.
<i>Minimum/Maximum Offering:</i>	<p>The Maximum Offering is 7,188,888 Common Shares with gross proceeds of \$2,587,999.68.</p> <p>The Issuer may, in its sole discretion, lower the number of Common Shares offered.</p> <p>There is no minimum for the offering. You may be the only purchaser. Funds available under the Offering will not be sufficient to accomplish all of our proposed objectives. See “Risk Factors” below</p>
<i>Minimum Subscription Amount:</i>	The minimum subscription amount is \$5,000 unless otherwise approved by the board of directors.
<i>Eligibility:</i>	Residents of Alberta, Manitoba, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Saskatchewan and Yukon wishing to subscribe for the Common Shares for an aggregate purchase price of more than \$10,000 must qualify as ‘Eligible Investors’ as defined in the applicable securities legislation.
<i>Payment Terms:</i>	Payment to be made in full to “Blueprint Reality Inc.” by certified cheque or money-order or other form of guaranteed funds, concurrently with the delivery of a duly executed and completed Subscription Agreement. See Item 5: Securities Offered.
<i>Proposed Closing Date:</i>	The Issuer will conduct closings on one or more dates prior to February 28, 2023 or such later date as may be determined by the Issuer in its sole discretion.
<i>Income Tax Consequences:</i>	There are important tax consequences to these securities. See Item 6: Income Tax Consequences and RRSP Eligibility.
<i>Selling Agent:</i>	Equifaira Private Securities Inc. See Item 7: Compensation Paid to Sellers and Finders.

RESALE RESTRICTIONS

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

PURCHASER'S RIGHTS

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

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

INVESTMENT NOT LIQUID

The Common Shares offered hereunder will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, if ever, a Shareholder will not be able to trade the Common Shares unless it complies with very limited exemptions from the prospectus requirements and other requirements under applicable securities legislation. See "Resale Restrictions".

CAUTIONARY STATEMENTS

An investment in Common Shares is speculative. A potential investor should purchase Common Shares only if it is able to bear the loss of its entire investment. Potential investors should read "Risk Factors" prior to making an investment in Common Shares.

Forward-Looking Statements

Certain statements in this Offering Memorandum, as they relate to the Issuer and its respective views or predictions about possible future events or conditions and their business operations and strategy, are "forward-looking statements" within the meaning of that phrase under applicable securities laws. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "does not expect", "is expected", "anticipates", "does not anticipate", "plans", "estimates", "believes", "does not believe" or "intends", or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or achieved) are not statements of historical fact and may be "forward-looking statements", including by way of example and without limiting the generality of the foregoing, statements with respect to the realization of a liquidity event; goals, strategies and product development; future market conditions; supply conditions; end customer demand conditions; distribution channel infiltration; competition; outlook for future operations; plans and timing for the introduction and development of products; product sell through; revenues; operating expenses; profits, estimates of anticipated costs and expenditures; the outcome of legal proceedings; and other expectations, intentions and plans that are not historical fact. Even though management believes that the assumptions made, and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements or information will prove to be accurate.

Forward-looking statements are based on the current expectations, estimates and projections of the Issuer and involve a number of known and unknown risks and uncertainties which could cause actual results or events to differ materially from those presently anticipated, including those risks described under "Risk Factors". Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward-looking statements include, but are not limited to, general economic, political, market and business factors and conditions; interest rates fluctuations; statutory and regulatory developments; ability to obtain financing; increased competition; loss of key employees; additional funding requirements; the Issuer's ability to develop, manufacture, supply and market new products or services that it does not produce or provide today and that meet the demands of customers; unexpected judicial or regulatory proceedings; catastrophic events; and other factors set out under the heading "Risk Factors". Readers are cautioned not to place undue reliance on these forward-looking statements as there can be no assurance that the condition, events, plans and assumptions on which they are based will occur. Should one or more of the risks described under the "Risk Factors", other risk factors that could develop or arise, or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described herein. The forward-looking statements are made as of the date of this Offering Memorandum.

Reliance


Prospective investors should rely only on information contained in this Offering Memorandum and the investor presentation deck and term sheet that the Issuer provided directly to you. The Issuer has not authorized any other person to provide prospective investors with different information other than as contained in this Offering Memorandum, the Issuer's investor presentation deck or the Issuer's term sheet. If a prospective investor is provided with different or inconsistent information, the prospective investor should not rely on such information. The Issuer is not making an offer to sell in any jurisdiction where an offer or sale is not permitted. Before making an investment decision respecting the securities described in this Offering Memorandum, you should carefully review and consider this entire Offering Memorandum. You should also consult with your lawyer and investment, accounting and tax advisors concerning this investment.

Industry and Market Data

Unless otherwise indicated, the Issuer obtained the industry and market data used throughout this Offering Memorandum from surveys or studies conducted by third parties and industry or general publications. Industry publications and surveys generally state that they have obtained information from sources believed to be reliable, but do not guarantee the accuracy and completeness of such information. While the Issuer believes this data to be reliable, market and industry data is subject to variation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Issuer has not independently verified such data, does not make any representations as to the accuracy of such information, and is not responsible for the accuracy of any of the data from third party sources referred to in this Offering Memorandum.

SUMMARY OF OFFERING MEMORANDUM

The following is a summary of the principal features of this Offering Memorandum and should be read together with, and is qualified in its entirety by, the more detailed information contained elsewhere in this Offering Memorandum. Capitalized terms not defined herein, including the cover pages attached hereto, shall have the meaning ascribed to such terms in the Glossary.

The Issuer	The Issuer is Blueprint Reality Inc. a company incorporated under the British Columbia Business Corporations Act [SBC 2002] c.57 (herein the “Issuer”, “Blueprint Reality”, “Blueprint”, or the “Company”).
Unregistered Mark	
Objective	<p>Pursuant to the terms of this Offering Memorandum, the Issuer intends to raise up to \$2,587,999.68 through the issuance of its Common Shares. Up to 7,188,888 Common Shares with a subscription price of \$0.36 per Common Share will be available (“Common Shares” and “Shares” are used in this Offering Memorandum interchangeably).</p> <p>Up to \$284,679.96 will be paid as selling commissions and Offering Expenses resulting in net proceeds of up to \$2,303,319.72 The Issuer will use the net proceeds for the purposes of bringing its technology to market, continuing the development of its technology, intellectual property portfolio, brand, revenue streams, and sales and marketing.</p>
Investment Strategy	<p>Blueprint intends to create value for its shareholders by two primary means:</p> <ol style="list-style-type: none"> 1) To create potentially patentable or otherwise protectable innovation in our <i>MixCast</i> platform. As of the date of this Offering the Issuer has been awarded four (4) patents for our software innovations. <p>Further intellectual property and software value will be achieved by continuing our development, innovation, and improvement of <i>MixCast</i>, our technology and software platform for visual recording and Mixed Reality Compositing and Broadcasting by enabling a blending between our physical reality and Virtual Reality (VR), Augmented Reality (AR), and Mixed Reality (MR).</p> <p>The <i>MixCast</i> platform and technology may enable developers, creators, and users of these technologies to</p> <ol style="list-style-type: none"> (a) utilize the <i>MixCast</i> platform and technology for creating content in the visual recording and visual effects (VFX) industries of film and television production, branding and marketing, and streaming; (b) utilize the <i>MixCast</i> platform and our services to develop communication and training programs that take advantage of our innovative and patented features; (c) utilize the <i>MixCast</i> platform to create content based on VR and AR games and experiences for streaming and social networks, eSports, and live broadcasting; (d) more easily build, market, broadcast, communicate with, and sell VR/AR/MR applications and content. <ol style="list-style-type: none"> 2) To develop robust and ongoing revenue streams via the exploitation of the capabilities of our <i>MixCast</i> platform and technology in primarily three different routes:

	<p>(a) The first focus for developing a revenue stream will be for what we refer to as <i>MixCast</i> Studio Revenue. We intend to establish key partnerships in the entertainment space in order to sell the use of the <i>MixCast</i> technology within our specialized studio for use in visual recording and VFX industry. We intend to lease, outfit, and activate one or more physical <i>MixCast</i> film studio locations, initially in the Burbank area of Los Angeles, CA where we will offer our capabilities.</p> <p>(b) The second focus will be for what we refer to as <i>MixCast</i> Service Revenue via software development in the VR/AR/MR space, including Virtual Training, Virtual Experiences, and Virtual Sets. We believe we can provide strong value in the areas of (i) Virtual Sets for the Film, TV, and VFX industries, (ii) Virtual Sets and Virtual Experiences for the eSports and Gaming verticals, (iii) Digital Twins, Virtual Training, and Interactive Training to activate virtual training programs in the Medical Equipment, Military, and Heavy Equipment industries, and (iv) Virtual Sets and Virtual Experiences for the Metaverse and VR/AR/MR industries.</p> <p>It is Blueprint's intention to continue to develop relationships with major industry leaders in each of the industries mentioned above that develop and market VR/AR/MR hardware, software, training, and visual recording content including but not limited to, Intel, Unity, HTC/Steam, Meta/Oculus, Unreal/Epic, PlayStation VR, NBC, Disney, Warner, CBS, Netflix, Amazon, Apple, Siemens Healthcare, the UK MOD, and others who are likely to utilize Virtual Production, Virtual Training, and Virtual Interactive Production techniques such as we are developing. We believe these relationships may accelerate our market penetration of <i>MixCast</i> in each of these areas.</p> <p>(c) The third focus will be on developing a license market for our <i>MixCast</i> platform whereby content creators can pay a license fee in return for the use of our software. We intend to offer multiple tiers of capabilities of our software, at escalating price points targeted at audiences ranging across streamers and influencers, video production companies and software developers, and larger enterprises. The highest fidelity of capabilities will be reserved for use in our own <i>MixCast</i> Studios and not included in a license offering.</p> <p>[For a more detailed explanation, refer to, "Item 2. Business of the Issuer, Section 2.2: Our Business"].</p> <p>The objective of the Issuer is to continue to grow the value of its business and thereby increase the value for its Shareholders.</p>
Minimum Offering	There is no minimum offering. You may be the only purchaser. Funds available under the Offering may not be sufficient to accomplish our objectives.
Maximum Offering	The Maximum Offering is 7,188,888 Shares with gross proceeds of CAD \$2,587,999.68. The Issuer may, in its sole discretion, lower the number of Common Shares offered.
Price/Security	The price per Common Share in the Offering is CAD \$0.36.
Minimum Subscription Amount	The Minimum Subscription Amount is CAD \$5,000.00. The Issuer may, at its sole discretion, lower the Minimum Subscription Amount.
Closings	The Issuer will conduct closings on one or more dates prior to February 28, 2023 (the "Final Closing") or such earlier dates ("Additional Closings") as may be determined by the Issuer, in its sole discretion. The Issuer may, in its sole discretion, extend the date of the Final Closing. The offering of the Common Shares pursuant to this Offering Memorandum expires on the Final Closing unless terminated earlier or extended beyond February 28, 2023 by the Issuer.

Management	<p>The officers and directors of Blueprint Reality Inc. are:</p> <p>Tryon Harold Miles Williams (“Tarnie Williams”), Chief Executive Officer, Co-Founder and Board Director.</p> <p>Benjamin James Sheftel (Ben Sheftel), Chief Technology Officer, Co-Founder and Board Director</p> <p>Bernard Todd Buchanan (Todd Buchanan), Vice President, Corporate Development and Executive Officer.</p>
Selling Agent	<p>Selling Agents, such as Exempt Market Dealers, responsible for the sale of Common Shares will be paid a selling commission. No one selling agent will receive a commission of more than 9% of the gross sale proceeds. Broker’s warrants of up to 5% of the gross proceeds from the sale of Common Shares resulting directly from the agent’s efforts converted to Common Shares at the current price may be provided. See Item 7: “Compensation Paid to Sellers and Finders”.</p>
Tax Consequences	<p>There are important tax consequences to the purchase, ownership and disposition of the Common Shares. You should consult your own professional advisors to obtain advice on the Canadian income tax consequences that may apply to you.</p> <p>RRSP Eligibility: Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities. See Item 6: “Canadian Income Tax Consequences and RRSP Eligibility”</p> <p>Venture Capital Program: The Issuer was issued a Certificate of Registration as an EBC on December 29, 2016 with an equity authorization of \$1,000,000. The Issuer has applied for and received authorization for further equity in subsequent years. The Issuer has most recently applied for further equity authorization of \$1,000,000 for 2023. Provided that the Issuer complies with the requirements and intent of the Small Business Venture Capital Act (the “SBVC Act”), the Issuer is entitled to apply on behalf of purchasers of the Common Shares who are resident in British Columbia on the date of the purchase for tax credit certificates entitling the purchasers to a tax credit equal to 30% of the amount paid by the purchasers for the Common Shares. The issuance of tax credit certificates is contingent on available room in the province’s budget for the tax credit imposed by the SBVC Act. The provincial government allocates the budgeted limit on a “first come, first serve basis.” If a tax credit certificate is issued to the Subscriber, it will entitle the Subscriber to a credit against the Subscriber’s provincial income tax payable to the Province of British Columbia for the taxation year. As a condition of receiving the tax credit, the Subscriber will be required to own the Common Shares for 5 years. Subscribers who require further information on the provisions of the SBVC Act and the Small Business Venture Capital Regulation made under the SBVC Act (“SBVC Regulations”) are advised to consult their own professional advisors or contact the Investment Capital Branch.</p> <p>See also Item 6: “Canadian Income Tax Consequences & RRSP Eligibility”.</p> <p>BC Provincial Government Disclaimers:</p> <p>In registering the Corporation under the SBVC Act, the Province of British Columbia makes no representations with respect to any tax considerations discussed in this document other than with respect to those dealing with the British Columbia tax credit available in respect of the purchase of the Common Shares.</p> <p>The Province of British Columbia in no way guarantees the value of any shares issued by an EBC 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 an investment in shares of the issuing company.</p>

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GLOSSARY OF TERMS

In this Offering Memorandum, the following meanings are attached to certain words and expressions, which may be unfamiliar:

\$ refers to **Canadian** dollars throughout this document unless otherwise specified.

Additional Closing refers to the date on which any additional closings of the purchase and sale of Shares are held after the Initial Closing.

Augmented Reality or **AR** refers to the integration of digital information with the user's environment in real time. Unlike Virtual Reality, which creates a totally artificial environment, Augmented Reality uses the existing environment and overlays new information on top of it, thus providing a composite view.

Augmented Virtuality or **AV** refers to the integration of real information within the user's virtual environment in real time, the inverse of Augmented Reality. Again, unlike Virtual Reality, which creates a totally artificial environment, Augmented Virtuality uses the existing virtual environment and overlays new real-world information on top of it, like a portion of a video stream, thus providing a composite view.

Avatar in computing is the graphical representation of the user or the user's alter ego or character. An icon or figure representing a particular person in a video game, Internet forum, etc. It may take either a three-dimensional (3D) form as in games or virtual worlds, or a two-dimensional (2D) form as an icon in Internet forums and other online communities.

Awaken refers to a Virtual Reality game developed, marketed and sold by the Issuer.

Blueprint Reality Inc. and or Blueprint refers to the Issuer, whose website can be found on the Internet at www.blueprintreality.com.

Blueprint Reality Community refers to any person who is part of Blueprint's digital social community accessed through e-mail subscription, on the Issuer's website, Facebook, Twitter, Instagram and other Social Media.

Broadcasting refers to the distribution of audio and or video content or other messages to a dispersed audience via any electronic mass communications medium.

Canadian Income Tax Act refers to the Canadian *Income Tax Act*, R.S.C. 1985, c. 1 (5th Suppl.) and any regulations or amendments thereto.

Capture refers to recording an activity. This can include recording photos or video of the real world, recording of computer-generated imagery, or recording the movements of a human being or object in 3-dimensional space.

Chroma Keying refers to a visual effects technique for compositing (layering) two images or video streams together based on color hues. The technique has been used heavily in many fields to remove a background from the subject of a photo or video, particularly the news casting, motion picture and video game industries. A color range in the foreground footage is made transparent, allowing separately filmed background footage or a static image to be inserted into the scene.

Client refers to a business-to-business partner that has entered into an agreement with the Issuer to accept and use the services of the Issuer. Such partners may include but are not limited to computing and Virtual Reality, Augmented Reality, Mixed Reality, and camera hardware, software and services providers, brands, and advertisers.

Cloud and/or Cloud Services is an umbrella term that may refer to a variety of resources provided over the internet, or to professional services that support the deployment of such cloud-based resources.

Common Share or Share refers to a share in the voting Common Stock of the Issuer.

Compositing refers to the combining of visual elements from separate sources into single images, often to create the illusion that all those elements are parts of the same scene. Live action shooting for compositing is variously called "Chroma key", "blue screen", "green screen" and other names. Today, most, though not all, compositing is achieved through digital image manipulation.

Computer Hardware refers to the collection of physical components that constitute a computer system. Computer Hardware is the physical parts or components of a computer, such as monitor, keyboard, computer data storage, graphic card, sound card, motherboard, and so on, all of which are tangible objects. By contrast, Software is instructions that can be stored and run by Computer Hardware. Computer Hardware is directed by the Software to execute any command or instruction. A combination of Computer Hardware and Software forms a usable computing system.

Content refers to articles, videos and other information that can be searched and found online on the Internet.

CRA refers to the Canada Revenue Agency, formerly Canada Customs and Revenue Agency, formerly Revenue Canada.

Date of Closing refers to the date upon which all conditions of a closing have been satisfied, up to and including February 28, 2023 or such earlier or later dates as may be determined by the Issuer in its sole discretion, or any date or dates upon which Subscription Agreements are accepted.

Digital Out-of-home Entertainment (DOE) refers to technology-based entertainment platforms ranging from video games to the latest media-based, visitor attractions, million-dollar theme park attractions and much more. Within DOE, many key technologies are driving a resurgence in destination-based entertainment that some have called "Arcade 2.0." One such ubiquitous technology has been Virtual Reality (VR).

Digital Twin refers to a virtual representation of a real-world physical system or product (a physical twin) that serves as the indistinguishable digital counterpart of it for practical purposes, such as system simulation, integration, testing, monitoring, and maintenance.

Discord is a very popular 3rd party voice and text chat application designed for gaming communities and gamers.

Dota 2 refers to a free-to-play multiplayer online battle arena (MOBA) video game developed and published by Valve Corporation. *Dota 2* has a widespread and active competitive scene, with teams from across the world playing professionally in various leagues and tournaments. Premium *Dota 2* tournaments often have prize pools totalling millions of U.S. dollars, the highest of any eSport.

EBC refers to an "Eligible Business Corporation" under the SBVC Act of the province of British Columbia.

Epic refers to Epic Games, Inc. (formerly Potomac Computer Systems and later Epic MegaGames, Inc.), an American video game development and software game engine platform company based in Cary, North Carolina, partially owned by Tencent. Founded in 1991, they are best known for their Unreal Engine technology, which has powered their popular in-house Unreal, Gears of War and Infinity Blade series of video games.

eSports (also known as electronic sports, esports, e-sports, competitive (video) gaming, professional (video) gaming, or pro (video) gaming) refers to a form of competition that is facilitated by electronic systems, particularly video games; the input of players and teams as well as the output of the eSports system are mediated by a Human-Computer Interface. Most commonly, eSports take the form of organized, multiplayer video game competitions, particularly between professional players. The most common video game genres associated with eSports are real-time strategy, fighting, first-person shooter (FPS), and multiplayer online battle arena (MOBA). Tournaments such as The International, the League of Legends World Championship, the Evolution Championship Series and the Intel Extreme Masters provide live broadcasts of the competition, and prize money to competitors.

Extended Reality (XR) refers to a set of ideas and technologies expected to transform our lives by understanding the physical world, knowing and communicating our relation to places in that world, and navigating through those places and includes Virtual Reality, Augmented Reality, Augmented Virtuality, and Mixed Reality and is also known as Spatial Computing.

Facebook is an American for-profit corporation and also an online social media and social networking service called "Facebook" based in Menlo Park, California which changed the name of its parent company to Meta Platforms Inc. in October 2021.

Family Entertainment Center or FEC also known as an "indoor amusement park: or "indoor theme park" is a small amusement park marketed towards families with small children to teenagers, and often entirely indoors or associated with a larger operation such as a theme park. A type of LBE, FECs are generally small compared to full-scale amusement parks, with fewer attractions, a lower per-person per-hour cost to consumers than a traditional amusement park, and not usually major tourist attractions, but sustained by an area customer base.

Founders refers to Tryon Harold Miles Williams, also known as Tarnie Williams and Tarnie Williams Jr., and Benjamin James Sheftel also known as Ben Sheftel.

Gaming Video Content (GVC) refers to video content of other people playing video games and generally broadcast online at websites such as Twitch, YouTube, and (prior to its closure) Mixer.

Gamer refers to a person who plays video games.

Google is an American multinational technology company specializing in Internet related services and products. These include online advertising technologies, search, cloud computing, Software and Computer Hardware, including Virtual Reality hardware.

Greenscreen is a monochrome green backdrop in front of which moving subjects are filmed and which allows a separately filmed background to be added to the final image (sometimes a *Bluescreen*).

Hololens (also *Microsoft Hololens*) refers to a pair of mixed reality smartglasses developed and manufactured by Microsoft.

HTC refers to a Taiwanese consumer electronics company headquartered in Xindian District, New Taipei City, Taiwan. Founded in 1997, HTC began as an original design manufacturer and original equipment manufacturer, designing and manufacturing devices such as mobile phones, tablets, and now Virtual Reality headsets.

HTC Vive refers to a Virtual Reality headset developed by HTC and Valve Corporation, released on 5 April 2016. The headset is designed to utilize "room scale" technology to turn a room into 3D space via sensors, with the virtual world allowing the user to navigate naturally, with the ability to walk around and use motion tracked handheld controllers to vividly manipulate objects, interact with precision, communicate and experience immersive environments.

IFRS refers to International Financial Reporting Standards.

Immersion (Virtual Reality) refers to a perception of being physically present in a non-physical world. The perception is created by surrounding the user of the VR system in images, sound or other stimuli that provide an engrossing total environment.

Immersive Media refers to a set of technology and techniques to create media that blurs the line between the physical world and digital or simulated world, thereby creating a sense of Immersion.

Immersive Technology refers to technology that blurs the line between the physical world and digital or simulated world, thereby creating a sense of Immersion.

Initial Closing refers to the first date of the closing of the purchase and sale of all or part of the Offering.

Instagram refers to an online mobile photo-sharing, video-sharing, and social networking service located on the Internet at www.instagram.com.

Intel refers to an American multinational corporation and technology company headquartered in Santa Clara, California (colloquially referred to as "Silicon Valley") that was founded by Gordon Moore (of Moore's law fame) and Robert Noyce. It is the world's second largest semiconductor chip maker based on revenue and is the inventor of the x86 series of microprocessors: the processors found in most personal computers (PCs).

Interactive Training refers to training presented using technologies such as augmented reality, virtual reality, and interactive presentations and involves problem-solving, analyzing scenarios and real-life decision-making.

Internet refers to a massive network of networks, a networking infrastructure. It connects millions of computers together globally, forming a network in which any computer can communicate with any other computer as long as they are both connected to the Internet.

IPO (initial public offering) refers to the Issuer's first public offering of its shares pursuant to a registration statement that has been declared effective under the United States *Securities Act* of 1933 or a prospectus filed under applicable Canadian securities laws in respect of which a (final) receipt has been obtained, accompanied by the listing of the shares on the Toronto Stock Exchange and/or the Nasdaq National Market and/or the New York Stock Exchange and/or any other stock exchange or market approved in writing by the Board.

Issuer refers to Blueprint Reality Inc., a company incorporated under the British Columbia Business Corporations Act [SBC 2002] c. 57.

LCD Screen refers to a flat panel screen that uses the liquid crystal display (LCD) technology and connects to a computer. Laptops have used LCD screens almost exclusively, and the LCD monitor is the standard display screen for desktop computers and Tablet Computers.

LBE or Location Based Entertainment also referred to as "out of home entertainment" or "interactive multiplayer entertainment centers" is simply some form of entertainment that is tied to a particular location other than your home. LBE is often used interchangeably to describe amusement parks, themed entertainment attractions, ridefilms, large scale arcades and places where you go to play high-end multiplayer interactive computer games like dogfight or racecar simulations. Bowling alleys, pool parlors, water parks, casinos, movie theatres and arcades are also technically LBE too. Though they seem to fit the description, spectator sports like baseball or football are usually NOT considered LBE.

LBVR refers specifically to a LBE facility that utilizes VR technology to power their experience.

Maximum Offering refers to the Offering of a maximum of 7,188,888 Shares, for a total Subscription Amount of \$2,587,999.68 pursuant to this Offering Memorandum (assuming maximum Offering).

Meta Platforms is an American for-profit corporation and an online social media and social networking service based in Menlo Park, California formerly known as Facebook. Meta owns the Oculus platform and sells a variety of different VR headsets under the Oculus brand name. The name of its parent company was changed to Meta Platforms Inc. in October 2021.

Metaverse refers to a shared virtual environment that people access via the Internet, which combines aspects of social media, online gaming, augmented reality (AR), virtual reality (VR), and cryptocurrencies to allow users to interact virtually.

Microsoft Hololens - see *Hololens*.

MixCast refers to a software tools platform and technology for interactive broadcasting and communication for Virtual Reality (VR) /Augmented Reality (AR) /Mixed Reality (MR) that is developed, marketed and sold by the Issuer. The *MixCast* software tools platform and technology may enable developers of these technologies to more easily build, market, broadcast, and sell VR/AR/MR applications.

MixCast Cloud: We have created an end-to-end cloud upload, storage, and distribution platform. Our goal with this platform is to enable the *MixCast* platform to act as a complete solution for capture, broadcast, and sharing of Mixed Reality content for Virtual and Augmented Reality applications. This is a capability that is in demand from LVR, LBVR and DOE companies.

MixCast Media refers collectively to the photos and video content generated using *MixCast's* Mixed Reality Compositing technology.

MixCast Services Revenue refers to the revenue stream we are developing where we use our knowledge and skillsets to create software programs, experiences, and content in the VR/AR/MR space, including Virtual Training, Virtual Experiences, and Virtual Sets for use in a variety of industries.

MixCast Studio Revenue refers to the revenue stream we are developing in the visual recording industry by selling our services using the *MixCast* technology and the use of the physical film studio we plan to open in the Burbank area of Los Angeles, CA.

MixCast VR Photobooth: This is our turnkey solution to enable revenue generation through the creation, sale, and distribution of Mixed Reality content for Virtual Reality Arcades, Family Entertainment Centers, and other location-based establishments running booth-style or kiosk-style virtual reality experiences.

MixCast VR Free Roam: This is our custom solution for multi-user virtual reality experience providers to enable the creation, sale, and distribution of Mixed Reality content to their patrons after they have participated in an experience.

MixCast WildKey™: We have created a multi-modal background removal technique that removes the need for a Greenscreen background.

Mixed Reality or Merged Reality (MR) refers to the merging of real and virtual worlds to produce new environments and visualizations where physical and digital objects co-exist and interact in real time.

Mixed Reality Compositing refers to the creation of a Visual Recording by performing Compositing of real and virtual worlds to produce new environments and visualizations where physical and digital objects co-exist and interact in real time, and in the case of *MixCast*, blends visual images of real people with virtual worlds and objects, including the anchoring of objects between worlds so that an image of a real person holding a virtual flower in their hand looks visually correct with the flower in their hand to an external viewer. This is one of the fundamental technological capabilities that *MixCast* performs.

Oculus and Oculus Rift refers to a virtual reality headset developed and manufactured by Oculus VR, a division of Meta Platforms (formerly Facebook Inc.), initially released on March 28, 2016.

Offering refers to the offering by the Issuer comprising a maximum of 7,188,888 Common Shares, pursuant to this Offering Memorandum.

Offering Expenses refers to the expenses of the offering including but not limited to, legal, accounting and issue costs of the Offering and costs of marketing the Offering, excluding selling commissions.

Offering Memorandum refers to this offering memorandum of the Issuer dated December 15, 2022.

Out of Home Entertainment is a term coined by the amusement industry to collectively refer to experiences at regional attractions like theme parks and waterparks with their thrill rides and slides, and smaller community-based entertainment venues such as family entertainment and cultural venues. In the US alone, there are nearly 30,000 attractions—theme and amusement parks, attractions, water parks, family entertainment centers, zoos, aquariums, science centers, museums, and resorts, producing a total nationwide economic impact of \$219 billion in 2011, according to leading international industry association, International Association of Amusement Parks and Attractions (IAAPA).

Platform refers to the underlying computer system or software on which other applications or media can be created. To be clearer, a platform could be your smartphone, or it could be software that enables interactions beyond what was laid out in the original design, e.g., Android or Facebook.

Presence in VR is commonly equated with the concept of “Immersion,” the perception of being physically present in a nonphysical world, or a state of consciousness where the VR user experiences a simulated experience that appears real and thus feels real. Presence can be measured as the degree to which the virtual environment faithfully evokes a sense of reality that causes the user to suspend disbelief. The greater the suspension of disbelief, the greater the degree of presence achieved.

Risk Acknowledgement Form refers to Form 45-106F4 as prescribed by the *Securities Act* and attached to this Offering Memorandum.

RRSP refers to a retirement savings plan registered pursuant to the *Canadian Income Tax Act*.

Samsung refers to a South Korean multinational conglomerate headquartered in Samsung Town, Seoul. It comprises numerous affiliated businesses, most of them united under the Samsung brand, and is the largest South Korean chaebol (business conglomerate).

Securities Act refers to the British Columbia *Securities Act*, R.S.B.C. 1996, c. 418, and any regulations or amendments thereto.

Search Engine refers to a program that searches for and identifies items in a database that correspond to keywords or characters specified by the user, used especially for finding particular sites on the World Wide Web.

Securities Legislation refers to the *Securities Act* and any regulations, rules or instruments thereto.

SDK refers to a software development kit (SDK) which is typically a set of software development tools that allows the creation of applications for a certain software package, software framework, hardware platform, computer system, video game console, operating system, or similar development platform.

SEDAR refers to the System for Electronic Document Analysis and Retrieval.

Shareholder refers to a Subscriber for a Common Share whose subscription is accepted by the Issuer and any individual, corporation or other entity who acquires any one or more Common Shares on a subsequent transfer from a Shareholder.

Social Media refers to websites and applications that enable users to create and share content or to participate in social networking.

Software refers to Computer software, or simply software, which is that part of a computer system that consists of data or computer instructions, in contrast to the physical hardware from which the system is built. In computer science and software engineering, computer software is all information processed by computer systems, programs and data. Computer software includes computer programs, libraries and related non-executable data, such as online documentation or digital media. Computer hardware and software require each other, and neither can be realistically used on its own.

Spatial Computing refers to a set of ideas and technologies expected to transform our lives by understanding the physical world, knowing and communicating our relation to places in that world, and navigating through those places and includes Virtual Reality, Augmented Reality, Augmented Virtuality, and Mixed Reality and is also known as Extended Reality (XR).

Subscriber refers to a subscriber for Shares pursuant to this Offering Memorandum.

Subscription Agreement refers to the subscription agreement, which is attached as Appendix 2 to this Offering Memorandum, pursuant to which a Subscriber may agree to purchase Shares, having also completed a Risk Acknowledgement Form.

Subscription Amount refers to the aggregate value of the Offering and, in the event that all Shares offered are subscribed, that amount shall be CAD \$2,587,999.68.

Subscription Documents refers to the Subscription Agreement, Risk Acknowledgement Form, Schedules (as applicable) and a cheque or other form of payment that is acceptable to the Issuer in the amount of the Subscription Price.

Subscription Price refers to the amount, with respect to any Subscription, that, is the product of the number of Shares subscribed by a Subscriber and the price of \$0.36 per Share.

Steam refers to a multi-player platform used to distribute games and related media online. It provides the user with installation and automatic management of software across multiple computers, community features such as friends lists and groups and in-game voice and chat functionality.

TV Show refers to television shows that are viewed on traditional networks and/or downloaded and/or streaming.

Unity refers to a cross-platform game engine developed by Unity Technologies and used to develop video games for PC, consoles, mobile devices and websites. First announced only for OS X, at Apple's Worldwide Developers Conference in 2005, it has since been extended to target 27 platforms.

Unity Technologies refers to Unity Technologies SF, the developer of Unity, one of the most popular licensed game engines. Founded on 2 August 2004 as Over the Edge I/S, it became Unity Technologies ApS in 2006. It moved its headquarters to San Francisco and became "Unity Technologies SF" in 2009.

URL refers to a uniform resource locator (URL), commonly informally termed a web address (a term which is not defined identically) is a reference to a web resource that specifies its location on a computer network and a mechanism for retrieving it.

User refers to any person that utilizes the Blueprint Reality Platform.

User Interface refers to the means by which the user and a computer system interact, in particular the use of input devices and software.

Valve refers to Valve Corporation (commonly referred to as Valve) an American video game developer and digital distribution company headquartered in Bellevue, Washington. The company is known for the *Half-Life*, *Counter-Strike*, *Portal*, *Day of Defeat*, *Team Fortress*, *Left 4 Dead*, and *Dota 2* games, and its software distribution platform Steam.

VFX is an abbreviation for Visual Effects – see Visual Effects (VFX).

Video Game refers to a game played by electronically manipulating images produced by a computer program on a television screen or other display screen.

Virtual Cinematography refers to the set of cinematographic techniques performed in a computer graphics environment. This includes a wide variety of subjects like shooting with greenscreen with traditional cameras and seeing "real-time" compositing results on the monitor or in the headset. This results in a stronger integration of traditional cinematography elements, such as lighting, when approaching shots in a "virtual" setting.

Virtual Experience refers to a simulated experience created using 3D software and VR hardware to give the user an immersive feel of a virtual world. Virtual Experience covers the range of virtual reality approaches and can include entertainment (video games), education (such as medical or military training) and business (such as virtual meetings).

Virtual Production allows real-world and digital platforms to converge using software, such as MixCast, to create virtual sets and environments in an effort to streamline the filmmaking process.

Virtual Reality (VR) refers to a computer-generated simulation of a three-dimensional image or environment that can be interacted with in a seemingly real or physical way by a person using special electronic equipment, such as a headset, hand controllers or gloves fitted with sensors.

Virtual Sets refers to the creation of a set or background used in the visual recording industries that is virtual rather than physical. The Virtual Set can be used with real actors to create visual recordings that are not distinguishable from those created with physical sets.

Virtual Training refers to virtual training courses or classes that trainees or students participate in from their home or office rather than a traditional classroom or other designated training environment. A virtual environment is instead used by a trainer or coach to show, explain, and teach skills.

Visual Effects (VFX) refers to the process by which imagery is created or manipulated outside the context of a live-action shot in filmmaking and video production. The integration of live-action footage and other live-action footage or CGI elements to create realistic imagery is called VFX.

Visual Recording (also Video Recording) means the recording of moving images or of the representations thereof, from which they can be perceived, reproduced or communicated by any method. Visual Recordings include Television content, Movies, YouTube clips, photographs, and video clips.

Web Application refers to a client–server software application in which the client (or user interface) runs in a web browser. Common web applications include webmail, online retail sales, online auctions, wikis, instant messaging services and many other functions.

World Wide Web refers to the World Wide Web (or web) which is an information space where documents and other web resources are identified by Uniform Resource Locators (URLs), interlinked by hypertext links, and can be accessed via the Internet.

YouTube refers to an American video-sharing website headquartered in San Bruno, California. The service was created in February 2005. Google bought the site in November 2006 for US\$1.65 billion; YouTube now operates as one of Google's subsidiaries. YouTube allows users to upload, view, rate, share, add to favorites, report, comment on videos, and subscribe to other users. Available content includes video clips, Gaming Video Content, TV show clips, music videos, short and documentary films, audio recordings, movie trailers and other content such as video blogging, short original videos, and educational videos.

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ITEM 1: USE OF AVAILABLE FUNDS**1.1 Funds****(rounded to nearest \$1.00)**

		Assuming Minimum Offering	Assuming Maximum Offering
A	Amount to be raised by this offering	\$0	\$2,587,999.68
B	Selling commissions and fees (maximum)	\$0	\$232,919.97
C	Estimated offering costs	\$10,000	\$51,759.99
D	Available funds: $D = A - (B + C)$	(\$10,000)	\$2,303,319.72
E	Additional sources of funding required	\$0	\$0
F	Working capital (deficiency) or surplus	\$20,000	\$20,000
G	Total: $G = (D+E) \text{ } \pm \text{ } F$	\$10,000	\$2,323,319.72

1.2 Use of Available Funds

Description of Issuer's intended use of available funds in order of priority	Assuming Minimum Offering	Assuming Maximum Offering
Studio Development	\$0	\$400,000
Sales and Marketing	\$0	\$454,942.72
Product Development	\$0	\$325,000
Intellectual Property Portfolio Development	\$0	\$50,000
General and Administration	\$10,000	\$365,000
Compensation Paid to Insiders for 12 Month Period ¹	\$0	\$ 573,377.00
Brand Development	\$0	\$155,000
Total – Available Funds	(\$10,000)	\$2,323,319.72

¹ Payment to T. Williams, Chief Executive Officer at \$140,000 per annum; B Sheftel, Chief Technical Officer at \$120,000 per annum and S. McGowan, Creative Lead at \$313,377 per annum.

If less than the Maximum Offering is raised, the Issuer will likely spend less in each category.

Note that the working capital surplus is not included in the Use of Available Funds Assuming the Maximum Offering as they may be kept in reserve and or used by the Issuer for sound business reasons.

Pursuant to the terms of this Offering, the Issuer intends to raise up to \$2,587,999.68 through the issuance of Common Shares. Regarding Selling commissions, no one selling agent will be eligible to receive a commission of more than 9% of the total gross sale proceeds resulting in net proceeds of up to \$2,303,319.72 after Selling Commissions and Offering Expenses, assuming the Maximum Offering is raised. Broker warrants of up to 5% of gross proceeds from the sale of Common Shares resulting directly from the agent's efforts converted to Common Shares at the current price may be provided. See Item 7: Compensation Paid to Sellers and Finders for details.

The Issuer will use the net proceeds for the purposes of continuing its product development, intellectual property portfolio development, brand development, marketing and sales, finance, legal, administration and compensation to Insiders.

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 the Government of the U.S. or any State of the U.S., or in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies or U.S. banks. Any interest accrued on subscription funds will be solely for the account of the Issuer.

1.3 Reallocation

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

ITEM 2: BUSINESS OF THE ISSUER

2.1 Structure

The Issuer was incorporated under the laws of the Province of British Columbia and specifically the *Business Corporations Act* [SBC 2002] c. 57 on September 6, 2016.

At the time of this Offering, the physical offices of the Issuer are located at:

Suite 220, 1685 West 4th Avenue, Vancouver, British Columbia.

The Issuer currently has a total of eight (8) staff members including two (2) full time staff and six (6) part time (see below). This does not include contracted developers who are engaged on an as needed basis.

- Executive Management = 1
- Product Development = 2
- Sales and Marketing = 1
- Finance = 2
- Investor Relations = 2

2.2 Our Business

Blueprint Reality Inc. is a software developer and entertainment company situated in the heart of Vancouver's technology industry.² Blueprint Reality was formed to capitalize on the rapidly expanding global markets of Virtual Reality (VR) /Augmented Reality (AR) /Mixed Reality (MR), collectively known as XR (Extended Reality).

Our primary focus has been the development of our software platform, *MixCast*, and the underlying technologies that make *MixCast* operate. *MixCast* at its core is a Mixed Reality Compositing platform that enables the creation of visual recordings. To do this, *MixCast* effectively creates a window into VR and AR that enables live visual recording and visual communication between people and environments in different realities - real, augmented, and virtual – which is otherwise not possible without Mixed Reality Compositing technology similar to ours. We believe this is a foundational technology required for the growth and expansion of the VR, AR, and Metaverse industries as it enables live and direct visual recording and communication with imagery of real people, rather than relying on 2D or 3D digital replacements such as Avatars, and as such keeps humanity forefront in the picture.

The current state of VR, AR, and MR technology enables a level of Immersion into entertainment and other media that exceeds any previous media's impact. A major challenge for the industry, however, has been the inability to broadcast, communicate, or share video and photos of people experiencing this media to a wider audience. Our *MixCast* platform provides an easy to use and professional quality solution to this problem, and our goal has been to create valuable, innovative, and potentially patentable or otherwise protectable technology.

The first major development stage of our *MixCast* platform is now complete. We now have the capability to execute visual recording at a professional level, using professional equipment, in a live production environment with a workflow that feels natural to existing visual recording professionals, utilizing both VR and AR hardware. We will continue to develop and extend features, functionality, and image quality and capabilities while we turn our primary focus to the commercialization of our software.

We believe our *MixCast* technology and software platform may well enable Streamers, Creators, Developers, Production Companies, and Enterprises to more easily create, broadcast, market, and sell content and VR/AR/MR applications in a wide range of industries. We expect customers of our technology to:

- (a) utilize the *MixCast* platform and technology for creating content in the visual recording and visual effects (VFX) industries of film and television production, branding and marketing, and streaming;
- (b) utilize the *MixCast* platform and our services to develop communication and training programs that take advantage of our innovative and patented features;
- (c) utilize the *MixCast* platform to create content based on VR and AR games and experiences for streaming and social networks, eSports, and live broadcasting;
- (d) more easily build, market, broadcast, communicate with, and sell VR/AR/MR applications and content.

As such, our new primary focus is to commercialize the *MixCast* platform, which we plan to do with three discreet but related approaches.

² Technology – Vancouver Economic Commission." 2017. Vancouver Economic Commission. Accessed April 10.
<http://www.vancouvereconomic.com/focus/technology/>.

- 1) **MixCast Studio:** We plan to open a film studio in the Burbank area of Los Angeles, CA where we will sell the highest-end version of our visual recording services to the film and tv industry as a solution for two related functions:
 - a. recording VR and AR Games and Experiences and the Metaverse using our Virtual Interactive Production techniques to create innovative new content that has not previously been possible;
 - b. as a cost-effective method for recording a wide range of traditional VFX shots. We believe the use of our technology will reduce budget costs of many types of VFX shots by 30% or more, thus accessing existing VFX budgets, and providing a strong incentive to switch to our technology.
- 2) **MixCast Services:** We plan to develop digital experiences that utilize our technology, and support and work well with our *MixCast* platform. We forecast demand for this service in four major verticals:
 - a. **Film, TV, VFX:** Our service work will support our MixCast Studio recording service, enabling film and tv professionals to create traditional types of visual effects recordings in a faster, more cost-effective way, as well as in new, previously unattainable types of visual recordings;
 - b. **eSports and Interactive Gaming:** Our MixCast platform enables the capture of interactive gaming experiences and the live recording of eSports athletes in VR and AR competitions in a manner not otherwise available;
 - c. **Training: Medical / Military / Heavy Equipment:** *MixCast* enables trainers to use standard video conferencing software like Zoom, Skype, or Microsoft Teams, coupled with VR and AR hardware to perform dynamic, interactive, remote training sessions in new and more engaging ways than previously possible. We believe we will have a strong offering and competitive advantage in areas where the training is focused on equipment use, maintenance or repairs where the equipment is expensive or complicated and difficult to access or transport.
 - d. **Metaverse, VR, and AR:** *MixCast* can record real people in the Metaverse, VR, and AR, as well as record the Metaverse directly, using traditional visual recording techniques. *MixCast* thus takes advantage of the large pool of already existing visual recording professional talent globally, enabling new recording approaches without retraining.
- 3) **MixCast Licensing:** We plan to sell licenses to the *MixCast* platform of several tiers of value and capability to Streamers, Creators, Developers, Production Companies, and Enterprises so they can make their own visual recordings of the Metaverse, VR, and AR, and reduce costs of VFX shots in their traditional visual recording processes. We will retain the highest end tier for use in our *MixCast* Studio in order to maintain the higher revenue we can obtain directly from our studio.

Essentially, the *MixCast* platform provides tools to enable real-time visual recording and communication between people in VR, AR, and the real world by using Mixed Reality Compositing, Broadcasting, and distribution of video media. *MixCast's* range of capabilities includes but is not limited to:

- Enabling the visual recording of live VFX shots, mixed reality media content, and the Metaverse.
- Enabling the creation and sharing of mixed-reality media content via broadcast and streaming platforms.
- Enabling interactive VR and AR training with live trainers via standard video conferencing software.
- Video conferencing, messaging and virtual meetings between the real world, VR, AR, and the Metaverse.

- Creating stronger human connections by keeping humans in the picture even as the environments become digital, by replacing avatars, cartoon characters and first-person views with video imagery of real people in real time.
- 2D (two-dimensional) and 3D (three-dimensional) visualizations of real people Composited with VR, AR and Metaverse environments.
- Sharing of experiences between people in VR where they can actually see each other's image.
- Creation, recording, storage, distribution, and sales of the newly created *MixCast* Media.
- Establishing an audience visualization platform for the future consumption of eSports in VR and AR.
- An integrated marketplace to facilitate the immersion of advertising and branding within AR and VR applications.

MixCast, to our knowledge, is the most advanced tool of its kind in existence on the market.

We currently have many direct business connections with companies in these sectors, and it is our intention to continue to develop relationships with major industry leaders that develop and market VR/AR/MR hardware, software, training, and visual recording content including but not limited to, Intel, Unity, HTC/Steam, Meta/Oculus, Unreal/Epic, Sony/PlayStation VR, NBC, Disney, Warner, CBS, Netflix, Amazon, Apple, Siemens Healthcare, the UK Ministry of Defense, a major medical device manufacturing company and others who are likely to utilize Virtual Production, Virtual Training, and Virtual Interactive Production techniques our MixCast platform is capable of providing.

Blueprint intends to execute its strategy in three overlapping stages:

Phase 1: Technology Development

Achieving capabilities of pro-capture features. This is complete.

Phase 2: Key Growth Partnerships:

Establishing key partnerships in the entertainment space and activation of a *MixCast Studio* location in Los Angeles CA to continue growth awareness and uptake in the visual recording industry. In parallel, establish key partnerships in the Medical Equipment training industry to establish a Virtual Training function. From there, continue expansion of partners in the visual recording and virtual training areas.

Phase 3: Extension to eSports, Advertising and Branding

Utilize our technology and platform to extend our presence into the eSports industry, activate our VR/AR/MR advertising and branding marketplace platform, and continue ongoing technology advancements.

As noted, currently Blueprint has completed Phase 1.

We are now in Phase 2, with our most immediate focus being:

- a) Formalizing a partnership with the executive producers of the hit NBC show THE VOICE to develop a ground-breaking VR competition show for television broadcast, as well as making inroads at pitching other Television and Streaming content (created using *MixCast VIP*) to Hollywood studios.
- b) Our discussions with a major medical device manufacturing company about creating and providing Virtual Training programs to upgrade their training approach across 500 of their 1000+ medical devices.

- c) Our active search for the correct facility to lease so we can open a film studio in the heart of film production, the Burbank area of Los Angeles, CA to demonstrate, market, and sell our services.³

In addition, our current technology development successes and partnerships have put us in a prime position to make our initial entry into the eSports market in Phase 3. Our strategy is outlined in more detail in section 2.4.

In service of protecting our technology and gaining a competitive advantage, Blueprint has written applications and filed for seven patents. While three of these patents were rejected, four of these patents were accepted:

- **Cinematography via Immersive Computing Environment**
- **Method and System for Chroma Keying**
- **Self-Coordinating Camera Drone System**
- **Multi-Modal Data Fusion for Scene Segmentation**

Market

A Disruptive Technology

Effectively, *MixCast* is a new type of camera software with some patent protection that can record types of content that have not previously been possible. This core function of *MixCast* creates a market potential that extends to any individual or company that wants to record this new type of content. Given its broad applicability, *MixCast* may be disruptive to several existing markets, as well as enabling several new markets.

We believe we have the greatest potential to rapidly access customers in the following markets:

- 1) **MixCast Studio (VFX, and Virtual Interactive Production)**
 - a) VFX Market for high end (Film, TV, Advertising)
 - b) Virtual Interactive Production Market
- 2) **MixCast Services (Software and 3D Content Development)**
 - a) Film, TV, VFX
 - b) eSports & Interactive Gaming
 - c) Training: Medical / Military / Heavy Equipment
 - d) Metaverse, VR, and AR
- 3) **MixCast Licensing (SAS for Streaming, and any other industry that uses Visual Recordings or Video)**
 - a) Streamers / Creators
 - b) Commercial
 - c) Enterprise

To best evaluate the potential, we can break this down into existing markets and new markets.

Existing Markets

We bring a new capability to existing markets by offering a significant cost reduction and/or innovative new capabilities which include

³ <https://www.zippia.com/advice/largest-film-studios/>

- 1(a) MixCast Studio for the high end VFX Market
- 2(a) Software and 3D Content Development for the Film, TV, and VFX Market
- 2(c) Training: Medical / Military / Heavy Equipment
- 3(a) (b) (c) MixCast Licensing for the creation of VFX by the semi-pro market

1(a) The size of the high end VFX Market in 2021, depending on research sources, has been valued at around \$26 to \$27 Billion in 2021, with a projected growth to around \$49 Billion by 2026 to 2028.^{4,5} We believe the use of our technology will reduce budget costs of many types of VFX shots by 30% or more, thus accessing existing VFX budgets, and providing a strong incentive to switch to our technology.

2(a) The size of the Software and 3D Content has been valued at \$4.5 Billion in 2021 with a projection to reach \$12 Billion by 2028.⁶ We believe there will be significant demand to create 3D content and 3D software to support the Film, TV, and VFX productions that want to utilize new production methodologies like *MixCast*.

2(c) While difficult to quantify the sub-sector size of our initial training market targets, the global training market has been valued at \$332 Billion in 2019 and is projected to reach \$487 Billion by 2030.^{7,8} We believe we have a strong offering and competitive advantage in areas where the training is focused on equipment use, maintenance or repairs where the equipment is expensive or complicated and difficult to access or transport.

3(a)(b)(c) We believe our licensing potential to the semi-pro VFX market would be included in those above estimates.

New Markets

As MixCast is a camera software technology with some patent protection with capabilities of visual recording of VR, AR, and MR content, we can access any market where visual recording is required.

We see the specific new markets as:

- 1(b) Virtual Interactive Production Market
- 2(b) eSports & Interactive Gaming
- 2(d) Metaverse, VR, and AR

⁴ Estimated to Reach a Value of USD 48.9 Billion by 2028." August 16, 2022. <https://www.globenewswire.com/en/news-release/2022/08/16/2498864/0/en/Global-VFX-Market-will-Generate-New-Opportunities-with-Growth-of-a-CAGR-10-9-and-is-Estimated-to-Reach-a-Value-of-USD-48-9-Billion-by-2028-Growing-Use-of-Visual-Effect-in-the-Films.html>

⁵ "Global Visual Effects (VFX) Market Report and Forecast 2022-2027." n.d. Accessed November 2, 2022. <https://www.expertmarketresearch.com/reports/visual-effects-market>

⁶ The Insight Partners. 2022. "3D Mapping and Modelling Market Worth \$12.13Bn, Globally, by 2028 at 15.5% CAGR - Exclusive Report by The Insight Partners." June 1, 2022. <https://www.globenewswire.com/en/news-release/2022/06/01/2454484/0/en/3D-Mapping-and-Modelling-Market-Worth-12-13Bn-Globally-by-2028-at-15-5-CAGR-Exclusive-Report-by-The-Insight-Partners.html>

⁷ "Corporate Training Market Size, Share & Growth." n.d. Allied Market Research. Accessed November 3, 2022. <https://www.alliedmarketresearch.com/corporate-training-market-A06445>

⁸ Research, and Markets. 2022. "The Worldwide Corporate Training Industry Is Projected to Reach \$487 Billion by 2030." October 27, 2022. <https://www.globenewswire.com/en/news-release/2022/10/27/2542513/28124/en/The-Worldwide-Corporate-Training-Industry-is-Projected-to-Reach-487-Billion-by-2030.html>

1(b) The global virtual production market is poised to grow from US\$2.6 Billion in 2022 to US\$5.1 Billion by 2027.⁹

2(b) In 2022, the global eSports market was valued at just over 1.38 billion U.S. dollars. Additionally, the eSports industry's global market revenue was forecast to grow to as much as 1.87 billion U.S. dollars in 2025.¹⁰

2(d) A 2022 report from Allied Market Research valued the VR and AR market size in 2021 to be \$27.6 Billion, with a projection to reach \$856.2 Billion by 2031 which gives a CAGR of 41.1% from 2022 to 2031.¹¹

Further Market Detail

Virtual Production, VFX and Virtual Cinematography

Almost every TV Show or film production today utilizes VFX (Visual effects) within the production pipeline. From creating alien planets, to making superheroes fly, these processes are typically time consuming and costly which has driven up demand for the more efficient techniques of Virtual Production (the blending of video game technologies with filmmaking techniques into the production process). The core of this work is done using a method called Compositing which is the process of combining live action footage and computer graphics, all in real-time. Over the last decade, developments in Compositing have proven to reduce production times and lower overall VFX budgets and has pushed the interest for further innovation in Virtual Production techniques to the forefront of filmmaking.



⁹ Markets and Markets "Virtual Production Market Offering (Hardware, Software, Services) ... Global Forecast to 2027" https://www.marketsandmarkets.com/Market-Reports/virtual-production-market-264844353.html?gclid=Cj0KCQiA7bucBhCeARIsAIQwr-8RQh4vf5C4JpzHulHKVmp3sj-t-2nGkQLpha28F6Kpb5E6GG_D2KUaAh8EEALw_wcB

¹⁰ Statista "eSports market revenue worldwide from 2020 to 2025" <https://www.statista.com/statistics/490522/global-esports-market-revenue/>

¹¹ Allied Market Research. 2022. "Augmented and Virtual Reality Market to Reach \$856.2 Billion by 2031: Allied Market Research." September 15, 2022. <https://www.globenewswire.com/news-release/2022/09/15/2516995/0/en/Augmented-and-Virtual-Reality-Market-to-Reach-856-2-Billion-by-2031-Allied-Market-Research.html>

At the highest end, Disney is using cutting edge techniques that take advantage of the latest VR hardware, and virtual production processes, in order to perform pre-production and filming for movies like the *Jungle Book*¹² and the *The Lion King*¹³, and most recently, the TV series *The Mandalorian*¹⁴.

The technologies currently employed in these productions are highly effective in specific use cases, however, they have their creative limitations¹⁵, which has opened up the space for further innovation and potential market disruption.

MixCast VIP addresses many of these limitations with its new suite of pro capture tools and folds in seamlessly with current VFX and production pipelines. With the global virtual production market poised to grow from US\$1.2 Billion in 2019 to nearly US\$4 Billion by 2027.¹⁶ The future of production is commonly considered to be virtual and poised to become the industry norm by 2026.¹⁷

The Metaverse and VR, AR, and MR Games

Games will continue to be a major force in the VR, AR, and MR sectors. Valued at US \$198.40 billion in 2021, it is expected to reach a value of US \$339.95 billion by 2027.¹⁸ As a whole, the global games market is a robust industry that has continually seen an increasing trend in growth over the past decade.

The games market is also geographically diverse. With a distribution split primarily between 3 areas, North America, Europe and Asia-Pacific. North America comprises 26% of the market, Europe 19%, with Asia Pacific at 48%, and China being just over half of this at US\$44.08 Billion.¹⁹ China adoption of VR is expected to continue growth.²⁰

¹² Giardina, Carolyn. 2017. "MPC VFX Supervisor Adam Valdez on Virtual Production Techniques." IBC. Accessed August 21. <https://www.ibc.org/trends/the-jungle-book-advancing-virtual-production/1871.article>

¹³ Production Even Further." The Hollywood Reporter. April 23. <http://www.hollywoodreporter.com/behind-screen/nab-vfx-master-rob-legato-new-lion-king-virtual-production-996614>

¹⁴ Giardina, Carolyn. 2017. "NAB: VFX Master Rob Legato Promises New 'Lion King' Will Take Virtual 'Behind The Scenes: The Mandalorian's Groundbreaking Virtual Production'" <https://www.ibc.org/trends/behind-the-scenes-the-mandalorians-groundbreaking-virtual-production/5542.article>

¹⁵ "The Pros and Cons of LED Screens" 2021 Neweb Labs. <https://neweblabs.com/led-screen-pros-cons>

¹⁶ "Virtual Production Market Share" 2021 Grand View Research <https://tinyurl.com/globalmarket2021>

¹⁷ "Virtual Production to become the Industry Standard Norm By 2026" <https://www.tvtechnology.com/news/virtual-production-to-become-industry-norm-by-2026-experts-predict>

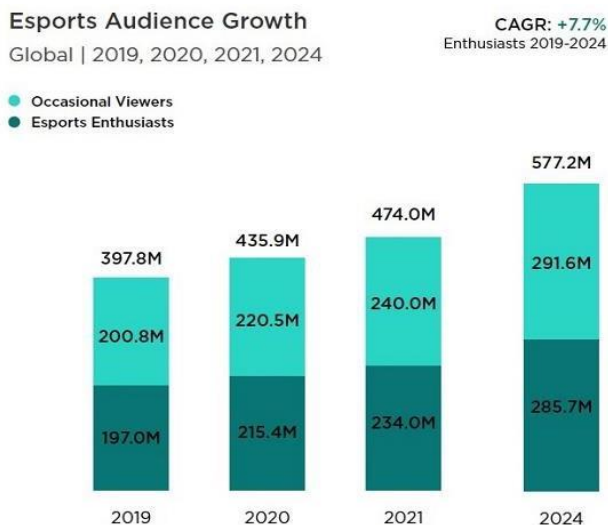
¹⁸ <https://www.businesswire.com/news/home/20220706005573/en/Gaming---A-339-Billion-Industry-Assessment-2022-2027-Asia-Pacific-and-Smartphone-Gaming-are-the-Lucrative-Segments---ResearchAndMarkets.com>

¹⁹ "Growth of Global Gaming Market" <https://www.course5i.com/blogs/growth-of-global-gaming-market/>

²⁰ Terdiman, Daniel. 2016. "VR Market in China Is 'Crazy, Like Really Crazy.'" Fast Company. Fast Company. August 17. <https://www.fastcompany.com/3062908/vr-market-in-china-is-crazy-like-really-crazy>

Investment in Gaming Video Content and eSports

In a given month, more people watch content of gaming videos and streams than watch HBO, Netflix, ESPN, and Hulu combined.²¹ Surprisingly, there are only a few major companies who have made significant investments into the streaming spaces. YouTube maintains its position among the biggest global outlets for gaming videos. At the same time, Amazon-owned live streaming platform, Twitch, with contents aimed at the most dedicated high spending gamers, accounted for the largest share of market revenue.²²



A major driver of the Gaming Video Content market, eSports, has become a very popular form of entertainment with an audience size that has grown from 397 million in 2019 and is expected to continue grow 7.7% to over 577 million in 2024.²³ Prize pools for eSports events are now larger than many traditional and established sports. The 2019 top prize pool for *Dota 2* was over US\$34M²⁴, which exceeds the top prize pool for Wimbledon Tennis, Masters Golf, or the Tour de France.²⁵

We believe the area to focus on is the intersection of Videogames, Gaming Video Content, and Live events and how this applies to the rise of eSports.

The Rise of the Virtual Reality eSports Athlete

As Virtual Reality eSports games are created, the eSports athlete will truly become an athlete, and this will enable compelling broadcasting productions akin to live sports today²⁶. The continued rise in popularity of watching game streaming, eSports, and Virtual Reality gaming will work synergistically to allow viewers to watch their favorite eSports athletes standing, running, ducking, and diving as they compete with each other, not sitting still using a keyboard and a mouse and looking at a monitor. Using Mixed Reality Compositing, the audience will be able to see the athlete with the virtual world surrounding them. This will enable truly compelling content to be created and will further fuel development of VR eSports leagues beyond their early stages.

²¹ Wilde, Tyler. 2017. "More People Watch Gaming Videos and Streams than HBO, Netflix, ESPN, and Hulu Combined." PC Gamer. April 20. <http://www.pcgamer.com/more-people-watch-gaming-videos-and-streams-than-hbo-netflix-espn-and-hulu-combined/>

²² "Global Gaming Video Content Streaming Market Expected to Exponentially Flourish" <https://www.prnewswire.com/news-releases/global-gaming-video-content-streaming-market-expected-to-exponentially-flourish-301309804.html>

²³ "Global eSport revenue" <https://q-mnews.com/global-esports-revenues-to-grow-14-5-in-2021-up-to-us1-084-billion/>

²⁴ "eSports Prize Pools" <https://www.esportsearnings.com/tournaments>

²⁵ "eSports Tournament Champs Earned More Than Wimbledon & Masters Winners This Year" <https://screenrant.com/esports-prize-money-dota-2-fortnite-world-cup/>

²⁶ "eSports: A Guide to Competitive Video Gaming: <https://www.toptal.com/finance/market-research-analysts/esports>

Communication to and from VR, AR, and MR

As the business world has transitioned to digital, communication has moved to encompass more than just phone calls, with video conferencing and communications used broadly by businesses²⁷, especially with the ubiquity of the mobile phone which has led to the common use of personal video and photo communication technology. The daily use of tools like Zoom, Skype, Instagram, Facebook, Snapchat, and others is now common.

The need to communicate with each other, and to and from VR, AR, and MR with mobile phones and computers will continue to increase and with it, higher quality, higher connection forms of communication will be, in our view, desired²⁸. We believe significant opportunities will exist for companies that advance these communication mediums.

Location Based Virtual Reality and Theme Park Attractions

Another segment of the VR business which we believe will at some point have enormous potential is the location-based VR attractions industry, with a global location-based entertainment (LBE) market valued at US\$3.05 Billion in 2020.²⁹ We believe *MixCast* can further enhance user experiences within these spaces as they continue to deploy advanced technologies. We will continue to monitor this market for opportunities to enter. The COVID global pandemic has hit the industry hard and while this was at one point a core element of our strategy, we are now taking a wait-and-see approach here.

Long Term Opportunities

With the Spatial Computing market's projected rapid growth, accompanying significant focus from global technology companies, and investment firms pouring over US\$17.6 Billion into VR and AR by 2024.³⁰ there are a significant number of companies developing consumer content, business solutions, and new innovations. Angel List shows over 1,900 startups.³¹ Blueprint sees significant opportunities to provide solutions.

Our long-term strategy revolves around becoming the standard in three different but adjacent market sectors that all utilize the same technology that we have created. Variations in the product include different feature sets and the approach in marketing to associated markets.

²⁷ "Fortune Business Insights Video Conferencing Market Size..." <https://www.fortunebusinessinsights.com/industry-reports/video-conferencing-market-100293>

²⁸ "Emerging Trends in Virtual Communication Market Expected to Reach USD 10.55 Billion Share By 2026..." <https://www.globenewswire.com/news-release/2021/09/29/2305404/0/en/Emerging-Trends-in-Virtual-Communication-Market-Expected-to-Reach-USD-10-55-Billion-Share-By-2026-Global-Research-by-Facts-Factors.html#:~:text=%5B205%2B%20Pages%20Research%20Study%5D,forecast%20period%20of%202021%2D2026.>

²⁹ Grand View Research "Location-based Entertainment Market Size" <https://www.grandviewresearch.com/industry-analysis/location-based-entertainment-market>

³⁰ "Investment in AR/VR Technology in 2024" <https://www.statista.com/statistics/1098345/worldwide-ar-vr-investment-use-case/>

³¹ "Virtual Reality Startups." 2017. AngelList. Accessed April 11. <https://angel.co/virtual-reality-3>

LONG TERM OPPORTUNITIES



1. ***MixCast VIP* becomes the Standard Broadcast and Recording Platform for Virtual Interactive Production**

The first long term opportunity is to become the standard broadcast and recording platform for Virtual Interactive Production within the broadcast and streaming film and television industries. This is the core goal from which the other two emerge and makes use of the existing feature set we have already developed. The majority of our immediate, short, and mid-term efforts and budget are oriented towards achieving this long-term goal.

2. ***MixCast Virtual Training* becomes the Standard Training and Communication Platform for the Medical Device and Heavy Equipment industries.**

The second long term goal is for our technology to become the standard in Virtual Training. A core strength of *MixCast* is the ability for trainers to be present visually and audibly in a remote video conference, while also interacting with VR and AR sets. This enables high-engagement training, which may be very valuable to industries where equipment is expensive, difficult to access, and expensive to use for training.

In these industries however, training is often mandatory and can be complex, and the combined features of *MixCast* may be a significant advantage to other methodologies. This second goal again takes advantage of many of our technological advances and makes them available outside the rigors of the professional capture space, and enables their broadcast over existing video conferencing platforms.

3. ***MixCast VIP* becomes the Standard Broadcast and Recording Platform for Global VR eSports**

The third long term goal is to become the standard broadcast and recording platform for global VR eSports. This builds on the first goal, taking advantage of the success and brand recognition that will be garnered from activations in the professional film and television industries. We plan to leverage this positioning to become the go to software solution that makes high-fidelity VR eSports content possible.

These three opportunities are closely linked, and if we achieve the first, we should have a high probability of taking a leadership position for the second and third.

Current Opportunities

Focusing more closely on the current opportunities, we see a number of immediate, short, and mid-term opportunities across the next 12 months that we believe will drive us towards achieving our long-term goals.

CURRENT OPPORTUNITIES

IMMEDIATE (0 - 6 MONTHS)	SHORT TERM (3 - 9 MONTHS)	MID TERM (6 - 12 MONTHS)
Unveil <i>MixCast VIP</i> as the go-to solution for Virtual Interactive Production	Activate <i>MixCast Services Function</i> for Experience Creation	Open <i>MixCast Studio LA</i> to Individual Production Rental
Open <i>MixCast Studio</i> in Los Angeles, CA for Industry Demos	Secure <i>MixCast Virtual Training</i> Partnership and Develop courses	Establish Foundation for VR eSports Crossover
Continue Establishing Studio/Network Partnerships & Activations	Increase <i>MixCast</i> adoption and revenue via multiple product lines	Launch <i>MixCast VIP</i> for VR eSports

1. Immediate Term

We see immediate opportunities as those where we are currently in progress and expect to be executed in the next six months.

The first immediate opportunity is to become the first and only high-end provider of Virtual Interactive Production solutions for the film and television industry, which includes content capture and creation for use in broadcast television, streaming networks, and film. As noted previously, virtual production is a rapidly growing market and is a channel that could give the first solution to enter the Virtual Interactive Production space, massive brand exposure by becoming a “hood ornament” for the entire VR/AR industry at large. The need to speed up production cycles, reduce costs within traditional VFX (Visual Effects) pipeline, along with the need to integrate traditional media with video gaming content, coincides with a time where more TV & film content is being produced than ever before in history. *MixCast VIP* solves all three of these production issues out of the box.

We solve the first problem by creating a Virtual Interactive Production solution that leverages aspects of the 3D gaming space and brings the current cobbled together virtual production solutions under one roof. This eliminates the need for multiple crossover technologies that often don’t work effectively together and in turn can cost a production a vast amount of time. Second, we finalize our workflow pipeline to connect seamlessly within traditional VFX setups, enabling current and new, productions to easily activate *MixCast*’s cost saving capabilities within their immediate production cycles. We are currently partnered with the executive producers of the hit NBC television show “The Voice”, and are right now in development of a large-scale, virtual reality competition show for network television and began activation discussions at the end of summer 2021, and most recently showed off our now complete Phase 1 technology to our partners in October 2022 which was received with great excitement. Our immediate relationships give us inside access to film, television and streaming networks across the industry who are not only looking to purchase new “ground-breaking” content, but who also have a desire to capture a slice of the GVC (Gaming video content) market.

The second immediate opportunity is to create and launch the *MixCast Studio* in Los Angeles CA. This facility will provide a staging ground to host industry wide demos of the *MixCast* technologies as we begin spreading industry awareness throughout the heart of film and television production. We expect the *MixCast Studio* to provide us the foundation to launch a fully functioning Virtual Interactive Production rental space,

for future productions to capitalize on the MixCast suite of pro-tools. This approach presents the opportunity to become a key revenue stream by becoming LA's premiere studio for utilizing VR and AR production techniques for film and television. This studio activation route has seen astounding success with other standard, less featured, virtual production solutions such as with LightCraft's LED Wall.

The third immediate opportunity is to continue partnering with Film and TV production companies, Networks, and Studios who are interested in working with this new medium.

2. Short Term

We see short term opportunities as those that we are now actively pursuing and expect to be executed in the next three-to-nine-month timeframe.

The first short term opportunity is to secure a *MixCast Virtual Training* partnership and begin development of a series of Virtual Training courses using Digital Twins of the equipment involved in the training. We have been in discussions with a major medical device manufacturing company since June 2022 and have a submitted proposal under consideration, and have had early discussions with several other potential partners in Heavy Equipment industries.

The second short term opportunity is to activate our MixCast Services function for VR experience creation. Not every production or company will have the ability, or skills set, to create the virtual environments their projects require, and we believe there will be significant demand to support both the *MixCast VIP* work and the *MixCast Virtual Training* work. We see this as not only removing a barrier-to-entry, but also as a very promising source of added revenue.

The third short term opportunity is both adoption and revenue related. It focuses on increasing the broad adoption and use of *MixCast*, as well as the amount of revenue we receive from sales of *MixCast* by continuing to lock in our Turn-Key Solution partnerships. We have already had interest from several major players within the pro-hardware space, who would like to become a third-party seller of ours by adding *MixCast* to their quiver of integrated software solutions. This will create a path to both increased adoption rates and incoming revenue.

3. Mid-Term

We see mid-term opportunities as those that naturally build upon our current product, and which we expect to execute within the next six-to-twelve-month time frame.

The first mid-term opportunity will be to expand our revenue potential by opening up our *MixCast Studio LA* to individual production rentals. This will provide a perfect solution for those seeking to utilize *MixCast VIP* on a short to mid-term basis without the need to activate their own tracking and capture stage. Our plan is to activate two stages in the same location: one stage capable of handling large scale productions and another for projects with smaller application needs. As stated before, this Virtual Production studio rental approach is a vetted and successful business model within the industry and *MixCast* has opportunity to capture a sizeable portion of this lucrative space.

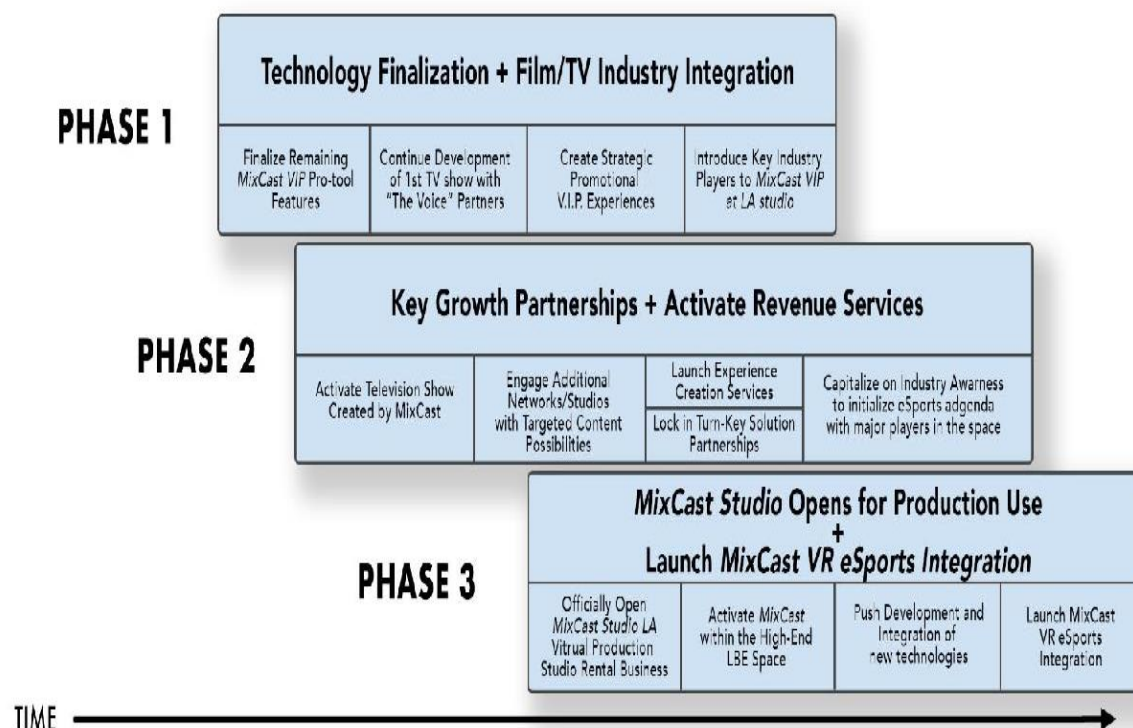
The second mid-term opportunity is to begin *MixCast's* crossover to powering global VR eSports broadcasts. This market has not yet been fully established for two reasons: 1) until now, VR equipment has not been accessible to the masses, therefore limiting adoption, 2) until now, there hasn't been a high-end solution capable of capturing, and unlocking, the entertainment potential of VR eSports. We firmly believe *MixCast* is the solution to fully activating the VR eSport industry. Successful partnerships and integrations with established eSports leagues will accelerate this crossover.

The third mid-term opportunity relates to a previously mentioned, natural product extension of our *MixCast VIP* platform, VR eSports. While traditional PC and console eSports may have once stood for a subset of sports culture, it has since grown into an industry in its own right. We firmly believe, by this time in *MixCast*'s growth, we will have partnerships set in place to become the catalyst that ignites the future of Virtual Reality eSports. This market activation could become a major revenue stream moving forward.

Blueprint Strategy

Assembling the set of opportunities in front of us, while keeping the long-term opportunities in mind and placing them on a rough timeline frames up our strategy.

- Phase 1: Technology Finalization + Film/TV Industry Integrations
- Phase 2: Key Growth Partnerships + Activate Experience Creation Services
- Phase 3: *MixCast Studio* Opens for Production Use + Launch *MixCast VR eSports* Integration



We believe we have the right technology, people, timing and industry relationships to be able to execute this strategy across the next 12-24 months.

Phase 1: We are entering Phase 1 from a strong position in that we have successfully created *MixCast*, our fully functioning mixed reality capture platform. We are also now complete on the core development and integration of our pro-tool features which, are now called *MixCast VIP (Virtual Interactive Production)*. In 2021 we brought Hollywood veteran, Sean McGowan, onboard as Creative Lead which has significantly increased our connections throughout the film and television industry. Capitalizing on this inside network reach will be our primary focus in Phase 1 as we unveil *MixCast VIP* to the professional filmmaking community at our *MixCast Studio LA*. Along with our 4 awarded patents, we have developed an internal roadmap of additional features and innovations that we are actively working through to continue to cement our leadership position.

Phase 2: We are now well into Phase 2, as we have had initial discussions with development executives at *NBC*, *Netflix* and *HGTV* regarding our technologies. All of whom are eager to see more and consider content creation possibilities. Additionally, we have had preliminary discussions with *Blackmagic Designs* and *Optitrack*, both industry leaders in the cinema hardware/tracking space, regarding becoming third party resellers of *MixCast VIP*. Our toolset has been optimized to work seamlessly with their products and they have expressed considerable interest in future partnerships. Our overall goal in this Phase 2 is for *MixCast VIP* to be the catalyst for that “Hood Ornament” piece of content on a major broadcast or streaming network. Further, we have developed a relationship with a major medical device manufacturing company to explore how we can create a *MixCast Virtual Training* variant of our platform to deliver remote training for medical devices. We developed a teaser demo of how this would work which was very well received by their training team, and we are continuing to focus efforts on securing this partnership, as well as extending our Virtual Training function to other potential partners, with a core focus on Medical Equipment, Heavy Equipment, and Military.

Phase 3: We will activate a major revenue stream by opening our Los Angeles based, Virtual Interactive Production studio location for film and TV production bookings. Based on confirmed track records of other industry solutions, *MixCast Studio LA*, has the opportunity take a major slice of this booming market. The work completed in each of our three phases will continue to support and compliment the one another as we strategically make our move into high-end Location Based Entertainment activations and Global VR eSports. Our current relationships with the major studios, specifically Disney and Universal, give us an entry point for adoption into their adjacent theme park businesses. This pursuit will coincide with continuing our Phase 2 work by launching *MixCast VIP for eSports*. By this time, we will be in position to become the capture/broadcast solution that makes the highly lucrative market of VR eSports possible. By targeting these high-end activations, we believe we can solidify *MixCast's* future as the go-to-solution for Virtual Interactive Production across the entertainment industry.

Marketing Strategy

We are taking three major approaches to marketing strategy.

1. Awareness and Profile

a. **Television and Film Activations.**

We are actively pursuing partnerships and integrations with major broadcast and streaming networks like *NBC*, *Netflix* and *HGTV*. Currently, we are in development with the executive producers of “The Voice” at *NBC* to create one of the world’s first VR competition shows for broadcast television. We cannot overemphasize the positive impact on global awareness an activation like this would have for *MixCast* and its integration within other sectors.

b. **High Profile Industry Partners and Integration.**

We have established lasting relationships with several of the key hardware suppliers within the film and television industry. Specifically, *Blackmagic Designs* and *Optitrack* who have expressed interest in providing turn-key sale opportunities with *MixCast*. These two companies are titans within the entertainment industry and having mutual support would be benefit their, and our, positioning within the Virtual Production space.

We have established a relationship with a major medical device manufacturing company with a focus around *MixCast Virtual Training*, and will extend this to other companies in the sector who we believe will also benefit from our advanced remote Virtual Training capabilities.

c. **Showcase Experiences**

We fully understand that sometimes you need to “see in order to believe”, therefore, we plan to

create a handful of showcase pieces highlighting what is possible with *MixCast*. These pieces will highlight the use case possibilities within standard VFX production, Virtual Interactive Gameplay, live TV & Film broadcast, and Virtual Training. These pieces will become an integral part the Extended Press Kit (EPK) shared with media outlets.

d. *Social Media and Community.*

We believe a key component to our adoption and acceptance within the eSports market will be creating an organic connection with the gaming community. To do so, we plan to create “wow factor” content based on our showcase experiences and capitalize on the viral nature of social sharing. This content will be shot within our *MixCast Studio* in Los Angeles, with a goal of accelerating our efforts in the later stages of Phase 2 and Phase 3.

1. Industry Live Studio Demonstrations

Activating the *MixCast Studio LA* will be a key marketing component to adoption of *MixCast* throughout the Film and TV industry. Getting our tools in the hands of directors, producers, production designers, directors of photography, and executives on both the studio and network side, will drive the integration of our technologies and the growth of our client base.

2. Accelerate and Broaden Awareness

a. *Awareness through press stories and press releases.*

As we gain stronger awareness in our markets, we will push hard to drive a coordinated set of press stories and press releases that firmly establish our leadership in the Virtual Interactive Production space. With activations withing the TV & Film markets will no doubt propel these opportunities, however, we have also been approached by our hardware partners who plan to push profile pieces of us through major outlets like Forbes and New York Times Tech columns.

b. *Highlight Content Creation from Third Parties*

As more and more creators and broadcasters become users of *MixCast* we will have an ever-widening pool of content that has been created with *MixCast*. We have written our license agreements such that we have the usage rights to use this material to highlight our product and company.

Technology

Blueprint’s deep body of technology development includes all the necessary components for creating immersive and powerful VR applications and platforms. Starting with the acquisition of a significant number of assets from our previous company, we have spent the last 6 years developing the breadth and depth of our set of solutions. We have honed our research and created breakthrough technology in a number of areas key to the growth of VR and AR:

Real Time Mixed Reality Video Compositing / Compositing

Mixed Reality requires a number of compositing technologies, both based on existing processes as well as new techniques, to operate in real time. Blueprint has made strides in live scene segmentation (ie: background removal) options, such as Chroma-keying (greenscreen), difference matting (removing stationary aspects of the image) and more recently machine-learning-based algorithms. Together, these technologies provide broad support for users to start broadcasting even without a high-end setup. In addition, we have developed new techniques for inserting the camera (video) feed into the scene that increases the quality of the resulting mixed reality output significantly, especially when using a depth-capturing camera like a Microsoft Kinect or Intel RealSense device. Our advances tackle a number of issues with existing solutions, such as frame syncing including latency-compensation, compositing using per-pixel

depth, and tailored layer sorting to avoid ground-foot compositing artifacts. These technologies have also been designed for intuitive user setup and interaction as well as increased developer control, making them applicable to nearly all VR and AR experiences.

MixCast WildKey™

We have created a multi-modal scene segmentation and background removal technique that removes the need for a greenscreen background. We believe this is a significant innovation as it moves Mixed Reality capabilities out of the studio and into almost any environment. Our approach takes advantage of our own patent-pending technology approaches and couples it with the latest innovations in depth cameras. WildKey also takes advantage of advances in machine-learning-based scene segmentation approaches and incorporates the latest AI models such as BlazePose and BodyPix to unlock even more advanced scene understanding in no-greenscreen scenarios.

MixCast LiveLens

Now incorporated into the MixCast rendering pipeline is technology which allows MixCast to read changes in lens parameters as the camera is being manipulated by its operator(s) that we have developed in cooperation with Fujinon and capable of expanding to other optics partners. This allows for compositing to react in realtime to changes that the physical feed is experiencing - Focus Distance, Zoom, and Aperture - and apply the same effect on the virtual scene to maintain even greater synchronicity between the mixed reality layers. When paired with MixCast's ability to send its final composited video output to an external monitor/viewfinder, this enhances professional-grade cameras with high-quality mixed reality capture while giving camera operators all the same capabilities they use in traditional 'real' shoots.

MixCast Cloud Distribution

Initially developed for use at the 2020 Tokyo Olympics, we have created an end-to-end front-of-house, cloud storage, and distribution platform. Our goal with this platform was to enable the *MixCast Platform* to act as a complete solution for capture, broadcast, and sharing of Mixed Reality content for Virtual and Augmented Reality applications. We have expanded the scope and feature set of *MixCast Cloud*, including developing a self-serve touch-screen kiosk, integrated billing, and the focused *MixCast Virtual Photobooth*, and *MixCast VR Free Roam* products, which give developers the power to trigger the display and capture of media for their audience, as well as create 'procedural edits' of that media based on the progression of their experiences and the events taking place within them.

Mixed Reality Calibration

Our current process reduces setup time from hours to minutes by employing a robust suite of tools to automate and streamline as many steps of the process as possible and simplify the remaining steps into intuitive actions. Our Chroma keying solution can be calibrated through simple but powerful "erase" actions, making it one of the simplest Chroma keying tools available. Our difference matting has a similarly simple setup process. Our spatial calibration processes enable the calculation of a camera's spatial properties using either VR controllers or a visually-tracked physical board pattern, supporting tracking systems ranging from Tilt Five's AR system to high end tracking like OptiTrack. Overall, our development in this area has included computer vision, multi-modal tracking technology, and human-computer interaction work.

Competition

There are many companies entering into the Spatial Computing industry across many sectors. Blueprint's competitors include the following, many of whom are also key partners:

Liv.tv: A company also in the mixed reality broadcasting space, initially providing a hardware and physical greenscreen solution. They are competitors and their acquisition of a mixed reality software solution has enabled them to compete with us in the Mixed Reality Compositing area. Their primary focus of late has been the puppeteering of 3D Avatars and they have not been investing in professional quality capture.

Unity: As the developer of the *Unity* game engine, Unity Technologies could decide to develop sub-components that overlap or duplicate functionality of the *MixCast* platform. *Unity* recently acquired Weta

Digital, a well know VFX company.

Epic / Unreal: As the developer of the Unreal game engine, Epic could decide to develop sub-components that overlap or duplicate functionality of the *MixCast* platform. Epic does have basic Mixed Reality capabilities in their Unreal engine.

Valve / Steam: As the developer of the Steam VR SDK, Valve could decide to develop sub-components that overlap or duplicate functionality of the Blueprint tools platforms.

Meta / Oculus / Facebook: Meta, owners of Facebook and Oculus could decide to develop mixed reality functionality that could overlap or duplicate features or benefits of *MixCast*. Oculus utilizes their own version of basic mixed reality functionality which they access through an Oculus version of Epic's Unreal engine. Meta is creating their own version of the Metaverse.

Mosys: Mosys provides camera tracking equipment for augmented reality and virtual studio applications, however, they are strictly a tracking hardware solution and provider and not a Mixed Reality competitor.

stYpe: stYpe, similar to Mosys, provides camera tracking equipment for virtual production applications. Like Mosys, their primary competitor, stYpe is strictly a hardware provider and not a competitor in the Mixed Reality market.

Potential Revenue Model

It is anticipated that Blueprint will initially receive revenue from six different structures. We expect the ratio of this revenue will change over time, with early revenue primarily coming from TV Show activation & license fees, with middle revenue coming VFX studio capture services and Virtual Training, and late revenue coming from additional market activations.

1. Technology License and Usage Revenue from within the TV and Film Industry

Blueprint has positioned itself to potentially become the leading provider of high-end, VR & AR capture within the Film and Television space. With several key partnerships already in place, our software (*MixCast*) could power this next generation of content creation. The revenue possibilities from such show contracts could begin as early as Q1 2023.

2. Revenue from *MixCast* VFX Studio services in Los Angeles

Our research shows that *MixCast*'s suite of cinema pro tools could provide relief to the rising costs of film & television visual effects (VFX) budgets. The ever-increasing demand for spectacular visuals is being countered with the reduction of studio budgets, which ultimately returns a lesser product. By opening a VFX capture studio in Los Angeles, we have an opportunity to provide immediate solutions to many of the common VFX hurdles that contribute to rising costs, including the filming of on-location shots with *MixCast* could eliminate the costs of travel and crew moves. Filming and compositing with *MixCast* can provide a one-stop-shop approach to a final VFX scene instead allocating budgets towards time consuming, and costly, traditional VFX processes.

We have a vision for opening a studio in the Burbank area in Los Angeles in 2023 to service micro, medium and large levels of needs with a prime location only minutes from the Universal, Disney, CBS, ABC, Nickelodeon and Pixar studios, we will offer VFX capture services to both individual productions and entire networks alike.

We believe this approach to reducing VFX costs is a first of its kind and has the possibility for an incredibly high adoption rate.

3. **Environment and Experience Creation Services**

Most modern TV Shows and films utilize VFX in one form or another, and whether on location or in a studio, every-single production films on a set. We have the opportunity to digitally capture every set utilized in a specific production and create a digital repository of assets that can be called upon for use at a given moments notice. These environment capture & creation services will not only provide reassurances to the film industry when it comes to the VFX workflow, reshoots, or pickup shots, but will also provide an ongoing source of revenue and customer retention for our business moving forward. Our customer facing goal is to reduce production budgets while boosting the creative potential within each project.

4. **Virtual Training**

Two forces are at work in the training space – the first is that the work world continues to become increasing global and the global pandemic has shifted how many people work. Remote work is here to stay. The second is a continued shortage of skilled talent, along with higher employee turnover. These two forces are driving interest in higher quality remote training. MixCast has the capabilities to deliver training with live trainers, coupled with VR and AR sets and Digital Twins, and do so over existing video conferencing platforms. Our business contact with a major medical device manufacturing company has informed us clearly of how big a gap there is between the current training approaches and where the medical technology industry wants to be. We believe we can provide a better solution, and garner significant revenues from this industry, as well as other industries where essential training is required on large, heavy, and expensive equipment that is difficult to move or gain access to. This will likely include heavy equipment in the power generation and other industries in addition to medical technology.

5. **eSports Activation**

The early success of the Oculus Quest VR headset by Facebook in combination with Apple's continued commitment to AR, as seen in its addition of LiDAR to the iPhone Pro and Pro Max models from iPhone 12 and newer, as well as the iPad Pro 2020 and newer, shows an undeniable future for Virtual Reality and Augmented Reality. Along with our powerful record & composite toolsets, MixCast has the ability to capture real people fully interacting with their digital environments. This feature positions us to become the leading capture and broadcast solution for the incoming VR eSports industry at large.

This market insertion not only falls seamlessly in line with our current product pipeline without the need for substantial development from our end, but also opens the door for considerable growth within our studio capture and creation services.

6. **Metaverse Capture**

The hot buzzword of late is the Metaverse. Large, interactive 3D worlds that will be part of the Metaverse are being developed now by many large software companies including Meta (formerly Facebook), Epic/Unreal, Roblox, Minecraft, Decentraland, and many more. MixCast has the capability to professionally capture the Metaverse in its many incarnations, and this capability will likely result in MixCast being a significant player in the evolution and sharing of the Metaverse.

2.3 Development of the Business

The main stages and timeline of the development of the business have included the following:

<i>October 2015</i>	Tarnie Williams starts a research group at Roadhouse Interactive focused on Virtual Reality the day after he tried the HTC Vive for the first time stating: “The technology is now here for a successful and large commercial VR industry.”
<i>January 2016</i>	At Roadhouse Interactive, Ben Sheftel’s concept of <i>Awaken</i> starts to emerge into Software for the first time.
<i>February 2016</i>	The first elements of <i>MixCast</i> are created and Mixed Reality streaming begins at Roadhouse Interactive.
<i>August 2016</i>	Roadhouse interactive files for bankruptcy.
<i>September 2016</i>	1088680 BC Ltd. was incorporated in the Province of British Columbia by founders Ben Sheftel and Tarnie Williams. The Issuer acquires from Roadhouse Interactive the software source code, intellectual property, all associated rights and branding, as well as the associated VR hardware for all of Roadhouse Interactive’s work in VR, AR and MR.
<i>October 2016</i>	The Issuer changes its name to Blueprint Reality Inc. The Issuer secures contracts with key former employees of Roadhouse Interactive to build its VR, AR and MR team.
<i>November 2016</i>	Blueprint launches its corporate website. The Issuer engages Equifaira Management Inc. to provide strategy, execution management and investor relations consulting services to support the Issuer.
<i>December 2016</i>	The Issuer launches offering at \$0.07 per Share.
<i>January 2017</i>	Blueprint launches <i>Awaken</i> , a room scale, physics-based puzzle game with tracked hand positioning for the Oculus Rift and HTC Vive.
<i>February 2017</i>	Blueprint releases <i>MixCast</i> a Mixed Reality tool for Live Compositing and Broadcasting.
<i>March 2017</i>	Blueprint demonstrates <i>MixCast</i> at the Game Developers Conference (GDC) in San Francisco to overwhelmingly positive response.
<i>May 2017</i>	Blueprint secures a contract with Unity and creates A Mighty Kingdom for Unity and <i>MixCast</i> is used to perform the world’s first live broadcast of a mixed reality stream to both in-person and online audiences as part of the Unity Vision Summit 2017 Keynote.

June 2017 Blueprint attends Augmented World Expo where Tarrnie Williams moderates a panel on Mixed Reality Broadcasting.

Blueprint files for its first patent (non-provisional)
App. No.: 15/623,879 : Group Art Unit: TBD
Filing Date: June 15, 2017 : Docket No.: BLP001-USNP
For: METHOD AND SYSTEM FOR CHROMA KEYING

July 2017 Blueprint signs partnership agreement with Intel to further develop *MixCast* and optimize for Intel processors

August 2017 Blueprint files for its second patent (non-provisional). App.
No.: 15/684,005 : Group Art Unit: TBD
Filing Date: August 23, 2017 : Docket No.: BLP003-USNP
For: PERSONAL COMMUNICATION VIA IMMERSIVE COMPUTING ENVIRONMENT

September 2017 Blueprint files for its third patent (provisional).
App. No.: 62/565,926 : Group Art Unit: TBD
Filing Date: September 29, 2017: Docket No.: BLP004-USPR
For: SELF-COORDINATING CAMERA DRONE SYSTEM

October 2017 Blueprint files for its fourth patent (provisional).
App. No.: 62/567,672 : Group Art Unit: TBD
Filing Date: October 3, 2017 : Docket No.: BLP005-USPR
For: CINEMATOGRAPHY VIA IMMERSIVE COMPUTING ENVIRONMENT

The Issuer closes offering at \$0.07 per Share.

The Issuer engages Aqua Mergers and Acquisitions Inc. to assist the Issuer with a structured process for identifying potential strategic partners for the Issuer to scale up and/or to acquire the Issuer.

November, 2017 Blueprint files for its fifth patent (provisional).
App. No.: 15/821,838 : Group Art Unit: TBD
Filing Date: November 23, 2017 : Docket No.: BLP002-USNP
For: MIXED REALITY VIDEO PRODUCTION WITH DETACHED CAMERA

December, 2017 Blueprint files for its sixth patent (provisional).
App. No.: 62/595,559 : Group Art Unit: TBD
Filing Date: December 6, 2017 : Docket No.: BLP007-USPR
For: MULTI-MODAL DATA FUSION FOR SCENE SEGMENTATION

January, 2018 Blueprint files for its seventh patent (provisional).
App. No.: 15/879,432 : Group Art Unit: TBD
Filing Date: January 24, 2018 : Docket No.: BLP006-USPR
For: IMMERSIVE MIXED REALITY SNAPSHOT AND VIDEO CLIP

Blueprint launched its official Discord instance! Discord is a chat service with over 90 million users and provides a channel for *MixCast* creators to discuss *MixCast* with Blueprint directly.

	Blueprint begins a new project with Unity related to upcoming Unity events.
March, 2018	<p><i>MixCast</i> was demonstrated at the game industry's biggest developer convention.</p> <p>To the date of this Offering Memorandum, \$4,218,671.10 has been raised through friends, family, accredited investors and from eligible investors under our previous Offering Memorandum.</p>
April, 2018	<p>Conferences: National Association of Broadcasters show in Las Vegas, NV.</p>
May 2018	<p>Blueprint releases <i>MixCast</i> 2.0 a Mixed Reality tool for Live Compositing and Broadcasting.</p> <p>Conferences: VRLA Immersive Technology Festival, Los Angeles, CA BC Tech Summit, Vancouver BC Future of Immersive Leisure, Las Vegas, NV</p>
August 2018	Blueprint hosts an open house at our studio during SIGGRAPH 2018 in Vancouver.
November 2018	Blueprint selected to be included in the Intel CES demo for the CES event in January of 2019.
December 2018	Blueprint prepares our <i>MixCast</i> dual-camera experience
January 2019	<p>Blueprint exhibits at CES in the Intel booth. Our <i>MixCast</i> experience is a hit and we run over 500 people through the experience over the course of 5 days.</p> <p>Blueprint and Springboard VR sign partnership agreement for <i>MixCast</i> integration into Springboard VR Arcade Management platform.</p> <p>Blueprint awarded first patent for Method and System for Chroma Keying</p>
February 2019	Tarnie interviewed on Electric Playground Network
March 2019	Blueprint and Zero Latency sign partnership agreement for <i>MixCast</i> integration into Zero Latency system.
April 2019	<p>Blueprint presents Angry Birds VR using <i>MixCast</i> at 2019 Game Developers Conference in San Francisco.</p> <p>Tarnie Williams speaks on panel at Virtual Reality Arcade Conference in San Francisco on "VR Broadcasting and Streaming"</p> <p>Blueprint selected to demo at VR/AR Hub at Launch Academy.</p>
May 2019	Blueprint nominated for "VR Enterprise Solution of the Year" by the Virtual

	Reality Awards.
June 2019	Blueprint presents Baobab Studios 'Bonfire' using <i>MixCast</i> at Tribeca Film Festival in New York city.
July 2019	Blueprint and Synthesis VR sign partnership agreement for <i>MixCast</i> integration into Synthesis VR Arcade Management platform. Blueprint releases major update to <i>MixCast SDK for Unreal Engine</i> bringing it to near feature parity with the <i>MixCast SDK for Unity Engine</i> .
September 2019	Discussions begin with Augmented Reality Headset maker Magic Leap for Blueprint to develop AR support for the Magic Leap Headset and specific online and capture capabilities for use at the 2020 Tokyo Olympics in the Alibaba Pavilion.
October 2019	Camera testing process for Magic Leap using Microsoft Azure Kinect and Intel RealSense
November, 2019	Development agreement signed with Magic Leap.
January, 2020	Blueprint completes first Milestone for Magic Leap development contract.
February, 2020	Blueprint completes second Milestone for Magic Leap development contract. Blueprint announces partnership with VR World NY for installation of <i>MixCast</i> into their venue in New York City.] Blueprint partners with experienced Hollywood producer, Sean McGowan, to develop a TV show based around the cinematic possibilities of <i>MixCast</i> Blueprint receives patent for Self-Coordinating Camera Drone System.
March, 2020	Tokyo Olympics officially delayed. Magic Leap contract continues. Blueprint puts <i>MixCast VR Marketing System</i> on hold due to pandemic impacts on location-based VR.
June 2020	Blueprint delivers <i>MixCast</i> deliverables to Magic Leap for the now-delayed 2020 Tokyo Olympics.
July 2020	Blueprint orients future development efforts on <i>MixCast VIP</i> – Virtual Interactive Production solution for Broadcast and Film.
August 2020	Blueprint works with Happy Warrior Entertainment on developing the VR experience <i>Leap of Faith</i> , one of our sample experiences for the TV show.
September 2020	Core development improvements on input and output routing and tracking for Steam and Oculus.
October 2020	Blueprint develops and integrates support for <i>Optitrack</i> , the world's leading

	motion capture technology.
<i>November, 2020</i>	Blueprint develops calibration plate for improved camera configuration and faster world space alignment in a production environment.
<i>December, 2020</i>	Blueprint develops software side of calibration plate process for <i>MixCast</i> .
<i>February, 2021</i>	Blueprint integrates support for <i>Zed</i> depth cameras into <i>MixCast</i> .
<i>March, 2021</i>	Blueprint integrates gamepad controls for virtual cameras in <i>MixCast</i> .
<i>April, 2021</i>	Blueprint awarded patent BLP-007-USNP – Multi-Modal Scene Segmentation
<i>May 2021</i>	Blueprint integrates Nvidia hardware accelerated encoding into <i>MixCast</i> .
<i>August 2021</i>	Blueprint develops LUT support for different lighting approaches in <i>MixCast</i> .
<i>September 2021</i>	Blueprint acquires high end camera and lens packages and lighting equipment to prepare for broadcast and VFX recording.
<i>October 2021</i>	Blueprint acquires full <i>Optitrack</i> motion capture system from the receivership sale of the VOID assets from their Santa Monica facility at serious discount, along with a full truss system.
<i>November, 2021</i>	Blueprint acquires Black Magic Decklink to building deeper, more performant direct support.
<i>January, 2022</i>	Blueprint receives approval for additional equity capital to be raised through the EBC program.
<i>February, 2022</i>	Blueprint signs agreement with Tilt Five to develop support for Tilt Five headset and integrate MixCast SDK into Tilt Five SDK.
<i>April, 2022</i>	Blueprint incorporates a US subsidiary “MixCast Inc.” in California.
<i>June 2022</i>	Tilt Five attends the Augmented World Expo in Santa Clara and uses MixCast to demo their headset and software lineup. Tile Five wins an Auggie award. A major medical device manufacturing company sees the MixCast demo and subsequently reaches out to Blueprint and we begin discussions about Virtual Training for their 1000+ medical devices.
<i>July 2022</i>	Blueprint develops initial Demo teaser of Virtual Training for an MRI machine for major medical device manufacturing company with both VR and AR support.
<i>August 2022</i>	Blueprint contracted by Tilt Five to perform additional development work to increase the MixCast functionality for Tilt Five headset. Blueprint shows Demo Teaser to major medical device manufacturing company to great applause and discussions continue.
<i>September 2022</i>	Blueprint completes Live Lens feature to enable camera zoom with real-time mixed reality recording with live actors and virtual worlds composited together.

2.4 Long-Term Objectives

The Issuer's long-term objective is to leverage our technology and product innovation to establish *MixCast* in all its variations as the leading capture tool for Extended Reality as well as one of the key broadcast and film industry capture tools for cost-efficient, high-quality recording and capture, and a core technology for the delivery of high engagement Virtual Training.

The **product development** long-term objective is to create initially one, then a series of Platforms that are intended to become a market leader and a standard for each of their specific applications. *MixCast* is targeted to become the standard broadcast and recording platform for Mixed Reality across the Video Game, Gaming Video Content, eSports, education, video production, and enterprise sectors. *MixCast Virtual Production* is targeted to make use of our technology to be the standard high-end recording and capture toolset for the broadcast and film industry. *MixCast Virtual Training* is targeted to make use of our technology to create innovative and forward-looking Interactive Training and Virtual Training courses for specific industries with medical equipment, military training, and other heavy equipment as the initial industry sector targets.

Blueprint's product development roadmap will always be highly forward-looking, with key innovations continuing to ensure our products remain at the forefront of their respective market segments. We intend to continue with technology innovation by ensuring solid funding through continuous fundraising and sales channel development and by practicing conservative operational cost management for ongoing product research and development.

The **brand development** long-term objective is to establish Blueprint and our *MixCast* software solutions as a trusted and "go-to" brand in the Extended Reality and broadcast and film industries, as well as the Virtual Training Industry. The objective is to create a unique visual identity (logo, name, colours, etc.) that will be relevant and appealing to our core target market and an extremely positive brand experience that is consistent across all touchpoints including product, website, social media, sponsorship, in order to build trust, loyalty, and engagement.

We plan to build an aspirational brand to capture early adopter and brand champions, generate viral and word-of-mouth awareness, and then expand to the mass market.

The **general and administration** long-term objective is to ensure that operations are running smoothly, and risk is mitigated. Key areas of focus will include legal, accounting, finance, insurance, and human resources and company culture.

The **sales and marketing** long-term objective is to build our Client base in the Extended Reality and broadcast and film industries, expanding over time to also include streaming, broadcasting, eSports, and video games, and to build awareness and credibility in industry markets via marketing campaigns and business development introductions from key strategic advisors in the industries.

Blueprint's long-term objectives are outlined in the following table.

Blueprint's long-term objectives	Target completion date	Cost to complete
Product development: MixCast becomes the Standard Broadcast and Recording Platform for Mixed Reality	2–4 years	\$3,000,000 - \$5,000,000
Product development: MixCast Virtual Interactive Production becomes the Standard Virtual Cinematography Toolset	3-5 years	\$2,000,000 - \$4,000,000
Product development: MixCast Virtual Training platform extension becomes a standard in multiple industries	3–5 years	\$2,500,000 - \$3,000,000
Ongoing brand development	3–5 years	\$2,500,000 - \$3,000,000
Ongoing general and administration	3–5 years	\$1,500,000 - \$2,500,000
Ongoing sales and marketing	3–5 years	\$4,000,000 - \$6,000,000

2.5 Short-Term Objectives and Use of Funds

The Issuer's short-term objectives for the next 12 months are outlined in the following table.

Blueprint's Short-Term Objectives (6-12 months)	Cost to Complete Assuming the Maximum Offering
Product Development Total Use of Funds Include:	
Salaries required to grow the development team required for the expansion and extension of our <i>MixCast</i> broadcast and recording platform.	\$250,000
Computer, software and technology expenditures.	\$75,000
Compensation to Insiders for 12 Month Period - Ben Sheftel, CTO; Sean McGowan, Creative Lead	\$433,377

Intellectual Property Portfolio Development Total Use of Funds Include:	
Funds required to pay specialists for patent applications.	\$35,000
Funds required to pursue trademark and copyright protection.	\$15,000
Studio Development Use of Funds:	
Salaries required to grow, support, and run the studio	\$200,000
Server infrastructure and associated networking	\$50,000
Additional camera and lighting equipment	\$150,000
General and Administration Total Use of Funds Include:	
Professional fees including legal, accounting, and consulting.	\$65,000
General overhead such as rent, corporate insurance, telephones, cost of sales, vehicle, foreign exchange and bank charges.	\$300,000
Compensation Paid to Insider for 12 Month Period – Tarnie Williams	\$140,000
Sales and Marketing Total and Use of Funds Include:	
Salaries required to develop and then grow the sales and marketing team.	\$254,942.72
Advertising, promotion and marketing expenditures required to engage and then grow the User base.	\$105,000
Digital and social media marketing.	\$55,000
Travel and conference expenses to increase awareness. Membership and sponsorship fees to support the community.	\$40,000
Brand Development Use of Funds:	
Maintenance of the visual language of the brand.	\$60,000
Evolution of the brand guidelines and brand book to ensure consistency across all internal and external touch points.	\$30,000
Enhancement of the social media platforms to ensure responsive web and mobile pages.	\$30,000
Development and production of brand materials (brochures, banners, demo videos, etc.)	\$35,000

If less than the Maximum Offering is raised, the Issuer will likely spend less in each category.

The Issuer plans to allocate funds to **product development** over the next twelve months to evolve the Blueprint product line beyond current features and applications. The initial focus will be on specific features of *MixCast* focused on training, production pipelines, and image quality enhancements as we work to secure contacts and create market leadership with our specialized offerings. An emphasis will be placed on the growth of the product development team throughout the year.

The Issuer plans to allocate funds **for intellectual property portfolio development** including funds required to pay specialists to assist with the research, writing, and filing of patent applications in order to best protect Blueprint's inventions and innovations. Additional funds are allocated as required to pursue trademark and copyright protection when applicable for Blueprint's software source code, trade names and trademarks and other intellectual property protection.

The Issuer plans to allocate funds to **studio development** by securing a lease on a Burbank area production facility. The issuer will outfit the studios with camera, lighting, and tracking technology and offer VFX and MR capture services to both individual productions and networks.

The Issuer plans to allocate funds for **general and administration** over the next twelve (12) months. The Issuer will purchase corporate insurance to protect the Issuer and its stakeholders, to mitigate the threats in the industry, to protect its own Clients' and Users' data and third-party coverage in the event a breach occurs with a strategic partner. The issuer intends to mitigate risks by retaining professionals including legal, accounting, and consulting. Additionally, as Blueprint grows and increases its staff, funds will be spent on equipment, human resources and corporate culture development.

The Issuer plans to allocate funds to **sales and marketing** with a focus on securing clients in the broadcast and film recording sectors to use our technology and to develop the Issuers' sales and marketing programs, as well as securing clients in the Virtual Training space. The funds required here will be allocated over twelve months to creating and developing a dedicated sales and marketing team and increasing brand awareness through targeted marketing campaigns. The marketing campaigns will include a combination of consumer and market research; digital and Social Media; meetings, events and tradeshow; and advertising and promotion. If less than the Maximum Offering is raised, the Issuer will likely spend less in each category.

The Issuer plans to allocate funds to **brand development** visual language of the brand: visual marks, colours, typography as well as the personality of the brand: tone and manner. Additionally, the creation and evolution of all the required elements of the brand such as: brand name; brand logo or logos; voice of the brand; slogans; taglines; look and feel of the brand; aspirational target market avatar; and a brand book with standardization of the use and application of the above elements.

2.6 Insufficient Funds

The funds available as a result of this Offering will may not be sufficient to accomplish all of our long-term objectives and there is no assurance that alternative financing will be available.

2.7 Material Agreements

The Company currently has no premises lease and no leases for equipment. There are no obligations outstanding to provide services or products. The Company is not dependent on any third party for the ongoing maintenance of routine business.

There are two agreements in place with a related party to provide various management and advisory services.

Equifaira Management Inc. is a management consulting company and provides various supporting services on a monthly fee basis including:

- Strategic business planning;
- Accounting and Bookkeeping;
- Financial Planning and Analysis;
- Corporate Governance;
- Investor relations and back-office administration

Equifaira Private Securities Inc. is an Exempt Market Dealer with representatives engaged to promote and sell the Company's shares to investors. Payment is made on a commission basis in terms of both cash and warrants.

Equifaira's parent company, Equifaira Partners Inc. is a shareholder of Blueprint.

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

3.1 Compensation and Securities Held (Issuer)

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

Name and municipality of principal residence	Positions held	Compensation paid by the Issuer (most recently completed financial year and anticipated in current financial year)	Number, type and percentage of securities of the Issuer held after completion of the Minimum Offering	Number, type and percentage of securities of the Issuer held after completion of the Maximum Offering
Tryon Harold Miles Williams (West Vancouver, BC)	Director and CEO	\$10,000 per month	37,289,143 Common (1) 47.28%	37,289,143 Common 43.33%
Benjamin James Sheftel (Vancouver, BC)	Director and Chief Technical Officer	\$8,833 per month	10,000,000 Common 12.68%	10,000,000 Common 11.62%
Bernard Todd Buchanan (Half Moon Bay, BC)	Vice President, Corporate Development	\$7,500 per month (2)	3,659,106 Common (3) 4.64%	3,659,106 Common 4.25%
Sean McGowan (Los Angeles, CA)	Creative Lead	US\$19,052 per month(4)	NIL	NIL

(1) Includes Shares held personally by Mr. Williams and Shares held by Farcast Operations Inc. of which Mr. Williams is the principal.



(2) Fee paid to Equifaira Management Inc. in which Mr. Buchanan is a partner.

(3) Includes Shares held by Todd Buchanan personally and by Equifaira Partners Inc. in which Mr. Buchanan is a partner.

(4) As part of his compensation package dated December 1, 2022, Sean McGowan was granted an option to purchase 10,000,000 common shares at \$0.30 per share, 28% of which were vested on the grant date, with an additional 24% being vested on each of the 1st, 2nd and 3rd anniversaries of the grant date.

3.2 Management Experience

The Blueprint's management team has a range of experience in the Video Game industry and other technology businesses. The following is a summary of the qualifications of the directors and executive officers of the Issuer over the past five years.

Name	Principle Occupation and related Experience
 <p>Tryon Harold Miles Williams (Tarnie), Chief Executive Officer</p>	<p>Tarnie has over 25 years of experience as a creative leader who has dedicated his career to building products on the leading edge of interactive technology. His passion for advancing the art of games and interaction has seen him involved in the inception and establishment of multiple award-winning games and franchises, including the original Need for Speed, Medal of Honor, NBA Live, Warhammer 40,000: Dawn of War, Company of Heroes, EA Sports Active 2, and Iron Maiden: Legacy of the Beast. He has led development on almost every platform launch, new device, and business model, and has helped build and operate multiple successful studios and teams. Tarnie has always held a deep interest in VR and is enormously excited to again be pushing the boundaries of human experience with Blueprint.</p>
 <p>Benjamin James Sheftel (Ben), Chief Technical Officer</p>	<p>Ben has been creating video games from a young age and has a rare cross-discipline blend of experience in 3D modelling, game design, and software engineering. Ben has been leading engine, code and tools development from the outset and rapid expansion of both the Mobile and VR markets. His work includes JEOPARDY!, Red Bull Air Race, Bike Unchained, Tiger Woods PGA Tour, and Iron Maiden: Legacy of the Beast, in addition to leading technology development in the User Experience and VR groups at Roadhouse Interactive. Ben's experience with 3D art provides a robust foundation for tool and pipeline development, and his intense passion for the gaming and technology industries has him always seeking newer, more efficient approaches to game development.</p>



Sean McGowan
Creative Lead

With over 20+ years in the entertainment world, Sean is an LA based writer, producer and developer who has worked extensively in both scripted and reality television. He has been deeply involved in the technology & gaming space for the past 10 years collaborating with Rockstar Games, Intel, HTC Vive, NVidia, Blackmagic Designs and, most recently, with Blueprint bridging the gap between broadcast television and virtual reality.



Bernard Todd Buchanan
(Todd),
Vice President, Corporate
Development, Executive Officer

Todd has a focus on early-stage business structure creation to position for hyper growth, strategic planning and execution, team, process and technology foundation building, business relationships management, market analytics and international deal delivery. For the first 25 years of his career, through his own technology and management consulting firms, he primarily worked with Fortune 500, public and private companies on the creation and implementation of business process management methods and technology. He currently serves on the boards and/or in advisory roles with several companies and a non-profit. Todd's focus at Blueprint, as a member of the leadership team, is investor relations and strategy and execution. Todd is a founder and managing partner of Equifaira Partners Inc. a business advisory and management consulting company with which the Issuer has a written consulting agreement.

In addition to the directors and executive officers listed above, the Issuer has also retained a number of advisors and managers to assist with the management of the business. They are:

Name	Principle Occupation and related Experience
 <p>Kirsten Allisson Duvall, Vice President, Business Strategy</p>	<p>Kirsten is an accomplished veteran of the interactive entertainment industry who has spent her career helping developers be successful on platforms ranging from console to PC and web to mobile and now AR/VR. She brings over 20 years of experience in Business Development, Partner Relations, Strategy and Sales and Marketing roles and has worked at companies including Unity, Microsoft, Electronic Arts and Activision. In 2014, Kirsten was honored to be named one of Fortune's 10 Powerful Women in Video Games.</p>

3.3 Penalties, Sanctions and Bankruptcy

There has been no penalty or sanction that has been in effect during the last 10 years, or any cease trade order that has been in effect for a period of more than 30 consecutive days during the past 10 years against:

- a director, executive officer or control person of the Issuer, or
- an issuer of which a person referred to in (i) above was a director, executive officer or control person at the time.

In a former relationship in 2016, Tarrnie Williams was the Chief Operating Officer of Roadhouse Interactive Limited, a subsidiary of Roadhouse Holdings Ltd. when on August 31, 2016, PricewaterhouseCoopers Inc. ("PwC") was appointed Receiver and Manager of all the assets, undertaking and properties of the Roadhouse Companies (reference Vancouver Registry No. S-167840). On November 17, 2017, the activities of PwC were approved and the remaining funds from the Roadhouse Companies were disbursed to its creditors, and PwC was discharged.

3.4 Loans

In the past, loans were made to the Issuer by Farcast Operations Inc. ("Farcast"), a company where Tarrnie Williams is a shareholder, president and director.

No other loans were made from directors, management, promoters or principal shareholders and there are currently no loans outstanding or payable by the Issuer. However, the Issuer may, from time to time, seek short term loans from directors, management, promoters or principal shareholders of the Issuer.

The following loans from Farcast were in the form of convertible promissory notes (the "Farcast Notes") and have been fully repaid. Farcast has also agreed to forego any interest payments due resulting from the loans.

Farcast Note Date	Farcast Note Amount	Farcast Note Conversion to Common Shares	Farcast Note Conversion Date	Farcast Note Conversion Price per Common Share	Farcast Note Remaining Balance	Farcast Note Paid in Cash	Farcast Note Fully Repaid on
14-Sep-16	\$40,000.00	\$25,000.01	06-Dec-16	\$0.07	\$14,999.99	\$14,999.99	25-Oct-17
11-Oct-16	\$10,000.00	0	N/A	N/A	\$10,000.00	\$10,000.00	25-Oct-17
02-Nov-16	\$5,000.00	0	N/A	N/A	\$5,000.00	\$5,000.00	25-Oct-17
21-Nov-16	\$15,000.00	0	N/A	N/A	\$15,000.00	\$15,000.00	25-Oct-17
06-Dec-16	\$5,000.00	0	N/A	N/A	\$5,000.00	\$5,000.00	25-Oct-17

ITEM 4: CAPITAL STRUCTURE**4.1 Share Capital**

Pursuant to the terms of the Articles of Incorporation of the Issuer, the authorized capital of the Issuer consists of an unlimited number of shares of voting Common Stock (the “Voting Common Shares”), and Twenty Million (20,000,000) shares of Preference Stock (the “Preference Shares”) all without par value. The designations, powers, preferences, rights, qualifications, limitations or restrictions relating to the Preferred Shares and the Voting Common Shares are as follows:

Preference Shares

The Preference Shares may be issued from time to time in one or more series. The Board of Directors of the Issuer is authorized, prior to the issuance of any series of Preference Shares, by resolution or resolutions to alter the Articles to determine the maximum number of shares included in such series, determine that there is no such maximum number or alter any determination made, create an identifying name by which the shares of any of those series of shares may be identified or alter any identifying name created for those shares and attach the rights, privileges, restrictions and conditions attaching to the Preference Stock in that series.

Common Shares

Each Voting Common Share shall have one vote upon all matters to be voted on by the holders of the Voting Common Shares. Subject to any special rights or restrictions attached to the shares of any of the series of Preference Shares:

- a. the holders of the Voting Common Shares shall, in the absolute discretion of the directors, be entitled to receive and the Issuer shall pay out monies properly applicable to the payment of dividends, at such time and in such amount as the directors may in their discretion from time to time declare in respect of the Voting Common Shares; and
- b. in the event of the liquidation, dissolution or winding up of the Issuer or other distribution of assets of the Issuer among its shareholders for the purpose of winding up its affairs (whether voluntary or involuntary) or upon a reduction of capital (any of which events are referred to as a “Capital Distribution”), capital, after payment as provided herein has been made to the holders of any series of the Preference Shares, the holders of the Voting Common Shares, shall be entitled to share equally, share for share, in any further distribution of the property or assets of the Issuer.

Description of the Security	Number authorized to be issued	Price per Security	Number outstanding as of December 15, 2022	Number outstanding after Maximum Offering
Preference shares	20,000,000	N/A	Nil	Nil
Voting Common shares	Unlimited	Fixed by the Directors	79,126,243	86,315,131
Options to Purchase Common Shares ³²	N/A	Fixed by the Directors	10,850,000	10,850,000

³² Options are allocated to the employees and contractors of the Issuer as a component of the Issuer’s compensation and incentives in accordance with contractual agreements. A total of 10,850,000 options have been allocated (850,000 at an average exercise price of \$0.07, all of which have vested and 10,000,000 at \$0.30, 28% of which have vested). None have been exercised as of the date of this Offering Memorandum.

Description of the Security	Number authorized to be issued	Price per Security	Number outstanding as of December 15, 2022	Number outstanding after Maximum Offering
Warrants to Purchase Common Shares ³³	21,745,963	Fixed by the Directors	11,737,148	12,096,592
Restricted Share Units -Grants of Common Shares	250,000	Fixed by the Directors	Nil	Nil

4.2 Long Term Debt

Blueprint took a loan from the Canada Emergency Business Account in the amount of \$60,000. This loan is interest free and payment free until December 31, 2023. If paid by December 31, 2023, only \$40,000 needs to be repaid, with the other \$20,000 in forgiveness. If the loan is needed after December 31, 2023, it converts to a traditional loan with interest and repayment terms as per our financial institution.

4.3 Prior Sales

The following table shows prior sales of Common Shares, share price at time of issue and grants of Options and Warrants.

Date of issuance	Type of security issued	Number of securities issued	Price per security (\$)	Total funds received
2016	Common	50,000,000	0.0000002	\$10.00
2016	Common	2,559,525	0.001	\$2,559.53
2016	Common	357,143	0.07	\$25,000.01
2017	Common	12,283,848	0.07	\$859,869.36
2017	Common	1,570,001	0.15	\$235,500.15
2018	Common	8,514,583	0.15	\$1,277,187.45
2018	Common	2,590,180	0.22	\$559,840.60
2018	Common	254,000	0.01	\$2,540.00
2019	Common	977,619	0.22	\$215,076.18
2019	Common	236,667	0.30	\$71,000.10
2020	Common	596,334	0.30	\$178,900.20

³³ Warrants for the option to purchase Common Shares are allocated to consultants, brokers and advisors as a component of the Issuer's compensation and incentives in accordance with contractual agreements. A total of 21,745,963 warrants have been allocated at an average exercise price of \$0.17 of which 6,638,590) have expired and 3,370,225 have been exercised as of the date of this Offering Memorandum.

2021	Common	1,830,686	0.30	\$549,205.80
2022	Common	784,228	0.30	\$235,268.40
2022	Common	571,429	0.01	\$5,714.29
Sub-Total Common		83,126,243		4,222,471.10
*2022 (Return of Founders' Shares) ³⁴	Common	- 4,000,000	N/A	N/A
Total Outstanding Common		79,126,243		\$4,222,471.10

Date of issuance	Type of security issued	Number of securities issued	Exercise Price (\$)	Total funds received
2020	Options to purchase Common shares	850,000	0.07	None exercised
2022	Options to purchase Common shares	10,000,000	0.30	None exercised
Total Options		10,850,000		Nil

³⁴ As a show of goodwill, Tarnie Williams announced at a Special General Meeting on November 30, 2022 that he would be returning 4,000,000 founders' shares to the treasury.

Date of issuance	Type of security issued	Number of securities issued	Exercise Price (\$)	Number outstanding
2016	Warrant to purchase Common shares	9,000,000	0.005	9,000,000
2017	Warrant to purchase Common shares	1,071,429	0.01	None
2017	Warrant to purchase Common shares	267,902	0.07	267,902
2017	Warrant to purchase Common shares	800,003	0.15	None
2018	Warrant to purchase Common shares	403,000	.01	None
2018	Warrant to purchase Common shares	7,000,560	0.15	221,430
2018	Warrant to purchase Common shares	262,909	0.22	None
2019	Warrant to purchase Common shares	692,344	0.22	None
2021	Warrant to purchase Common shares	1,475,019	0.30	1,475,019
2022	Warrant to purchase Common shares	772,797	0.30	772,797
Total Warrants		21,745,963		11,737,348

ITEM 5: SECURITIES OFFERED

The offering is for Common Shares with no conversion or exercise price, or date of expiry.

Each such Common Share entitles its holder to one vote at meetings of common shareholders of the Company and at any other meeting that such holders may be entitled to vote. For additional information about the Common Shares, please refer to item 4.1 above.

All Common Shares, are subject to the Shareholders' Agreement (see *item 5.1 Terms of Securities for more details*).

5.1 Terms of Securities

The material terms of the securities are provided for in the Shareholders' Agreement attached as Appendix I to this Agreement. The following is a summary of the Shareholders' Agreement.

Shareholder Agreement

The Shareholders' Agreement dated October 31, 2016, governs the rights and obligations of the shareholders of common shares (the "Shareholder") in the Issuer. The following is a summary of the Shareholders' Agreement only and is subject to the complete terms and conditions of the Shareholders' Agreement, a copy of which is attached as Appendix I.

General Corporate Matters

Directors. Each Shareholder is required to take such action as may be necessary to cause the Board to consist of a minimum of two (2) directors and a maximum of five (5) directors. Further, the Shareholders will nominate and elect Tarnie Williams or his nominee as a director to the Board until the earlier date on which Tarnie Williams no longer holds any Shares and will nominate and elect Ben Sheftel or his nominee as director to the Board until the earlier date on which Ben Sheftel no longer holds any Shares or, in both cases, this Agreement is terminated. In the event that a third, fourth or fifteen director is nominated, that nominee shall be acceptable to both Tarnie Williams and Ben Sheftel.

Information Rights. The Issuer will prepare and deliver to each Shareholder within a reasonable time after the end of each financial year, unaudited financial statements of the Issuer, including consolidated balance sheets of the Issuer, if any, as at the end of such financial year, and consolidated statements of income, retained earnings and changes in cash flow of the Issuer, if any, for such year, setting forth in each case in comparative form the corresponding figures for the previous financial year, all prepared in accordance with generally accepted accounting principles in Canada.

Matters requiring Board Approval. The Issuer's management team must seek Board approval for the following matters:

- a. altering, changing or amending the Articles or Notice of Articles of the Issuer;
- b. any single or series of related expenditures in excess of \$25,000 (Twenty-five thousand dollars) where such expenditures are not set out in an operating expenditure budget of the Issuer;
- c. the hiring of any employee or the engagement of any contractor at the vice-president level (or equivalent) or higher or whose compensation exceeds \$150,000 (One hundred and fifty thousand dollars) per annum;
- d. carrying on any business other than the existing business or change in any material aspect of the business of the Issuer;
- e. incorporating, creating, or acquiring any entity that would be an affiliate or a Subsidiary;
- f. purchasing for cancellation, redeeming or acquiring any securities, securities convertible or exchangeable into or exercisable for any securities of the Issuer or make a declaration or payment of dividends or distribute any surplus on earnings on any Shares of the Issuer, unless:
 - i. required under the rights, privileges, restrictions and conditions attached to Shares as at the date of the Shareholders' Agreement;
 - ii. pursuant to a pre-existing agreement providing for the repurchase of any equity securities upon termination of services, including, without limitation; or
 - iii. authorized pursuant to the terms of the Stock Option Plan approved by the Board;
- g. the sale, lease, exchange, mortgage or other disposition by the Issuer of any copyrights, patents, trademarks, trade secrets, processes, licences, distribution rights or other industrial or intellectual property right outside of the ordinary course of the Issuer's business;

- h. any acquisition of or agreement by the Issuer to acquire any capital asset, any lease or agreement to lease of real or personal property or any acquisition or agreement to acquire property by way of conditional sale agreement or purchase money security interest, (i) having a value in excess, in aggregate, of 10% of the operating budget in any fiscal year and which is not provided for in the capital budget, or (ii) which do not relate directly to the Issuer's business;
- i. any change in salaries, bonuses, fees, benefits or any other payments to key management at the highest level of the Issuer's compensation structure in excess of 25% per annum;
- j. the establishment or amendment of any Stock Option Plan involving directly or indirectly the issuance or the commitment to issue shares in the capital of the Issuer to Directors, officers, consultants or employees whether directly or by the exercise of an option, warrant or right or by the conversion of some other security;
- k. any contract, agreement or other transaction with, or any obligation or liability to, any Shareholder or any person not at arm's length with such Shareholder which directly or indirectly provides to such Shareholder or person any benefit or advantage greater than fair market value;
- l. the incurrence (whether absolutely or contingently) of indebtedness (whether directly or by financing lease or other indirect financing arrangements) in respect of any transaction or series of transactions, other than as contemplated by an approved and current capital and operating budget for the Issuer;
- m. the lending of money by the Issuer or the incurrence of any guarantee or indemnity obligations thereby;
- n. borrowing by the Issuer in excess of \$25,000 (Twenty-five thousand dollars) or grant security over any of assets of the Issuer or incur debt in excess of \$25,000 (Twenty-five thousand dollars);
- o. amalgamation, consolidation, merger or entering into an agreement to amalgamate, consolidate or merge the Issuer or its subsidiaries with any person which has the effect, directly or indirectly, of transferring control of the Issuer or the Issuer's assets to another person; or
- p. entering into a non-arm's-length transaction.
- q. repayment of any shareholder loans; or
- r. entering into any agreements to effect the matters set forth above.

Transfer Restrictions

Restriction on Change of Control of Corporate Shareholders. No corporate Shareholder may enter into any transaction or series of transactions that results in a change of control of such corporate Shareholder, without the prior written consent of the Board which may be withheld in its sole discretion.

Pro-Rata Pre-emptive Rights. The Shareholders' Agreement includes a pro-rata right of first refusal that generally provides that any new issuance of capital stock and any securities convertible into capital stock, must be offered to each current Shareholder of the Issuer on a pro rata basis. The Issuer must provide each Shareholder written notice stating the terms of the issuance. The Shareholder then has 7 days to accept the notice in order to purchase the Shareholders' pro rata share. In the event that not all of the Shareholders exercise their pre-emptive rights, the Issuer shall have the right to then immediately sell the unissued securities.

The Issuer may issue new capital stock or offer securities without first providing the pro-rata right of first refusal in a number of circumstances as set out in the Shareholders' Agreement including the issuance of Shares or rights to purchase Shares in connection with strategic collaborations, development agreement or licensing transactions as approved by the Board, pursuant to an employee stock option plan or in the

event of an acquisition, duly approved subdivision, amalgamation, plan of arrangement, reorganization of the Issuer or dividend payable in securities or in connection with commercial credit arrangements, equipment financings or similar transactions approved by the Board of Directors.

Rights of First Refusal. Except for a permitted transfer, a Shareholder who receives a bona fide offer from a third party to purchase Shares that it wishes to accept must provide notice to the Issuer and each Shareholder stating the identity of the third party, the terms of the offer, and the selling Shareholder's irrevocable offer to sell to the Issuer and the other Shareholders all of the shares of Stock in the third party offer, on the same terms and conditions as set forth in such offer. For fourteen (14) days after the receipt of the notice (the "Initial Period"), the Issuer shall have the right to purchase any or all of the offered Shares.

Any Shares not purchased by the Issuer may be purchased by the other Shareholders within 7 days of the Initial Period (the "Subsequent Period"). If more than one Shareholder elects to purchase such offered Shares, then each electing Shareholder shall purchase the number of offered Shares on a pro rata basis.

To the extent that there are any Shares available after the Initial Period and the Subsequent Period, then the selling Shareholder may sell the remaining Shares as long as the transfer of those remaining Shares are at the same price and terms as the original offer and on the condition that all the remaining Common Shares are transferred to the third party purchaser within 90 days of the expiration of the Subsequent Period.

Drag-Along Rights. If the holders of more than sixty percent (60%) of the outstanding Shares (the "Selling Shareholders") have agreed to transfer to a third party offeror pursuant to a bona fide offer (the "Drag Along Offer") for all of the Shares of the Issuers held by the Selling Shareholders, and if the third party offeror offers to each of the other Shareholders (the "Other Shareholders") to purchase the remaining Shares (the "Specified Shares") on equivalent terms and conditions as those agreed to by the Selling Shareholders then the Selling Shareholders will have the right to require the Other Shareholders to sell all of their Specified Shares to the third party offeror in accordance with the terms and conditions of the Drag Along Offer.

Co-Sale Rights. If a Shareholder is permitted to transfer his or her Shares (the "Seller") to a bona fide third party purchaser (the "Purchaser") and the transfer results in the Purchaser obtaining control of the Issuer by being able to cast the majority of the votes, on a fully diluted basis, at a general meeting or being able to elect or appoint the majority of the directors (the "Intended Sale") then each Shareholder shall have the right to request that their Shares are also purchased by the Purchaser on the same terms and conditions as the Intended Sale, failing which, the Intended Sale shall not complete. Each Shareholder shall have 7 days from obtaining notice of the Intended Sale to exercise his or her right.

Permitted Transferees. Shares may not be sold or transferred except where the Shares are transferred to a permitted transferee, which includes: (i) a family trust, spouse, child or a registered retirement savings plan or tax-free saving plan or any similar plan of the Shareholder; (ii) a corporation in which a Shareholder has the majority voting power; (iii) any other person approved by the Board.

Further restrictions on Transfer. No Shareholder shall transfer all or any part of Shares to any person, whether a Shareholder or not, who is not a party to or has not agreed to be bound by the Shareholders' Agreement

Endorsement on Share Certificates. All share certificates issued by the Issuer (including existing certificates) shall have typed or otherwise written thereon that the shares represented by the certificate contain restrictions on the right of the holder to sell, exchange, transfer, assign, gift, pledge, encumber, hypothecate or otherwise alienate the shares. Specifically, the following legend will be placed on each share certificate:

"The securities represented by this certificate are subject to the provisions of a Shareholders' Agreement dated for reference October 31, 2016, as amended, restated or replaced from time to time, and such securities are not transferable on the books of the Company except in accordance and compliance with the terms and conditions of such Agreement."

Waiver of Rights

Any Shareholder may waive the rights provided for in the Shareholders' Agreement in Articles 4 and 5, including the right of first refusal, drag along rights and the pro-rata pre-emptive rights, by notice in writing to the Issuer. Additionally, in the event that Shareholders holding not less than 65% of the issued Shares in the aggregate held by all Shareholders who are subject to this Shareholders' Agreement elect to waive their rights then such waiver shall be binding upon all of the Shareholders.

Founder's Subordination

If prior to an IPO, the Issuer sells more than 50% of its Shares or substantially all of its assets (the "Sale") where:

- a. The founders as defined in the Shareholders' Agreement hold at least 50% of the issued Shares in the aggregate at the time of the Sale;
- b. The Shareholders holding at least 50% of the issued Shares, excluding the Shares held by the founders, in the aggregate vote against the Sale;
- c. The proceeds from such Sale that are payable to each Shareholder for his or her Share is one dollar (\$1.00) or less per Share (the "Sale Price"); and
- d. The price that the Shareholder paid for his or her Share is greater than the Sale Price (the Minimum Purchase Price"),

Then the difference between the Sale Price and the lesser of the Minimum Purchase Price and one dollar (\$1.00) shall be the shareholder deficit (the "Shareholder Deficit").

In the event that there is a Shareholder Deficit, each of the founders shall forfeit and subordinate to such Shareholder, such portion of their proceeds that is in excess of the founders' respective aggregate original purchase price to the extent of such Shareholder Deficit.

Termination of Agreement

The Shareholders' Agreement shall be terminated upon the Issuer suffering an insolvency event, upon the consummation of a drag along transaction, upon an IPO or upon the written consent of the Board of Directors and Shareholders holding not less than sixty percent (60%) of the Shares.

General

Amendment and Modification. The terms of the Shareholders' Agreement may be amended, modified or supplemented with the written consent of the Issuer and the Shareholders that hold not less than sixty percent (60%) of the Shares.

Governing Law. The Shareholders' Agreement is governed by the laws of the Province of British Columbia and the laws of Canada where applicable.

Subscription Procedure

How to subscribe and Method of Payment.

You may subscribe Shares by returning to the Issuer the following:

- a completed Subscription Agreement in the form accompanying this Offering Memorandum, duly executed and witnessed;
- a completed copy of a Risk Acknowledgement Form (Form 45-106F4), duly executed. You should keep a signed copy of this form;

- completed copies of Schedule 1 “Classification of Investors Under the Offering Memorandum Exemption” and Schedule 2 “Investment Limits for Investors Under the Offering Memorandum Exemption” (if applicable);
- a completed copy of the Form of Accession Agreement, duly executed; and
- a certified cheque or bank draft or wire transfer or such other payment process that is acceptable to the Issuer made payable to the Issuer in the amount of the Subscription Price in CAD.

The Subscription Agreement, Risk Acknowledgement Form and any related Schedules, Shareholders’ Agreement and Subscription Price will be retained in the possession of the Issuer until closing. The Company has the discretion to fully or partially accept or reject any subscription for the Common Shares by the applicable Date of Closing. In case of rejection of any subscription, the part of the Subscription Price not accepted by the Company for closing will be refunded to the prospective purchaser. On the Date of Closing, the Subscription Agreement and the Subscription Price may be accepted (fully or partially) by the Issuer, and if accepted, the Risk Acknowledgement Form and its Schedules will be retained by the Issuer for eight years in compliance with National Instrument 45-106.

By signing the Subscription Agreement, the prospective purchaser authorizes the Issuer to perform certain functions, as described in this Offering Memorandum. A Subscriber will only be accepted as a Shareholder if on or before the Date of Closing the Issuer is in receipt of the Subscription Documents in accordance with the Subscription Agreement, including the Subscription Price.

You may not subscribe for fractional Shares and no fractional Common Shares will be issued by the Company.

Consideration to be held in trust

We will hold your subscription funds in trust until midnight on the second business day after the day on which we received your signed Subscription Agreement.

Right of Issuer to refuse Subscriptions

The Issuer reserves the right to accept or reject any Subscription Agreement in whole or in part and close the Offering at any time, without notice. If the Issuer rejects any Subscription Agreement, the Issuer will return the Subscription Price to the Subscriber, without deduction or interest.

Conditions to closing

The Issuer reserves the right to accept or reject subscriptions in whole or in part at our discretion and to close the Offering at any time without notice. Any subscription funds for subscriptions that we do not accept will be returned promptly after we have determined not to accept the funds.

We expect to have multiple closings of the Offering on several dates on or before February 28, 2023. We may end the Offering on an earlier or later date as we may determine.

Share certificates will be issued to investors at or before the final closing date (as the Issuer may, in its sole discretion, determine).

ITEM 6: INCOME TAX CONSEQUENCES AND RRSP ELIGIBILITY

6.1 Professional Advisor

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

6.2 RRSP Eligibility

Not all securities are eligible for investment in a registered retirement savings plan (RRSP).

You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

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

6.3 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 subscribe for the Common Shares and as of December 31 of the particular tax year or on behalf of a corporation with a permanent establishment in British Columbia for a tax credit certificate entitling the Subscriber to a tax credit equal to 30% of the amount received by the Issuer from the Subscriber for the purchase of the Common Shares. Tax credit certificates may only be issued if the Issuer complies with the requirements and intent of the SBVC Act. The Issuer intends to do so. A Subscriber who is an individual investor must deduct the lesser of his or her tax credit or \$120,000 against tax otherwise payable under the B.C. Tax Act for that taxation year. To the extent that the tax credit of the individual exceeds the amount of provincial taxes payable the individual will be entitled to a refund of the difference between the lesser of \$120,000 or his or her tax credit and the tax otherwise payable, after deducting certain other credits available under the B.C. 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 B.C. Tax Act. An individual shareholder may claim a tax credit in respect of the prior taxation year if the Common Shares of an EBC are purchased within the first 60 days of the next ensuing taxation year. If an individual Purchaser resides in British Columbia at the date of the subscription for Common Shares but resides outside the province at the end of the year, this may affect the individual's ability to claim the tax credit. Individual Shareholders 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 Purchaser that is a corporation must deduct the tax credit earned in the taxation year from tax otherwise payable by the corporation under the B.C. 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 B.C. 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 B.C. Tax Act in such taxation years. In order for a Subscriber to retain the tax credit, the Subscriber must hold the Common Shares for a period of five years from the date of issuance. If the Subscriber sells, transfers, redeems or otherwise disposes of the Common Shares prior to the expiry of five years, the Subscriber will be liable to repay the tax credit. The certificates representing the Common Shares will be issued with a legend prohibiting the sale or transfer of the Common Shares for a period of five years.

Equity Capital Authorization

Before an EBC 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 EBCs are specific both with respect to the maximum amount of capital the EBC can raise and with respect to the length of time in which this raising of funds can occur. The Issuer was issued a Certificate of Registration as an EBC on December 29, 2016 with an equity authorization of \$1,000,000. The Issuer has applied for and received authorization for further equity in subsequent years. The Issuer has most recently applied for further equity authorization of \$1,000,000 for 2023. The Administrator of the SBVC Act can extend the authorization period and establish a new expiration date.

As there is no assurance that such an extension would always be granted, Subscribers should verify that they are purchasing their shares in an EBC within a duly authorized period of time. Furthermore, the total amount of venture capital tax credits that may be issued each year to Subscribers 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 Common Shares will not qualify for tax credits under the SBVC Act. No tax credits will be issued to Subscribers who purchase shares in an EBC 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 Common Shares.

Applying for Tax Credits

The EBC is required to report investments received from its Subscribers to the Investment Capital Branch using the Electronic Tax Credit Application (eTCA) system for an EBC's Subscribers to be eligible to receive tax credits.

EBCs must ensure that Subscribers complete and sign a Share Purchase Report at the time they purchase shares, and that these reports be retained on file for a period of seven years for audit purposes.

The Investment Capital Branch performs extra due diligence when an individual Subscriber or corporate investor invests \$200,000 or more in the EBC. Before Tax Credit Certificates are issued the EBC must submit to the Investment Capital Branch a copy of the Subscriber's Share Purchase Report, EBC's bank statement showing the funds deposited in its bank account, and a copy of the Central Securities Register showing the shares issued to the Subscriber.

Tax credit certificates will be available on the eTCA system in PDF file format by the end of March of the year following when the investment was made. The EBC will receive an email indicating when the tax credit certificates are available for download from the eTCA system.

The EBC is responsible for distributing the tax credit certificates to its Subscribers.

Claiming the Tax Credits

A Shareholder attaches the tax credit certificate to his/her income tax return filed with Canada Revenue Agency for the taxation year stated on the certificate. A maximum annual tax credit claim differs for corporate Shareholders and individual Shareholders. However, both may carry forward an unclaimed tax credit amount for four subsequent taxation years.

Tax Credit Liability

If the EBC or its Subscribers engage in an ineligible transaction, or is in non-compliance with the SBVC Act, the Subscribers may be required to repay the tax credits. Under section 28.95 (1) of the SBVC Act, the EBC and its Subscribers must comply with the following:

- no tax credit has been previously allowed or paid for the Common Shares;
- the Common Shares, for which the EBC applies for tax credits, are not a type of security that entitles its holders to claim a tax credit against tax payable under the Income Tax Act (Canada) for the purchase of the security; and
- the eligible investor Shareholders acquire the Common Shares directly from the EBC.

A tax credit certificate issued under the Venture Capital Programs may be revoked by the Administrator of the SBVC Act if the Administrator determines that, at the time the tax credit certificate was issued, or at a subsequent time, the EBC was in contravention of the Act or the Regulation. A tax credit certificate that is revoked by the Administrator is deemed never to have been issued. Since the consequences of non-compliance can be serious, program users are urged to consult with your legal and financial advisors.

The EBC program is delivered under the Small Business Venture Capital Act.

ITEM 7: COMPENSATION PAID TO SELLERS AND FINDERS

The Issuer has and may enter into agency agreements to market the Shares under the terms of this Offering Memorandum. The agency agreements shall provide for a sales commission not to exceed in the aggregate \$232,919.97 (assuming the Maximum Offering).

Brokers' warrants, agents' options or warrants or other securities may be issued as payment of compensation under agency agreements as negotiated by the Issuer and will include 9% cash and 5% broker warrants with an exercise price of \$0.36 and term of 7 years based on gross proceeds from the sale of the Shares resulting directly from the agent's efforts converted to Shares at the price that the Shares are then currently being offered at an exercise price that the Issuer determines is fair and reasonable under the circumstances. Given that there is no minimum amount for the Minimum Offering, the number of such warrants, options or other securities may vary depending on the actual Minimum Offering after completion of the same.

There is no other compensation in the form of securities paid to any seller or finder of the Shares offered under this Offering Memorandum.

ITEM 8: RISK FACTORS

8.1 Investment Risks

The purchase of the Common Shares involves a high degree of risk. The following is a summary of only the material risk factors that may face the Issuer. However, additional risks that the Issuer does not currently know about or that it currently believes to be immaterial may also impair our business operations. If any of the following risks actually occurs, our business, results of operations and financial condition could be materially adversely affected. In addition to the factors set forth elsewhere in this Offering Memorandum, prospective purchasers should consider the following:

Our Securities are Speculative

The purchase of the Common Shares 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. An investment in the Common Shares should not constitute a major portion of your portfolio. You should consult your own independent advisors as to the tax, business and legal considerations regarding an investment in our securities. Because there is no market for our securities you may not be able to sell your securities. 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 your securities and recover any part of your investment. In addition to restrictions on securities provided for under securities laws, the Shares are subject to additional restrictions on resale as set out in the Shareholders' Agreement.

Value of Securities of the Company

We determined the price of the Common Shares arbitrarily. The price bears no relationship to earnings, book value or other valuation criteria.

No Minimum Subscription

The Offering is subject to no minimum subscription level and, therefore, any funds received from an investor will be made available to the Issuer subject only to the purchaser's rights described in Appendix 2 and need not be refunded to the investor. On several dates prior to and upon completion of the Offering, all of the subscription funds will be advanced to the Issuer. In the event that the Issuer does not raise or invest the Maximum Offering, there may be insufficient funds to achieve all of the Issuer's objectives.

The Issuer has a limited Operating History

The Issuer has been in a continuing stage of development and has had an inconsistent history of sales and no net earnings. There is no assurance that Issuer will be able to achieve and then maintain sales or earnings.

Marketability of the Shares and Exit Strategy

There is currently no formal market for the Common Shares, nor is it expected that one will develop. The Common Shares will be sold pursuant to exemptions from applicable securities laws and any disposition of the Common Shares will require compliance with such laws, including resale restrictions. Consequently, it is possible that the Shareholders of the Common Shares may not be able to liquidate their investment and that the Shares may not be readily acceptable as collateral for loans.

The Common Shares are not currently listed on any stock exchange, market, or quotation system, and the Issuer has no plans in place to list any of the Common Shares on any of the foregoing.

Tax Matters

The return on a Shareholder's investment in his/her Common Shares is subject to changes

in Canadian Federal and Provincial tax laws, as well as any other tax laws applicable to the Shareholder. There can be no assurance that the tax laws will not be changed in a manner which will fundamentally alter the tax consequences to investors of holding or disposing of Common Shares. No advance income tax ruling has been applied for or received with respect to the income tax consequences set out in this Offering Memorandum.

No Representation

The Issuer has not retained any independent professionals to review or comment on this Offering or otherwise protect the interests of the Subscribers. Although the Issuer has retained its own counsel, neither such firm nor any other firm has made, on behalf of the Purchaser, any independent examination of any factual matters represented by management herein, and purchasers of the Shares offered hereby should not rely on the firm so retained with respect to any matters herein described.

8.2 Issuer Risks

Dilution

Purchasers in this Offering will incur immediate and substantial dilution in the net tangible book value of their investment as a result of this Offering.

The Subscription Price will be substantially higher than the net tangible book value per Common Share immediately after this Offering. If you purchase Common Shares in this Offering, you will incur immediate and substantial dilution per Common Share, represented by the difference between the Subscription Price \$0.36 per Common Share and our pro forma net tangible book value per Common Share as of the date of this Offering. Moreover, we issued options and warrants in the past to acquire Common Shares at prices significantly below the Subscription Price.

Operations

The Issuer is in the development phase of its operations. An investor must assess the impact of the short business history of the Issuer. Investors in the Issuer will be required to rely upon the Issuer in its ability to develop the product, the selection of the geographical territories to be developed, the management and operation of the Issuer's proposed marketing to key partners, strategic alliances and end Users and the general administration of its business.

The Issuer will rely to a significant extent on the expertise of its officers, employees and consultants. In addition, the overall performance of the business of the Issuer will be dependent upon the success of the sale of its Common Shares, since the Issuer will require a significant percentage of the Maximum Offering to commence all of its projects.

The Issuer is not producing a consistent income and the Issuer may not be able to fully execute its business plan, for any number of reasons, including (without limitation) lack of sufficient funding, lack of sufficient market acceptance, inability to develop or obtain contracts or relationships with key partners, strategic alliances or end Users, execution risk, competition and all of the difficulties and challenges associated with being a new business.

The Issuer expects to continue to incur net losses until full commercialization of its products because the Issuer is expending substantial resources on:

- i. product development;
- ii. intellectual property portfolio development;
- iii. brand development;
- iv. general and administration; and
- v. sales and marketing.

The Issuer cannot be certain that its business strategy or model will be successful or that revenues or profitability will ever be achieved. Even if profitability can be achieved, the Issuer cannot be certain that it can be consistently sustained or increased in the future.

Change in Technology

Ensuring that the Client and User experience and functionality is continuously improved and kept up to date with the fast pace of change in the technology industry is an ongoing challenge for the Issuer. The pace of change of technology and the requirement for the Issuer to continuously improve the system is an ongoing risk and the Issuer cannot assure that it will be able to keep up with the pace of change.

Competition

The Issuer operates in a competitive industry and there are other competitors that may be further along in its development stage and more established than the Issuer and who may have access to more resources than the Issuer.

If the Issuer is unable to compete it could have a material adverse effect on the Issuer's business. The Issuer cannot be certain that it will successfully compete with its competitors that may have greater financial, sales and technical resources. As a result, the Issuer may need to increase its marketing, advertising and promotional spending to secure market share, which may adversely impact its revenues and ultimately its profitability.

Nature of the Underlying Businesses

The Issuer is establishing a new business within a competitive industry. Its success will be dependent upon its ability to develop and market its product profitably in the domestic and international marketplaces. Also important will be the Issuer's ability to source and maintain adequate financing to meet the cash flow requirements of its operations.

Business Risks and Barriers to Entry

The Issuer cannot be certain that its business strategy or model will not be subject to current or future competition offering a similar product and service or that other competitors may gain a first mover advantage over the Issuer.

The Issuer cannot assure that there will be sufficient industry demand for the Issuer's services from its Clients and Users in each market that we choose to enter. Should there not be sufficient demand from Clients and Users, the Issuer may experience a barrier to entering the market, a delay in entering the market and/or an inability to enter the market and/or sustain and/or grow the business of the Issuer in the market.

The Issuer cannot assure that it will be able to attract consumers to the Blueprint Community and/or to convert them to Users and/or generate sufficient demand for the services of the Issuer. Should there not be sufficient consumer or industry demand for the Issuer's products, the Issuer may experience a barrier to entering the market, a delay in entering the market and/or an inability to enter the market and/or sustain and/or grow the business of the Issuer in the market.

The Issuer cannot assure that it will be able to ensure that the Blueprint Platform will continue to comply with laws, industry standards, rules or regulations for the jurisdictions in which we operate which is an ongoing challenge both for existing markets and when entering new markets and could be a barrier to such markets.

The Issuer cannot assure that it will be able to build the Blueprint Community, or it may take longer than anticipated to grow the Blueprint Community.

The Issuer cannot assure that it will be able to ensure that the products it creates will be of value to industry Users and potential Clients.

The Issuer cannot assure that it will be able to overcome resistance of Clients or Users to adopting new technology, changing their business practices and incurring costs of implementing and utilizing Immersive technology or Mixed Reality.

Proprietary Rights and Licences.

The Issuer intends to use proprietary and/or licensed technology in its operations. There exists the possibility that certain patent applications will be rejected or that certain patents will not be sufficiently broad to protect key aspects of the Issuer's or its licensor's technology. If this occurs, the Issuer will still continue with its business plan as contemplated, but competitors would likely be able to duplicate the Issuer's products and patent laws would not provide effective legal or injunctive remedies to prevent infringement. Patents are also frequently challenged, invalidated, or circumvented by competitors; litigation of patent or infringement claims may result in substantial cost and diversion of resources.

Additional Financing

The Issuer intends to use the net proceeds of this Offering for the purposes of continuing the Issuer's product development, hiring of new personnel, research and development, intellectual portfolio development, branding, marketing, promotions and sales and other activities necessary to operate the business. The Issuer will require additional funds to develop and grow its business. The Issuer cannot accurately predict the timing and amount of such capital requirements. The Issuer's future capital requirements will depend on numerous factors, including:

- the success in securing additional contracts with key partners and strategic alliances;
- the Issuer's ability to implement its marketing and sales strategy;
- the rate of market acceptance of the Issuer's product;
- the Issuer's ability to maintain and expand its User and Client base; and
- the Issuer's ability to secure and develop new markets.

The Issuer presently has no commitments for additional financing, and it cannot give any assurance that any commitments can be obtained on favourable terms or at all.

The Issuer may have to sell a substantial number of its securities in order to obtain additional equity financing. Any additional equity financing, which may include the offering of preferred stock that the Issuer undertakes may dilute the Issuer's Shareholders.

In addition, debt financing, if available, may involve restrictive covenants with respect to distributions, raising future capital and other financial and operational matters, and may otherwise limit the Issuer's ability to raise additional equity capital.

Key Employees and Strategic Alliances

The Issuer's success will depend on its ability to attract, retain, train and motivate highly skilled employees, particularly research and development and sales and marketing professionals. The Issuer may not be able to attract the personnel it needs to execute its business plan.

Further, the Issuer will need to continue to engage and expand on its relationships with advertisers, brands, content creators/owners, networks, and publishers, and other potential partners. The Issuer also engages or will engage certain third parties for advice on technology, market trends and research, legal, human resources, intellectual property and public relations and other areas where specialized expertise may be required, and its success will depend on its ability to make such strategic alliances. The Issuer will depend substantially on the services of its executive team, management team, development team, sales and marketing team and its strategic alliances. The Issuer's business may be harmed if it loses the services of any one of its key employees, strategic alliances or key partners and is unable to attract and retain qualified replacements.

Interests of Principals and Others in Material Contracts and Conflicts of Interest

The majority of the agreements and arrangements between the Issuer and its officers and directors, including management services contracts, have not been the result of arm's length negotiations but are believed to be reasonable in relation to the services performed. The Issuer will be relying on its respective officers and directors to advise with respect to the development of its business. Certain of these officers and directors of the Issuer are now or may become in the future officers and/or directors of other entities or act as principals, officers or directors of other businesses. They may have conflicts of interest in allocating management time, services and functions among the Issuer and any other present or future businesses which they may organize, or provide management services to, as well as other business ventures in which they are or may become involved.

Management of Growth

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

Cash Flow Deficiencies

The successful operation of the Issuer will be dependent on management's ability to attain and maintain sales revenue sufficient to meet expenditures. There is no assurance that the operations of the Issuer will provide any cash flow available for distribution to the Issuer.

Management by Others

All decisions with respect to the management of the Issuer will be made exclusively by the Board of Directors, subject only to limited protective provisions and voting rights in favour of subscribers required by law. Subscribers will have to rely on the judgment of the Board of Directors in the operation of the Issuer and errors in the Board of Directors' business judgment could have a material adverse effect on the Issuer.

and its results from operations. The Board of Directors and officers of the Issuer will have no liability for any obligation of the Issuer. The Issuer will be required to indemnify the Board of Directors, the officers and their respective affiliates for liabilities incurred in connection with the affairs of the Issuer. Such liabilities may be material and have an adverse effect on the returns to the subscribers. The indemnification obligation of the Issuer will be payable from the assets of the Issuer, including funds contributed by the subscribers. Applicable corporate and securities laws may impose liabilities under certain circumstances on persons who do not act in good faith, and nothing herein will waive or limit any rights that a subscriber may have against the Board of Directors under those laws. In addition, to the extent permitted by applicable law, the Issuer is permitted to advance funds for legal expenses and other costs incurred as a result of a legal action against persons entitled to indemnification if such persons agree in writing to repay the advanced funds to the Issuer if it is subsequently determined that such person is not entitled to such indemnification. The Issuer may not have the financial resources to increase such spending when necessary to compete.

Continued Brand Recognition

The Issuer believes that developing and then maintaining its brand and being able to expand its User and Client base is critical to its success. The importance of brand recognition may become greater as competitors offer similar services. The Issuer's brand-building activities will involve increasing awareness of its brand, creating and maintaining brand loyalty and increasing the availability of its product offerings. If the brand-building activities are unsuccessful, the Issuer may never recover the expenses incurred in connection with these efforts, and it may be unable to implement its business strategy and increase its future sales.

Failure to Develop a User-Friendly Product that is Adaptable to Changing Preferences

The success of the Issuer's innovation and product development efforts is affected by its ability to anticipate changes in consumer preferences, changes in potential Client needs, the technical capability of its product development staff in developing and testing product (application) prototypes, including complying with governmental regulations, and the success of its management and sales team in introducing, selling and marketing the product features. Failure to develop, add new features to and market the product may lead to a decrease in the Issuer's future growth, sales and profitability. Additionally, the development of the product requires substantial research, development and marketing expenditures, which the Issuer may not be able to recoup if the product does not gain widespread market acceptance.

If the Issuer is unsuccessful in meeting its objectives with respect to the product, the Issuer's business will be harmed. There can be no assurance of the Issuer's ability to develop a product that is competitive with other similar applications or that it can then later develop a new version of the product that will meet changing consumer preferences and receive widespread acceptance. Failure to develop and successfully market a User-friendly and industry-friendly product will have a material adverse impact on the Issuer's financial condition and results of operations.

8.3 Industry Risks

The Extended Reality (XR) industries of VR, AR, and MR are early and not yet fully mature. While there are many projections for growth and success, the markets may fail to materialize and if the growth does not occur, there may be insufficient scale for the Issuer to successfully build a revenue base from the number of participants.

As companies enter into the Extended Reality sector, other competitors may create products that are more innovative or achieve greater market success than those of the Issuer. There can be no assurance that the Issuer will be able to compete cost effectively.

The Issuer is pursuing patents, trademark, and copyright protection for technology, products, and brands. There is no assurance that these patents will be granted, or that the trademark applications will be sufficiently unique and protectable. If the Issuer is not able to protect its intellectual property via patents, it will have to compete with other companies on a level playing field as it will lose the advantage offered via patent protection.

ITEM 9: REPORTING OBLIGATIONS

9.1 Reporting

The Issuer is not a “reporting issuer” as such term is defined in applicable securities legislation and accordingly is not subject to most of the continuous disclosure reporting obligations imposed on reporting issuers by such securities legislation. **We are not required to send you any documents on an annual or ongoing basis.**

As a Shareholder you will receive audited or unaudited financial statements at each annual general meeting and the Issuer will deposit copies of the financial statements in its corporate records maintained at its records office which are available for inspection by any Shareholders during normal business hours, given reasonable notice. Further, you will be given notice of, be entitled to attend and vote your Shares at general meetings of the common shareholders of the Issuer, and at any other meeting you are entitled to attend and/or vote your Common Shares.

9.2 Information Available from Securities Regulator

Prospective purchasers can find information about the Issuer on the British Columbia Securities Commission website (<http://www.bccsc.bc.ca>), such as exempt distribution reports, offering memorandums, and other information that may be available there.

For securities sales made outside British Columbia, prospective purchasers may find information on the Issuer on SEDAR (<http://www.sedar.com/>). Alternately, a list of all Provincial securities regulatory authority websites and contact numbers can be found in *Item 15: Subscription Agreement* attached to this Offering Memorandum.

ITEM 10: RESALE RESTRICTIONS

10.1 General Statement

Other than Manitoba, these securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation. Further, your ability to transfer your shares is subject to restrictions set out in the Shareholders' Agreement.

10.2 Restricted Period

Other than Manitoba, unless permitted under Securities Legislation and subject to the preceding paragraph, you cannot trade the securities before the date that is 4 months and a day after the date Issuer becomes a reporting issuer in any province or territory of Canada.

10.3 Manitoba Resale Restrictions

For Subscribers in Manitoba, unless permitted under securities legislation, you must not trade the securities without the prior written consent of the securities regulator in Manitoba unless:

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

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

ITEM 11: PURCHASERS' 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.

11.1 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.

11.2 Statutory rights of action in the event of a misrepresentation

For Subscribers Resident in British Columbia

The *Securities Act* (British Columbia) (the "*B.C. Act*") provides purchasers resident in the Province of British Columbia (each a "B.C. Purchaser") with, in addition to any other right they may have at law, rights of rescission or damages, or both, where an offering memorandum, together with any amendments thereto, contains a misrepresentation.

In particular, sections 132.1 and 140 of the *B.C. Act* provide that if this Offering Memorandum, together with any amendments hereto, contains a misrepresentation, and it was a misrepresentation at the time of purchase of the Shares, a B.C. Purchaser to whom this Offering Memorandum was delivered and who purchases Shares offered hereunder shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has, subject as hereinafter provided, a right of action against the Issuer, every director of Issuer at the date of the Offering Memorandum and every person who signed the Offering Memorandum for damages, which liability if found or admitted will be joint and several, and a right of rescission against the Issuer, provided that if the B.C. Purchaser elects to exercise a right of rescission against the Issuer, the B.C. Purchaser has no right of action for damages against the Issuer, and provided that:

- a. an action to enforce such right or rights must not be commenced (i) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action, or (ii) in the case of an action other than for rescission, more than the earlier of (A) 180 days after the B.C. Purchaser first had knowledge of the facts giving rise to the cause of action, or (B) 3 years after the date of the transaction that gave rise to the cause of action;
- b. no person will be liable if he, she or it proves that the B.C. Purchaser had knowledge of the misrepresentation;
- c. in the case of an action for damages, no person will be liable for all or any part of the damages that it proves does not represent the depreciation in value of the Shares resulting from the misrepresentation; and
- d. in no case will the amount recoverable in any action exceed the price at which the Shares were offered under the Offering Memorandum.

For Subscribers Resident in Alberta

The *Securities Act* (Alberta) (the "*Alberta Act*") provides purchasers resident in the Province of Alberta (each an "Alberta Purchaser") with, in addition to any other right they may have at law, rights of rescission or damages, where an offering memorandum, together with any amendments thereto, contains a misrepresentation.

In particular, sections 204 and 211 of the *Alberta Act* provide that in the event that this Offering Memorandum, together with any amendments hereto, is delivered to an Alberta Purchaser and contains a misrepresentation, and it was a misrepresentation at the time of purchase of the Shares, an Alberta Purchaser to whom this Offering Memorandum was delivered and who purchases Shares offered hereunder (without regard to whether the purchaser relied upon such misrepresentation)

has, subject as hereinafter provided, a right of action against the Issuer, every director of the Issuer at the date of the Offering Memorandum and every person or company who signed the Offering Memorandum for damages, which liability if found or admitted will be joint and several, or alternatively, a right of action against the Issuer for rescission, provided that if the Alberta Purchaser elects to exercise a right of rescission against the Issuer, the Alberta Purchaser has no right of action for damages against the Issuer or other above named person, and provided that:

- a. an action is commenced to enforce such right (i) in the case of an action for rescission, within 180 days after the date the transaction that gave rise to the cause of action or (ii) in the case of any action, other than an action for rescission, within the earlier of, (a) 180 days from the date that the Alberta Purchaser first had knowledge of the facts giving rise to the cause of action, or (b) 3 years from the date of the transaction that gave rise to the cause of action.
- b. no person will be liable if he, she or it proves that the Alberta Purchaser had knowledge of the misrepresentation;
- c. in the case of an action for damages, no person will be liable for all or any part of the damages that it proves does not represent the depreciation in value of the Shares as a result of the misrepresentation; and
- d. in no case will the amount recoverable in any action exceed the price at which the Shares were sold to the Alberta Purchaser.

For Subscribers Resident in Saskatchewan

The *Securities Act* (Saskatchewan) (the “*Saskatchewan Act*”) provides purchasers resident in the Province of Saskatchewan (each a “Saskatchewan Purchaser”) with, in addition to any other right they may have at law, rights of rescission or damages, or both, where an offering memorandum, together with any amendments thereto contains a misrepresentation.

In particular, sections 138 and 147 of the *Saskatchewan Act* provide that in the event that this Offering Memorandum together with any amendment hereto is delivered to a Saskatchewan Purchaser of Shares contains a misrepresentation, if it was a misrepresentation at the time of purchase of the Shares, the Saskatchewan Purchaser will be deemed to have relied upon that misrepresentation and has either a right of action for damages against (i) the Issuer, (ii) every promoter and director of the Issuer at the time the Offering Memorandum or amendment thereto was sent or delivered, (iii) every person or company whose consent has been filed respecting the Offering, but only with respect to reports, opinions or statements that have been made by them, (iv) every person or company that, in addition to the persons or companies mentioned in (i) to (iii), signed the Offering Memorandum or the amendment to the Offering Memorandum; and (v) every person who or company that sells securities on behalf of the Issuer under the Offering Memorandum or amendment to the Offering Memorandum (which liability if found or admitted will be joint and several), or the Saskatchewan Purchaser may elect to exercise a right of rescission against the Issuer and when the Saskatchewan Purchaser so elects, the Saskatchewan Purchaser shall have no right of action for damages.

A Saskatchewan Purchaser will be entitled to enforce the foregoing rights, provided that:

- a. no person or company will be liable where the person or company proves that the Saskatchewan Purchaser purchased the Shares with knowledge of the misrepresentation;
- b. in an action for damages, the person or company is not liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the Shares from the misrepresentation relied on; and
- c. in no case shall the amount recoverable exceed the price at which the Shares were offered to the public.

The *Saskatchewan Act* also provides that where an individual makes a verbal statement to a prospective purchaser of a security that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the

purchase of the security, the Saskatchewan Purchaser is deemed to have relied on the misrepresentation, if it was a misrepresentation at the time of the purchase and has a right of action for damages against that individual, provided that:

- a. no individual is liable if the individual proves that the Saskatchewan Purchaser purchased the Shares with knowledge of the misrepresentation;
- b. no individual is liable if the individual can establish that he or she cannot reasonably be expected to have known that his or her statement contained a misrepresentation;
- c. no individual is liable if prior to the purchase of the Shares by the Saskatchewan Purchaser, the individual notified the Saskatchewan Purchaser that the individual's statement contained a misrepresentation;
- d. in no case is the amount recoverable to exceed the price at which the securities were offered to the public; and
- e. in an action for damages, the defendant is not liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the Shares resulting from the misrepresentation relied on.

No action shall be commenced to enforce the above *Saskatchewan Act* rights more than:

- a. in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or
- b. in the case of any action, other than an action for rescission, the earlier of one year after the Saskatchewan Purchaser first had knowledge of the facts giving rise to the cause of action or six years after the date of the transaction that gave rise to the cause of action.

For Subscribers Resident in Manitoba

The *Securities Act* (Manitoba) (the "*Manitoba Act*") provides purchasers resident in the Province of Manitoba (each a "Manitoba Purchaser") with, in addition to any other right they may have at law, rights of rescission or damages, or both, where an offering memorandum, together with any amendments thereto, contains a misrepresentation.

In particular, sections 141.1 and 141.4 of the *Manitoba Act* provide that if this Offering Memorandum, together with any amendments hereto, contains a misrepresentation, and it was a misrepresentation at the time of purchase of the Shares, a Manitoba Purchaser to whom this Offering Memorandum was delivered and who purchases Shares offered hereunder shall be deemed to have relied on the misrepresentation and has, subject as hereinafter provided, a right of action against the Issuer, every director of the Issuer at the date of the Offering Memorandum and every person or company who signed the Offering Memorandum for damages, which liability if found or admitted will be joint and several, and a right of rescission against the Issuer, provided that if the Manitoba Purchaser elects to exercise a right of rescission against the Issuer the Manitoba Purchaser has no right of action for damages against the Issuer or any other person mentioned above, and provided that:

- a. an action to enforce such right or rights must not be commenced (i) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action, or (ii) in the case of an action other than for rescission, more than the earlier of (A) 180 days after the Manitoba Purchaser first had knowledge of the facts giving rise to the cause of action, or (B) 2 years after the date of the transaction that gave rise to the cause of action;
- b. no person will be liable if he, she or it proves that the Manitoba Purchaser had knowledge of the misrepresentation;
- c. in the case of an action for damages, no person will be liable for all or any part of the damages that it proves does not represent the depreciation in value of the Shares resulting from the misrepresentation; and
- d. in no case will the amount recoverable in any action exceed the price at which the Shares were offered under the Offering Memorandum.

For Subscribers Resident in Ontario

The *Securities Act* (Ontario) (the “*Ontario Act*”) provides purchasers resident in the Province (each an “Ontario Purchaser”) with, in addition to any other right they may have at law, rights of rescission or damages where an Offering Memorandum, together with any amendments thereto contains a misrepresentation.

In particular, sections 130.1 and 138 of the *Ontario Act* provide that if this Offering Memorandum contains a misrepresentation, an Ontario Purchaser who purchases Shares offered by this Offering Memorandum during the period of distribution has a right of action for damages against the Issuer or, alternatively, may elect to exercise a right of rescission against the Issuer, without regard to whether the Ontario Purchaser relied on the misrepresentation, provided that if the Ontario Purchaser exercises its right of rescission, it shall not have a right of action for damages against the Issuer, and provided that:

- a. no action shall be commenced to enforce these rights more than (i) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action, or (ii) in the case of any action, other than an action for rescission, the earlier of (A) 180 days after the Ontario Purchaser first had knowledge of the fact giving rise to the cause of action, or (B) three years after the date of the transaction that gave rise to the cause of action;
- b. the Issuer will not be liable if it proves that the Ontario Purchaser purchased the Shares with knowledge of the misrepresentation;
- c. in an action for damages, the Issuer will not be liable for all or any portion of the damages that the Issuer proves do not represent the depreciation in value of the Shares as a result of the misrepresentation relied upon; and
- d. in no case will the amount recoverable exceed the price at which the Shares were offered.

For Subscribers Resident in New Brunswick

The *Securities Act* (New Brunswick) (the “*New Brunswick Act*”) provides purchasers resident in the Province (each a “New Brunswick Purchaser”) with, in addition to any other right they may have at law, rights of rescission or damages where an Offering Memorandum, together with any amendments thereto contains a misrepresentation.

In particular, sections 150, 154.1 and 161 of the *New Brunswick Act* provides that if this Offering Memorandum, together with any amendments hereto, contains a misrepresentation, and it was a misrepresentation at the time of purchase of the Shares, a New Brunswick Purchaser to whom this Offering Memorandum was delivered and who purchases Shares offered hereunder shall be deemed to have relied on the misrepresentation and has, subject as hereinafter provided, a right of action for damages against the Issuer, every person who was a director at the date of the Offering Memorandum and every person who signed the Offering Memorandum, and a right of rescission against the Issuer, provided that if the New Brunswick elects to exercise a right of rescission against the Issuer, the New Brunswick Purchaser has no right of action for damages against the Issuer, and provided that:

- a. no action shall be commenced to enforce these rights more than (i) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action, or (ii) in the case of any action for damages, the earlier of (A) one year after the New Brunswick Purchaser first had knowledge of the fact giving rise to the cause of action, or (B) six years after the date of the transaction that gave rise to the cause of action;
- b. the Issuer will not be liable if it proves that the New Brunswick Purchaser purchased the Shares with knowledge of the misrepresentation;
- c. in an action for damages, the Issuer will not be liable for all or any portion of the damages that the Issuer proves do not represent the depreciation in value of the Shares as a result of the misrepresentation relied upon; and
- d. in no case will the amount recoverable exceed the price at which the Shares were offered.

Further, an Issuer shall not be liable for a misrepresentation in forward-looking information if the person or company proves that:

- a. the offering memorandum contains reasonable cautionary language that is proximate to such information identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward-looking information, and a statement of material factors or assumptions applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information; and
- b. the person or company has a reasonable basis for drawing the conclusion or making the forecasts and projections set out in the forward-looking information.

This defense does not however relieve a person or company of liability respecting forward-looking information in a financial statement or in a document released in connection with an initial public offering.

For Subscribers Resident in Prince Edward Island

The right of action for damages or rescission described herein is conferred by section 112 of the *Securities Act* (Prince Edward Island) (the "*PEI Act*"). The *PEI Act* provides, in the relevant part, that if an offering memorandum (such as this Offering Memorandum) contains a misrepresentation, as defined in the *PEI Act*, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages. Such purchaser has a statutory right of action for damages against the issuer, the selling security holder on whose behalf the distribution is made, every director of the issuer at the date of the offering memorandum and every person who signed the offering memorandum. Alternatively, the purchaser who purchases a security offered by the offering memorandum during the period of distribution has a right of action for rescission against the issuer or the selling security holder on whose behalf the distribution is made, in which case the purchaser shall have no right of action for damages against the persons described above. No such action may be commenced to enforce the right of action for rescission or damages more than (a) 180 days after the day of the transaction that gave rise to the cause of action, in the case of an action for rescission; or (b) the earlier of (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) 3 years after the day of the transaction giving rise to the cause of action, in any other case.

The *PEI Act* provides a number of limitations and defenses, including the following:

- (a) no person is liable if the person proves that the purchaser purchased securities with knowledge of the misrepresentation;
- (b) in the case of an action for damages, the defendant is not liable for any damages that the defendant proves do not represent the depreciation in value of the security resulting from the misrepresentation; and
- (c) the amount recoverable by a plaintiff in respect of such action must not exceed the price at which the securities purchased by the plaintiff were offered.

In addition, a person, other than the issuer and selling security holder, is not liable if the person proves that:

- (a) the offering memorandum was sent to the purchaser without the person's knowledge or consent, and that, upon becoming aware of its being sent, the person had promptly given reasonable notice to the issuer that it had been sent without the knowledge and consent of the person;

- (b) the person, upon becoming aware of the misrepresentation in the offering memorandum, had withdrawn the person's consent to the offering memorandum and had given reasonable notice to the issuer of the withdrawal and the reason for it;
- (c) with respect to any part of the offering memorandum purporting to be made on the authority of an expert or purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, the person had no reasonable grounds
- (d) to believe and did not believe that (i) there had been a misrepresentation; or (ii) the relevant part of the offering memorandum (A) did not fairly represent the report, statement or opinion of the expert; or (B) was not a fair copy of, or an extract from, the report, statement or opinion of the expert; or
- (e) with respect to any part of an offering memorandum not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, statement or opinion of an expert, unless the person (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had no representation; or (ii) believed that there had been a misrepresentation.

In addition, a person is not liable with respect to a misrepresentation in forward looking information if:

- (a) the offering memorandum containing the forward looking information also contains, proximate to the forward looking information (i) reasonable cautionary language identifying the forward looking information as such and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information; and (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information, and
- (b) the person had a reasonable basis for drawing the conclusions or making the forecast or projections set out in the forward looking information.

The above paragraph does not relieve a person of liability respecting forward looking information in a financial statement required to be filed under Prince Edward Island securities laws.

For Subscribers Resident in Nova Scotia

The right of action for damages or rescission described herein is conferred by section 138 of the Securities Act (Nova Scotia) (the "*Nova Scotia Act*"). The *Nova Scotia Act* provides that if an offering memorandum or any advertising or sales literature (as defined in the *Nova Scotia Act*) in respect of securities, together with any amendment thereto or any record incorporated by reference therein, or deemed incorporated therein, contains a misrepresentation (meaning an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary in order to make any statement contained herein or therein not misleading in light of the circumstances in which it was made), any purchaser to whom such offering memorandum is sent or delivered who purchases securities referred to therein, and any purchaser who purchases securities referred to in such advertising or sales literature, is deemed to have relied on that misrepresentation if it was a misrepresentation at the time of purchase and has, subject as hereinafter provided, a statutory right of action for damages against the seller (the term "seller" includes the Company), every director of the seller at the date of the offering memorandum, and every person who signed the offering memorandum (and the liability of such persons and companies is joint and several with respect to the same cause of action) or the purchaser may elect instead to exercise a statutory right of rescission against the seller in which case the purchaser has no right of action for damages against the seller, any director of the seller at the date of the offering memorandum, or any person who signed the offering memorandum, provided that:

1. no action shall be commenced to enforce the right of rescission or damages created under Section 138 of the *Nova Scotia Act* more than 120 days after the date payment was made for the securities (or after the date on which initial payment was made for the securities where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment);

2. no person or company is liable under Section 138 of the *Nova Scotia Act* if the person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation;
3. no person or company is liable under Section 138 of the *Nova Scotia Act* if the person or company proves that:
 - (a) the offering memorandum, or an amendment thereto, was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent;
 - (b) after delivery of the offering memorandum, or an amendment thereto, and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the offering memorandum, or an amendment thereto, or any record incorporated or deemed incorporated by reference therein, the person or company withdrew the person's or company's consent to the offering memorandum, or amendment thereto, or such record, and gave reasonable general notice of the withdrawal and the reason for it; or
 - (c) with respect to any part of an offering memorandum, or amendment thereto, or any record incorporated or deemed to be incorporated by reference therein, purporting to be made on the authority of an expert, or to be a copy of, or an extract from a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or that the relevant part of the offering memorandum, or amendment thereto, or such record, did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or extract from, the report, opinion or statement of the expert;
4. no person or company is liable under Section 138 of the *Nova Scotia Act* with respect to any part of an offering memorandum, or amendment thereto, or any record incorporated or deemed incorporated by reference therein, not purporting to be made on the authority of an expert, or to be a copy of or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation, or believed that there had been a misrepresentation;
5. in an action for damages under Section 138 of the *Nova Scotia Act*, the defendant is not liable for all or any part of the damages that the defendant proves does not represent the depreciation in value of the securities resulting from the misrepresentation;
6. the amount recoverable by a plaintiff under Section 138 of the *Nova Scotia Act* may not exceed the price at which the securities were offered under the offering memorandum or amendment hereto;
7. a person or company is not liable in an action under Section 138 of the *Nova Scotia Act* for a misrepresentation in forward-looking information (as defined in the *Nova Scotia Act*) (other than forward-looking information in a financial statement or forward-looking information in a document released in connection with an initial public offering) if the person or company proves all of the following things:
 - (a) the document containing the forward-looking information contained, proximate to that information:
 - (i) reasonable cautionary language identifying the forward-looking information as such, and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information, and
 - (ii) a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information;
 - (b) the person or company had a reasonable basis for drawing to the conclusions or making the forecasts and projections set out in the forward-looking information.

The right of action for rescission or damages conferred by Section 138 of the *Nova Scotia Act* is in addition to and not in derogation from any other right or remedy available at law or otherwise to a purchaser.

This summary is subject to the express provisions of the *Nova Scotia Act* and the regulations and rules made under it, and prospective investors should refer to the complete text of those provisions.

Subscribers Resident in other provinces

Subscribers resident in provinces other than those mentioned above may have statutory rights of action in the event of a misrepresentation and should refer to the applicable laws of their respective provinces and consult with their legal advisers with respect to such rights of action.

If a misrepresentation is contained in a record incorporated by reference in, or deemed incorporated into, the Offering Memorandum or any amendment thereto, the misrepresentation is deemed to be contained in the Offering Memorandum or any amendment thereto.

Contractual Rights of Action in the Event of a Misrepresentation

For Subscribers resident in a jurisdiction where the securities legislation does not provide a comparable statutory right of action in the event of a misrepresentation in this Offering Memorandum as indicated above, if there is a misrepresentation in this Offering Memorandum or any information or documents incorporated or deemed to be incorporated by reference into this Offering Memorandum, then, you have a contractual right to sue the Issuer:

- a. for rescission (to cancel your agreement to buy these securities), or
- b. for damages.

This contractual right to sue is available to a purchaser whether or not the purchaser relied on the misrepresentation. As part of this contractual right to sue, in an action for damages, the amount a purchaser may recover:

- (i) must not exceed the price that the purchaser paid for the purchaser's securities;
- (ii) does not include all or any part of the damages that the Issuer proves does not represent the depreciation in value of the securities resulting from the misrepresentation; and
- (iii) is in addition to, and does not detract from, any other right of the purchaser.

The Issuer has a defence if it proves that the purchaser knew of the misrepresentation when you purchased the securities.

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

These rights are enforceable by a purchaser by delivering a notice to the Issuer:

- (i) in the case of an action for rescission, within 180 days after the purchaser signs the agreement to purchase the security, or

(ii) in the case of an action for damages, before the earlier of

1. 180 days after the purchaser first has knowledge of the facts giving rise to the cause of action, or
2. 3 years after the date the purchaser signs the agreement to purchase the security

General

The rights discussed above are in addition to and without derogation from any other rights the subscriber may have at law. The foregoing summaries are subject to the express provision of the Securities Act (British Columbia), Securities Act (Alberta), Securities Act (Saskatchewan), the Securities Act (Manitoba), the Securities Act (Ontario), the Securities Act (New Brunswick), the Securities Act (PEI) and the Securities Act (Nova Scotia) as applicable and the rules, regulation and policy statements there under and reference is made thereto or the complete text of such provisions.

ITEM 12: FINANCIAL STATEMENTS

The pages in this section include:

1. Audited financial statements for the year ending March 31, 2022
2. Unaudited interim financial statements prepared by management for the period April 1 to September 30, 2022

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BLUEPRINT REALITY INC.
FINANCIAL STATEMENTS
(EXPRESSED IN CANADIAN DOLLARS)
MARCH 31, 2022
AND MARCH 31, 2021



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Blueprint Reality Inc.:

Opinion

We have audited the financial statements of Blueprint Reality Inc. (the "company"), which comprise the statements of financial position as at March 31, 2022 and 2021, and the statements of comprehensive loss, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

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

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

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

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
October 24, 2022

BLUEPRINT REALITY INC.
STATEMENTS OF FINANCIAL POSITION

MARCH 31,
(In Canadian Dollars)

	<u>ASSETS</u>	<u>2022</u>	<u>2021</u>
Current assets			
Cash		\$ 114,094	\$ 65,920
Accounts receivable		29,131	10,615
Government remittances receivable		6,004	3,997
Income taxes receivable		<u>344</u>	<u>344</u>
		149,573	80,876
Non-current assets			
Property and equipment (note 5)		<u>126,575</u>	<u>5,389</u>
		<u>\$ 276,148</u>	<u>\$ 86,265</u>
	<u>LIABILITIES</u>		
Current liabilities			
Accounts payable and accrued liabilities		\$ 121,203	\$ 129,154
Due to related parties (note 13)		<u>236,304</u>	<u>242,604</u>
		357,507	371,758
Non-current liabilities			
CEBA loan payable (note 6)		<u>40,000</u>	<u>40,000</u>
		<u>397,507</u>	<u>411,758</u>
	<u>SHAREHOLDERS' DEFICIT</u>		
Share capital (note 7)		4,048,967	3,332,533
Share-based payment reserve (note 7)		94,151	85,440
Deficit		<u>(4,264,477)</u>	<u>(3,743,466)</u>
		<u>(121,359)</u>	<u>(325,493)</u>
		<u>\$ 276,148</u>	<u>\$ 86,265</u>

Subsequent event (note 15)
Update on COVID-19 (note 16)

Approved by:



T. Williams, Director



B. Sheftel, Director

See accompanying notes to the financial statements.

BLUEPRINT REALITY INC.
STATEMENTS OF COMPREHENSIVE LOSS
FOR THE YEARS ENDED MARCH 31,
(In Canadian Dollars)

	<u>2022</u>	<u>2021</u>
Revenues		
Services	\$ 18,878	\$ 20,000
Products	<u>1,036</u>	<u>3,520</u>
	<u>19,914</u>	<u>23,520</u>
Cost of Sales		
Direct costs	<u>8,895</u>	<u>2,215</u>
Gross Profit	<u>11,019</u>	<u>21,305</u>
Operating expenses		
Advertising and promotion	---	43
Amortization	50,590	4,319
Bad debts	1,250	---
Commissions (note 13)	39,620	---
Consulting fees	133,213	9,788
Interest and bank charges	4,183	4,236
Management fees (note 13)	106,000	160,000
Office and other	23,807	42,576
Payroll (note 13)	110,624	112,815
Professional fees (note 13)	76,278	87,353
Share-based compensation (note 7)	8,711	2,530
Storage	10,752	8,458
Subscriptions	<u>---</u>	<u>1,187</u>
	<u>565,028</u>	<u>433,305</u>
Loss before other income	<u>(554,009)</u>	<u>(412,000)</u>
Other income		
Gain on foreign exchange	934	---
Government assistance (note 8)	32,064	56,360
SR&ED tax credits (note 9)	<u>---</u>	<u>221,735</u>
	<u>32,998</u>	<u>278,095</u>
Net loss and comprehensive loss for the year	<u><u>\$ (521,011)</u></u>	<u><u>\$ (133,905)</u></u>

See accompanying notes to the financial statements.

BLUEPRINT REALITY INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED MARCH 31,
(In Canadian Dollars)

	<u>Share Capital</u> <u>(note 7)</u>				
	Number of shares	Amount	Share- based payment reserve	Deficit	Total
Balance at April 1, 2020	\$ 79,343,566	3,153,633	82,910	(3,609,561)	(373,018)
Net loss and comprehensive loss for the year	---	---	---	(133,905)	(133,905)
Shares issued for cash	596,334	178,900	---	---	178,900
Employee stock options vested			2,530		2,530
Balance at March 31, 2021	79,939,900	3,332,533	85,440	(3,743,466)	(325,493)
Net loss and total comprehensive loss for the year	---	---	---	(521,011)	(521,011)
Shares issued for cash	1,985,613	595,684	---	---	595,684
Shares issued for settlement of debt (note 13)	402,500	120,750	---	---	120,750
Warrants vested	---	---	7,235	---	7,235
Employee stock options vested			1,476		1,476
Balance at March 31, 2022	\$ 82,328,013	4,048,967	94,151	(4,264,477)	(121,359)

See accompanying notes to the financial statements.

BLUEPRINT REALITY INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31,
(In Canadian Dollars)

	<u>2022</u>	<u>2021</u>
Cash used in operating activities		
Net loss for the year	\$ (521,011)	\$ (133,905)
Forgivable government assistance included in net loss	---	(20,000)
Items not requiring cash:		
Amortization of property and equipment	50,590	4,319
Bad debts	1,250	---
Share-based compensation	<u>8,711</u>	<u>2,530</u>
	(460,460)	(147,056)
Changes in non-cash working capital balances		
Accounts receivable	(19,766)	18,226
Government remittances receivable	(2,007)	15,749
Prepaid expenses and deposits	---	826
Accounts payable and accrued liabilities	<u>(7,951)</u>	<u>(37,150)</u>
	<u>(490,184)</u>	<u>(149,405)</u>
Cash used in investing activities		
Purchases of property and equipment	<u>(171,776)</u>	<u>---</u>
Cash from (used in) financing activities		
(Advances to) repayment from related parties	114,450	(34,392)
Proceeds from CEBA loan payable	---	60,000
Proceeds on issuance of share capital (note 13)	<u>595,684</u>	<u>178,900</u>
	<u>710,134</u>	<u>204,508</u>
Increase in cash during the year	48,174	55,103
Cash, beginning of the year	<u>65,920</u>	<u>10,817</u>
Cash, end of the year	<u>\$ 114,094</u>	<u>\$ 65,920</u>

See accompanying notes to the financial statements.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

1. General

Blueprint Reality Inc. (the "company") was incorporated under the Business Corporations Act of British Columbia on September 6, 2016, and operates from its main place of business at 220-1685 West 4th Avenue, Vancouver, British Columbia, V6H 1L8. Its main business activity is to build tangible virtual reality games and experiences.

The company is in the start-up phase. As a result, the majority of its operations for the current period consist of development and start-up costs.

During the year ended March 31, 2022, the company incurred a net loss of \$521,011 (2021 - \$133,905), have a working capital deficiency of \$207,934 (2021 - \$290,882) and negative cash flows from operations of \$490,184 (2021 - \$149,405). Whether and when the company can attain profitability and positive cash flows from operations is uncertain. The company has not yet realized profitable operations, has relied on non-operational sources of financing to fund its activity and depends on its ability to raise adequate financing and to develop profitable operations. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the company be unable to realize its assets and discharge its liabilities in the normal course of business. Such adjustments could be material.

2. Statement of compliance

These financial statements, have been prepared in accordance and compliance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the IFRS Interpretations Committee ("IFRIC").

The financial statements for the year ended March 31, 2022, including comparatives, were approved and authorized for issue by the board of directors on October 24, 2022. The board of directors have the power to amend and reissue the financial statements.

3. Basis of accounting

a) Basis of measurement and functional currency

The financial statements are presented in Canadian dollars, which is the company's functional currency. The financial statements have been prepared on the historical cost basis except for certain assets, liabilities and financial instruments which are measured at their fair values, as explained in the relevant accounting policies.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

3. Basis of accounting – continued

b) Use of estimates and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. By their nature, key areas of estimation are subject to measurement uncertainty and the effect on the financial statements of changes in estimates in future periods could be significant. The key areas where management has made difficult or subjective judgments, often as a result of matters that are inherently uncertain, include the following:

i) Impairment of non-financial assets

The impairment of non-financial assets such as property and equipment requires estimates relating to the future cash flows and the useful lives of the assets.

ii) Share-based compensation

Share based payments arising from the company's stock option incentive plan are measured at grant date fair value. For share options granted, market prices are not available, and therefore the value of the options granted is estimated by applying an option pricing model. Option pricing models need input data such as expected volatility of the share price, expected dividends, or the risk-free interest rate for the life of the option. Such assumptions are subject to judgments and may turn out to be significantly different than expected.

4. Significant accounting policies

The following is a summary of the significant accounting policies applied in the preparation of these financial statements. These policies have been consistently applied to all periods presented, unless otherwise stated:

a) Financial instruments

i) Recognition

The company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

4. Significant accounting policies – continued

a) Financial instruments – continued

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the company has no reasonable expectation of recovering the contractual cash flows of a financial asset.

ii) Classification and measurement

The company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- those to be measured subsequently at fair value, either through profit or loss (“FVTPL”) or through other comprehensive income (“FVTOCI”); and,
- those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial assets and financial liabilities are classified and measured at either:

- amortized cost;
- FVTPL, if the company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or
- FVTOCI, when the change in fair value is attributable to changes in the company’s credit risk.

The company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at fair value through profit or loss are expensed in profit or loss.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

4. Significant accounting policies – continued

a) Financial instruments – continued

The following table shows the classification of financial assets and liabilities:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
CEBA loan payable	Amortized cost

Fair value measurement

The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets;
- Level 2 – Inputs other than quoted prices that are observable for the asset either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The carrying amounts of cash, accounts receivable, accounts payable and accrued liabilities, due to related parties and CEBA loan payable approximate their fair values at March 31, 2022 due to the short-term nature of these instruments.

iii) Impairment

The company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportive forward-looking information.

iv) Derivative financial instruments

The company does not have any derivative financial instruments.

v) Share capital

The common shares are classified as equity. Incremental costs directly attributable to the issue of shares and share options are recognized as a deduction from equity, net of any tax effects.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

4. Significant accounting policies – continued

b) Property and equipment

Property and equipment are stated at cost less any accumulated amortization and impairment losses. Cost includes the acquisition cost as well as any costs directly attributable to bringing the asset to the location and condition necessary for its use in operations.

Amortization is recognized in profit or loss using the following methods and annual rates:

Furniture and fixtures	- 20% declining balance
Computer hardware	- 55% declining balance
Software	- 100% declining balance

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

c) Accounts receivable

Accounts receivable are stated at amortized cost less any required impairment losses.

d) Impairment

The carrying amount of the company's non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. An impairment loss in respect of intangible assets is not reversed. In respect to other assets, an impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized in previous years.

e) Accounts payable and accrued liabilities

Accounts payable and accrued liabilities are stated at amortized cost.

f) Revenue recognition

Under IFRS 15, the initial steps in revenue recognition are to identify the appropriate contracts with customers and define the performance obligations in the contracts. Revenue is recognized when the performance obligations are satisfied – when “control” of goods or services transfers to the customers. IFRS 15 also requires the transaction price to be allocated to each separate performance obligation in proportion to stand-alone selling prices. In addition, variable consideration should only be recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

4. Significant accounting policies – continued

f) Revenue recognition – continued

Services revenue are allocated to distinct time periods in which the services are being provided. As discussed above, IFRS 15 requires entities to recognize revenue when "control" of goods or services transfers to the customers. The performance obligation for the recognition of services revenue is satisfied through the provision of services.

g) Income tax

Income tax expense comprises current and deferred tax and is recognized in profit or loss. Current tax is the tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the expected tax rates for the year during which the asset will be realized or the liability settled, based on tax rates enacted or substantively enacted. A deferred tax asset is recognized for unused tax losses, and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

h) Foreign currency translation

Foreign currency transactions are initially recorded in the functional currency at the transaction date exchange rate. At each reporting date, monetary assets denominated in a foreign currency are translated in the functional currency at the closing date exchange rate. All foreign currency adjustments are recognized in net loss.

i) Government assistance

Government assistance is recognized when there is reasonable assurance that the company has complied and will continue to comply with all conditions.

Assistance for operating expenses under the Government of Canada's COVID-19 response programs is recorded as other income when the assistance is receivable.

A forgivable loan from the government is treated as government assistance when there is reasonable assurance that the company will meet the terms for forgiveness of the loan. The government assistance is presented in the statement of comprehensive loss as other income. If there is no reasonable assurance that the entity will meet the terms for forgiveness of the loan, the loan is recognized as a liability in accordance with IFRS 9 Financial Instruments. The liability would become a government grant (forgivable loan) when there is reasonable assurance that the entity will meet the terms for forgiveness.

The company's activities include research and development activities in the virtual reality industry. All research and experimental development expenditures are charged as an expense in the period in which they are incurred. The company accounts for investment tax credits using the income approach. Investment tax credits related to current expenditures are included as other income.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

4. Significant accounting policies – continued

j) Stock options and warrants

The fair value of share options granted to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instrument issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the share-based payment reserve.

k) Future accounting pronouncements

The company has evaluated the impact of future accounting pronouncements and does not expect them to have a material impact on its separate financial statements.

5. Property and equipment

	<u>2022</u>			<u>2021</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 226,473	\$ 101,763	\$ 124,710	\$ 3,058
Furniture and fixtures	6,324	4,459	1,865	2,331
Software	3,127	3,127	---	---
	<u>\$ 235,924</u>	<u>\$ 109,349</u>	<u>\$ 126,575</u>	<u>\$ 5,389</u>

6. CEBA loan payable

The company received \$40,000 on July 15, 2020 and another \$20,000 on December 18, 2020 under the Canada Emergency Business Account (“CEBA”) program. The loan is guaranteed by the Canadian government, unsecured, and interest-free through December 31, 2023. \$20,000 is eligible for forgiveness, contingent on the company repaying \$40,000 on or before December 31, 2023. During the year ended March 31, 2022, the company recognized \$NIL (2021 - \$20,000) as other income for the forgivable portion of the loan. If \$40,000 isn’t repaid on or before December 31, 2023, \$60,000 (including the forgivable amount) will be converted to a two- year term loan maturing on December 31, 2025 and bearing interest at 5% per annum with monthly interest-only payments. As at March 31, 2022, the principal balance owing on the loan was \$60,000 (2021 - \$60,000).

The funds from the CEBA program must only be used to pay non-deferrable operating expenses such as payroll, rent, utilities, insurance, property tax and regularly scheduled debt service, and may not be used to fund any costs such as prepayment or refinancing of existing indebtedness, payments of dividends and distributions, and/or increases in management compensation.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

7. Share capital, stock options, warrants, and share-based payment reserve

Authorized:

The authorized share capital consists of 100,000,000 common, voting shares without par value and 20,000,000 preferred shares without par value.

	<u>2022</u>	<u>2021</u>
Issued and outstanding:		
82,328,013 (2021 – 79,939,900) common shares	<u>\$ 4,048,967</u>	<u>\$ 3,332,533</u>

During the year ended March 31, 2022, 2,388,113 (2021 – 596,334) common shares were issued for proceeds of \$716,434 (2021 - \$178,900).

Subsequent to March 31, 2022, the company issued 116,667 (2021 – 641,523) common shares for cash proceeds of \$35,000 (2021 - \$192,457).

Stock options:

The company has granted stock options to employees and consultants to purchase common shares at an exercise price of \$0.07 per share. The stock options vest according to the vesting schedules set out in each stock option agreement and are exercisable on various dates until the stock option agreements expire. The stock options issued to employees have an expiry date of 5 years from the grant date. No new stock options were issued for the years ended March 31, 2022 and 2021.

Stock options are accounted for based on the fair value of the option at the grant date, determined using the Black-Scholes model and the vesting period of the award. For the year ended March 31, 2022, \$1,476 (2021 - \$2,530) in share-based compensation was credited to share-based payment reserve and recognized as an expense in the statement of loss relating to the vesting of stock options.

No stock options have been exercised. At March 31, 2022, there are 1,520,000 stock options (2021 - 1,520,000) outstanding at an exercise price of \$0.07 per share. Options outstanding expired October 26, 2022.

The potential cash inflow of all outstanding, unexercised options is \$106,400.

Restricted stock units:

The company has granted restricted stock units ("RSUs") to employees. The RSU's vest according to the vesting schedules set out by each RSU agreement and are exercisable on various dates until the date on which the employee terminates employment with the company.

RSUs are accounted for based on the fair value of the RSU at the grant date, determined by the current issuance price of shares at the grant date and the vesting period of the award. For the year- ended March 31, 2022, \$NIL (2021 - \$NIL) in share-based compensation was credited to share- based payment reserve and recognized as an expense in the statement of loss relating to the vesting of restricted stock units.

At March 31, 2022, there are 250,000 RSUs outstanding.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

7. Share capital, stock options, warrants, and contributed surplus – continued

Warrants:

The company has granted warrants to consultants for services received to purchase common shares. The warrants vest and are exercisable upon grant. The warrants issued for services received have an expiry date of 7 years from the grant date.

During the year, the company granted warrants attached to share purchase agreements to purchase a total of 1,995,613 common shares at an exercise price of \$0.30 per share. The warrants vest and are exercisable upon grant. The warrants issued expire at various dates according to the share purchase agreement.

During fiscal 2021, the company did not grant any new warrants attached to share purchase agreements.

Warrants are accounted for based on the fair value at the grant date, determined using the Black-Scholes model and the vesting period of the award. Warrants attached to share purchase agreements have a fair value of \$NIL. For the year ended March 31, 2022, \$7,235 (2021 - \$NIL) in share-based compensation was recognized as an expense in the statement of comprehensive loss relating to the vesting of warrants issued for services based on a risk-free market rate of 1.35% and volatility of 34.25%.

Details of warrants outstanding during the year are as follows:

	<u>2022</u>		<u>2021</u>	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding at the beginning of the year	306,433	\$ 0.22	306,433	\$ 0.22
Granted during the year	<u>1,995,613</u>	<u>0.30</u>	<u>---</u>	<u>---</u>
Outstanding and exercisable at the end of the year	<u>2,302,046</u>	<u>\$ 0.29</u>	<u>306,433</u>	<u>\$ 0.22</u>

Details of warrants issued for services during the year are as follows:

	<u>2022</u>		<u>2021</u>	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding at the beginning of the year	489,332	\$ 0.11	489,332	\$ 0.11
Granted during the year	<u>63,370</u>	<u>0.30</u>	<u>---</u>	<u>---</u>
Outstanding and exercisable at the end of the year	<u>552,702</u>	<u>\$ 0.13</u>	<u>489,332</u>	<u>\$ 0.11</u>

All warrants outstanding will expire by October 13, 2028.

The potential cash inflow of all outstanding, unexercised warrants granted to consultants for services received is \$70,979 (2021 - \$51,968) and unexercised warrants attached to share purchase agreements is \$390,037 (2021 - \$390,037).

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

8. Government assistance

The company was entitled to funds under the Canada Emergency Wage Subsidy ("CEWS") program. The subsidy under the CEWS program is 65% - 75% of eligible employee wages for certain pay periods.

At March 31, 2022, CEWS of \$20,774 (2021 - \$36,360) was recognized as other income.

Also, the company was entitled to funds under the Hardest-Hit Business Recovery Program ("HHBRP"). The subsidy under the HHBRP is up to a maximum of 50% of eligible employees wages for certain pay periods.

At March 31, 2022, HHBRP of \$11,290 (2021 - \$NIL) was recognized as other income.

There are no unfulfilled conditions nor outstanding contingencies with respect to CEWS or HHBRP.

9. SR&ED tax credits

Other income includes \$NIL (2021 - \$221,735) of government assistance received from scientific research and experimental development ("SR&ED") investment tax credits claimed for expenditures incurred.

10. Capital management

The company considers the items in shareholders' deficit as capital, which amounted to \$121,359 at March 31, 2022 (2021 - \$325,493). There has been no change to what the company considers capital from the prior year. The company's objectives when managing its capital are to:

- a) maintain financial flexibility in order to preserve its ability to meet financial obligations;
- b) maintain a capital structure that provides financing options to the company when the need arises to access capital;
- c) deploy capital to provide an adequate return to its shareholder; and
- d) ensure it has sufficient cash to pay declared dividends to its shareholder.

The company manages its capital structure and makes adjustments to it in accordance with the objectives stated above. The company also responds to changes in economic conditions and the risk characteristics of the underlying assets and its working capital requirements. In order to maintain or adjust its capital structure, the company may issue shares, repurchase shares, pay dividends or undertake other activities as deemed appropriate under the specific circumstances.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

11. Income tax

The following table provides a reconciliation of the effective tax rate:

	<u>2022</u>	<u>2021</u>
Tax recovery on loss before income tax, at statutory rate of approximately 27% (2021 - 27%)	\$ (141,000)	\$ (36,000)
Tax effect of:		
Non-deductible expense	(22,000)	1,000
Losses not recognized	<u>163,000</u>	<u>35,000</u>
	<u>\$ ---</u>	<u>\$ ---</u>

The significant components of the company's temporary differences, unused tax credits and unused tax losses are as follows:

	March 31, 2022	Expiry date range	March 31, 2021	Expiry date range
Non-capital losses	4,017,510	2037 to 2042	3,412,096	2037 to 2041

12. Financial risk management

The company, through its financial assets and liabilities, is exposed to various risks. The following provides an analysis of risks as at March 31, 2022. There have been no changes to the risks from the prior year.

a) 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 carrying amount of financial assets represents the company's estimate of maximum credit exposure. The company's credit risk is primarily attributable to its cash and accounts receivable. The company places its cash with a major financial institution. The company monitors its accounts receivable and believes that the related credit risk is limited.

b) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's primary source of liquidity is its cash reserves. The company's financial liabilities, which are composed of accounts payable and accruals due within 12 months of year-end and CEBA loan payable due within 24 months of year-end. Management closely monitors cash flow requirements to ensure that the company has sufficient funds available to meet current and foreseeable financial obligations.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

13. Related party transactions

The company has identified the directors and senior officers as key management personnel. The following table lists the compensation paid directly or to companies controlled by key management personnel for the years ended March 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Management and accounting fees paid to a company controlled by officers of the company	\$ <u>154,000</u>	\$ <u>208,000</u>
Commissions paid to a company controlled by officers of the company	\$ <u>39,620</u>	\$ <u>---</u>

	<u>2022</u>	<u>2021</u>
Due to related parties		
Equifaira Management Inc.	\$ 197,925	\$ 156,975
Farcast Operations Inc.	<u>38,379</u>	<u>85,629</u>
	<u>\$ 236,304</u>	<u>\$ 242,604</u>

Equifaira Management Inc. and Farcast Operations Inc. are related parties as they are shareholders and are controlled by key management personnel.

During the year, the company issued 402,500 shares with a fair value of \$120,750 to Equifaira Management Inc. to settle amount owing of \$120,750.

The advances from related parties are non-interest bearing and have no specified terms of repayment.

Payroll expense was all paid/payable to a key member of management.

14. Comparatives

In 2022, the company changed the presentation of government assistance and SR&ED tax credits from revenues to other income. As a result, comparative amounts were reclassified for consistency. The reclassifications had no impact on net loss and comprehensive loss for 2021.

15. Subsequent event

Subsequent to the year end, the company entered into an agreement for consulting and integration services in the amount of US \$25,000. Services were completed by September 7, 2022.

16. Update on COVID-19

COVID-19, which has been recognized by the World Health Organization as a pandemic, has spread rapidly and extensively across the globe. The potential economic effects within the company's environment and in the global markets due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the company's operations.

BLUEPRINT REALITY INC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEARS ENDED MARCH 31, 2022 AND 2021
(In Canadian Dollars)

The company cannot estimate the length and gravity of the COVID-19 pandemic. The company is continually monitoring and assessing new information and recommendations from health and government authorities as it becomes available and will continue to respond accordingly.

As of the date of the approval of the financial statements, the company has been limited in its ability to participate in event marketing and the company has had projects suspended due to COVID-19. While this presents uncertainty over future revenues, management expects the company will have adequate cash flow to fund its operations during this crisis through obtaining discounts or deferrals in consulting expenses and tight controls over operating expenses.



BLUEPRINT REALITY INC.
INTRERIM FINANCIAL STATEMENTS
YEAR-TO-DATE
From
APRIL 1, 2022 TO SEPTEMBER 30, 2022
(UNAUDITED – PREPARED BY MANAGEMENT)

BLUEPRINT REALITY INC.
STATEMENT OF FINANCIAL POSITION
as of SEPTEMBER 30, 2022.
(In Canadian Dollars)

	As of Sep 30, 2022 (Unaudited)	As of Mar 31, 2022 (Audited)
<u>ASSETS</u>		
Current assets		
Cash	\$ 31,089	\$ 114,094
Accounts receivable	9,999	29,131
Government remittances receivable		6,348
	41,088	149,573
Non-current assets		
Property and equipment	82,025	126,575
Total Assets	123,113	276,148
<u>LIABILITIES</u>		
Current liabilities		
Accounts payable and accrued liabilities	75,734	121,203
Due to related parties	304,626	236,304
	380,360	357,507
Non-current liabilities		
CEBA loan payable	40,000	40,000
	40,000	40,000
<u>SHAREHOLDERS' DEFICIT</u>		
Share capital	4,078,721	4,048,967
Share-based payment reserve	94,151	94,151
Deficit	(4,470,119)	(4,264,477)
	(297,247)	(121,359)
	\$ 123,113	\$ 276,148

Approved by:


T. Williams, Director


B. Sheftel, Director

BLUEPRINT REALITY INC.
STATEMENT OF COMPREHENSIVE LOSS
FOR THE INTERIM PERIOD TO SEPTEMBER 30, 2022
(In Canadian Dollars)

	Apr - Sep 2022 (Unaudited)	Apr - Sep 2021
Revenues		
Services	\$ 71,843	\$ -
Products	391	559
	<u>72,234</u>	<u>559</u>
Cost of Sales		
Direct costs	38,183	-
Gross Profit		
	<u>34,051</u>	<u>559</u>
Operating expenses		
Amortization	20,547	2,160
Commissions	17,003	13,500
Consulting fees	25,193	-
Interest and bank charges	2,330	2,178
Management fees	57,000	49,000
Office & IT	15,356	9,615
Payroll	60,625	55,503
Professional fees	43,852	32,078
Rent & Storage	6,624	4,561
	<u>248,530</u>	<u>168,595</u>
Loss before other income	(214,479)	(168,036)
Other income		
Gain on foreign exchange	(1,324)	19,884
Government assistance	10,161	24,838
Net loss and comprehensive loss for the year	\$ (205,642)	\$ (123,314)

BLUEPRINT REALITY INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE INTERIM PERIOD TO SEPTEMBER 30, 2022
(In Canadian Dollars)

	No. of Shares	Amount	Share-based reserve	Deficit	Total
Balance at April 1, 2020	\$ 79,343,566	3,153,633	82,910	(3,609,561)	(373,018)
Net loss and comprehensive loss for the year				(133,905)	(133,905)
Shares issued for cash	596,334	178,900			178,900
Employee stock options vested			2,530		2,530
Balance at March 31, 2021	79,939,900	3,332,533	85,440	(3,743,466)	(325,493)
Net loss and total comprehensive loss for the year				(521,011)	(521,011)
Shares issued for cash	1,985,613	595,684			595,684
Shares issued for settlement of debt	402,500	120,750			120,750
Warrants vested			7,235		7,235
Employee stock options vested			1,476		1,476
Balance at March 31, 2022	82,328,013	4,048,967	94,151	(4,264,477)	(121,359)
Net loss and total comprehensive loss for the interim period					0
Shares issued for cash	651,563	29,754		(205,642)	(175,888)
Balance at September 2022	\$ 82,979,576	4,078,721	94,151	(4,470,119)	(297,247)

BLUEPRINT REALITY INC.
STATEMENT OF CASHFLOWS
FOR THE INTERIM PERIOD APRIL 1 TO SEPTEMBER 30, 2022
(Canadian Dollars)

	<u>Apr - Sep</u> <u>2022</u>	<u>Apr - Sep</u> <u>2021</u>
Cash used in operating activities		
Net loss for the year	(205,642)	(160,984)
Items not requiring cash:		
Amortization of property and equipment	43,310	49,296
Share-based compensation	8,711	8,711
	<u>(162,332)</u>	<u>(102,977)</u>
Changes in non-cash working capital balances		
Accounts receivable	19,131	9,364
Government remittances receivable	0	746
Prepaid expenses and deposits		2,809
Accounts payable and accrued liabilities	<u>23,715</u>	<u>(144,807)</u>
	(119,486)	(234,865)
Cash used in investing activities		
Purchases of property and equipment	(10,001)	(84,910)
Cash from financing activities		
Proceeds from loan payable	16,728	60,000
Proceeds on issuance of share capital	<u>29,754</u>	<u>368,457</u>
	46,482	428,457
Increase in cash during the interim period	(83,005)	108,682
Cash, beginning of the interim period	114,094	65,920
Cash, end of the interim period	31,089	174,602

NOTES TO
BLUEPRINT REALITY INC. (the "Company")
INTERIM FINANCIAL STATEMENTS OF SEPTEMBER 30, 2022

1. General

The Company was incorporated on September 6, 2016 as 1088680 B.C. Ltd. and registered a Change of Name to Blueprint Reality Inc. on October 17, 2016. It operates its business from 220-1685 West Fourth Avenue, Vancouver British Columbia and has developed a software platform and underlying technologies with the mark *Mixcast* to provide development tools, games, media experiences and educational uses for the expanding markets of Virtual Reality/Augmented Reality/Mixed Reality (VR/AR and M/R).

Although the Company has had revenues from the sales of its games and tools and contract development work, it may still be classified as being in a pre-commercial stage.

During the interim period of April 1 to September 30, 2022, the Company incurred losses of \$205,642 (\$521,011 for the previous fiscal year) and a cashflow deficit of \$119,487 (490,184 for the previous fiscal year). The Company has not yet realized a profit from operations and continues to rely on sources of financing to supplement the funding of its activities. The ongoing costs related to development of its technology have consistently been expensed and not deferred as an intangible asset.

2. Basis of Accounting

The financial statements for the interim period ending September 30, 2022 have been prepared on the basis of no changes to the organizational structure or operations of the company since the most recent audited statements of March 31, 2022 that are in compliance with International Financial Reporting Standards ("IFRS"). Similarly, the use of accounting judgements and estimates and significant accounting policies are those aligned with and stated in the most recent audited statements.

3. Government Loan and Assistance

The company received \$40,000 on July 15, 2020 and another \$20,000 on December 18, 2020 under the Canada Emergency Business Account ("CEBA") program to be used for non-deferrable operating expenses. The loan is guaranteed by the Canadian government, unsecured, and interest-free through December 31, 2023. \$20,000 is eligible for forgiveness, contingent on the company repaying \$40,000 on or before December 31, 2023. Any unpaid balance at as that date will be converted to a 2-year term loan bearing interest.

During the interim period to September 30, 2022, no government funding under the Scientific Experimental and Research Development (SR&ED) program was received.

During the interim period to September 30, 2022, the Company was entitled to and received subsidies under the Hardest Hit Business Recovery Program (HHBRP) totalling \$8,821.

4. Share Capital

The authorized share capital consists of 100,000,000 Common voting shares without par value and 20,000,000 Preferred shares without part value.

Issued and Outstanding:

- As of March 31, 2022 - 82,328,013 Common shares (\$4,048,967)
- During the interim period, an additional 651,563 Common shares were issued including a warrant for 571,429 shares for total cash proceeds of \$29,754.
- As of September 30, 2022 - 82,979,576 Common shares (\$4,078,721)

Subsequent to September 30, 2022:

- 4,000,000 Common shares held by a Founder were returned to treasury.
- The number of authorized Common shares was increased to Unlimited as a result of a Shareholders' Resolution passed at a Special General Meeting.
- Subscription for an additional 30,000 Common shares were approved for cash proceeds of \$9,000
- Options were granted for an additional 10,000,000 Common shares

5. Related Party Transactions

During the interim period to September 30, 2022 total of \$16,728 was repaid against outstanding loans payable to Farcast Operations, a company related to a Director.

During the interim period to September 30, 2022 an additional \$81,000 was accrued as loans payable to a Shareholder.

6. Capital Purchases

During the interim period to September 30, 2022, an addition \$10,407 was expensed on equipment purchases of which \$10,001 will be capitalized.

ITEM 13: DATE AND CERTIFICATE

Dated December 15, 2022

This offering memorandum does not contain a misrepresentation.

Signed:

A handwritten signature in black ink, appearing to read 'THM Williams', written over a horizontal line.

Tryon H. M. Williams CEO and Director
Blueprint Reality Inc.

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APPENDIX 1 – SHAREHOLDERS' AGREEMENT

The Shareholders' Agreement is provided to the investor separately.

New subscribers will be required to sign a Form of Accession Agreement that will be attached to the Shareholders' Agreement to acknowledge its terms and conditions.

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APPENDIX 2 – SUBSCRIPTION AGREEMENT

The subscription agreement for the current offering is provided to the investor separately.

All subscribers are required to sign the Risk Acknowledgement Form which forms part of the Subscription Agreement.

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