*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws. Hedging transactions involving these securities may not be conducted unless in compliance with the U.S. Securities Act. These securities may not be offered or sold in the United States and may not be reoffered, resold or transferred to, or for the account or benefit, of a U.S. Person (as that term is defined in Regulation S of the U.S. Securities Act) absent registration or exemptions from registration under such laws. See "Plan of Distribution".*

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Curtis Smith, Director of Finance of Eguana Technologies Inc. at 6143 – 4th Street SE, Unit 3, Calgary, Alberta T2H 2H9, telephone: (403) 508-7177, and are also available electronically at www.sedar.com.

SHORT FORM PROSPECTUS

New Issue **June 27, 2016**

EGUANA TECHNOLOGIES INC.

Minimum Offering/Maximum Offering: $6,000,000 (27,272,728 Common Shares)

Price: $0.22 per Common Share

This short form prospectus (the "**Prospectus**") qualifies the distribution (the "**Offering**") of 27,272,728 common shares (the "**Common Shares**") of Eguana Technologies Inc. ("**Eguana**" or the "**Company**") at a price of $0.22 per Common Share (the "**Offering Price**") for gross proceeds of $6,000,000 (the "**Offering**"). The Common Shares will be offered and sold pursuant to the terms of an agency agreement (the "**Agency Agreement**") entered into between Eguana and Mackie Research Capital Corporation ("**Mackie**" or the "**Agent**"), as agent. The Offering is subject to a minimum subscription condition of $6,000,000. The subscription funds will be held by the Agent in trust, pending closing of the Offering. If the minimum amount is not received within the period of distribution or the Offering does not close for any other reason, the subscription proceeds will be returned to subscribers, without interest or deduction, unless such subscribers have otherwise directed the Agent. In addition to the foregoing, in no event will the distribution of the Common Shares continue after the date that is 90 days following the date that a receipt for this Prospectus is issued by the applicable securities commissions. The Offering Price was determined by arm's length negotiations between the Company and the Agent. See "*Plan of Distribution*".

The Common Shares are listed on the TSX Venture Exchange (the "**TSXV**") under the symbol "EGT". On June 24, 2016, the last trading day prior to the filing of this Prospectus, the closing price of the Common Shares on the TSXV was $0.325 per Common Share. The TSXV has conditionally approved the listing of the Common Shares and the Compensation Option Shares (as defined herein) to be distributed under this Prospectus on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV. It is a condition to the completion of this Offering that the Common Shares be listed on the TSXV.

$0.22 per Common Share

	Price to the Public	Agent's Fee(1)	Net Proceeds to Eguana(2)
Per Common Share	$0.22	$0.0165	$0.2035
Offering(3)	$6,000,000	$450,000	$5,550,000

Notes:

(1) In consideration of the services rendered by the Agent in connection with the Offering, Eguana has agreed to pay the Agent a cash fee equal to 7.5% of the gross proceeds of the Offering (including in respect of any exercise of the Option (as defined herein)) (the "**Agent's Fee**"). The Company has also agreed to grant the Agent non-transferable compensation options (the "**Compensation Options**") exercisable to purchase that number of Common Shares as is equal to 7.5% of the aggregate number of Common Shares issued and sold under the Offering, including any Common Shares sold pursuant to the exercise of the Option. Each Compensation Option will entitle the holder thereof to acquire one additional Common Share (a "**Compensation Option Share**") at the Offering Price until the date which is 24 months following the Closing Date (as defined herein). The Agency Agreement provides the Agent with the right to invite one or more investment dealers (each, a "**Selling Firm**") to form a selling group to participate in the soliciting of offers to purchase the Common Shares, which selling group will include BayFront Capital Partners, Ltd. ("**BayFront**"). Further, the Agent and BayFront have agreed that BayFront will receive 30% of the net Agent's Fee and Compensation Options issued hereunder. See "*Plan of Distribution*".

(2) Before deducting the expenses related to this Offering, estimated at $300,000, which, together with the Agent's Fee, will be paid by Eguana from the proceeds of the Offering. See "*Use of Proceeds*".

(3) Eguana has granted to the Agent an over-allotment option (the "**Option**"), exercisable in whole or in part at any time and from time to time until the date that is 30 days from and including the Closing Date, to purchase up to an additional 15% of the number of Common Shares (the "**Over-Allotment Common Shares**") sold under the

Offering on the same terms as set forth above to cover over-allotments, if any, and for market stabilization purposes. If the Option is exercised in full, the total price to the public, Agent's Fee and net proceeds to Eguana before deducting estimated expenses of $300,000 will be $6,900,000, $517,500 and $6,382,500, respectively.

A purchaser who acquires Over-Allotment Common Shares forming part of the Agent's over-allocation position acquires those Over-Allotment Common Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Option or secondary market purchases.

The following table sets out the minimum and maximum number of securities that may be issued by Eguana to the Agent pursuant to the Option and Compensation Options.

Agent's position	**Minimum and Maximum size or number of securities available**	**Exercise period or Acquisition date**	**Exercise price**
Option(1)	Up to 4,090,909 Common Shares	At any time up to 30 days from and including the Closing Date	$0.22 per Over-Allotment Common Share
Compensation Options(2)(3)	2,352,273 Compensation Option Shares	Up to 24 months after the Closing Date	$0.22 per Compensation Option Share

Notes:

(1) This Prospectus also qualifies the grant of the Option and the distribution of the securities issuable upon the exercise of the Option. See "*Plan of Distribution*".
(2) This Prospectus also qualifies the distribution of the Compensation Options and the Compensation Option Shares issuable upon exercise of the Compensation Options. See "*Plan of Distribution"*.
(3) Assumes the full exercise of the Option by the Agent.

Unless the context otherwise requires, when used in this Prospectus, all references to "Common Shares" includes the Over-Allotment Common Shares issuable upon exercise of the Option.

The Offering is not underwritten or guaranteed by any person. The Agent conditionally offers the Common Shares on a best-efforts agency basis, subject to prior sale, if, as and when issued by Eguana and accepted by the Agent in accordance with the terms and conditions contained in the Agency Agreement and subject to the approval of certain legal matters on behalf of Eguana by Dentons Canada LLP and on behalf of the Agent by Minden Gross LLP. The Agent has agreed to act, and the Company has appointed the Agent, as agent to the Company to offer the Common Shares for sale. See "*Plan of Distribution*".

An investment in the Common Shares should be considered speculative due to various factors, including the nature of the Company's business. The risk factors outlined or incorporated by reference in this Prospectus should be carefully reviewed and considered by prospective purchasers in connection with their investment in the Common Shares. See "*Forward-Looking Statements*" and "*Risk Factors*".

Subscriptions for the Common Shares will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. Provided the minimum subscription condition of $6,000,000 has been met, it is expected that the closing of the Offering will occur on or about June 30, 2016, or such later date as the Company and the Agent may agree (the "**Closing Date**"), notwithstanding the foregoing, the distribution of the common shares will not continue for a period of more than 90 days following the date that a receipt for this Prospectus is issued by the applicable securities commissions.

The Offering will be conducted under the book-based system in the Canadian jurisdictions where the Common Shares are being sold. A subscriber in a Canadian jurisdiction where the Common Shares are being sold who purchases Common Shares will receive a customer confirmation from the registered dealer through which Common Shares are purchased and who is a CDS Clearing and Depository Services Inc. ("**CDS**") participant. CDS will record the CDS participants who hold Common Share on behalf of owners who have purchased them in accordance with the book-based system. No certificates will be issued to Canadian purchasers. See "*Plan of Distribution*."

In this Prospectus, references to "Eguana", the "Company", "we", "us" and "our" refer to Eguana Technologies Inc. and/or, as applicable, one or more of its subsidiaries on a consolidated basis.

Eguana' head office and registered office is located at 6143 – 4th Street SE, Unit 3, Calgary, Alberta T2H 2H9.

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ABOUT THIS PROSPECTUS

You should rely only on the information contained or incorporated by reference in this Prospectus and are not entitled to rely on only certain parts of the information contained or incorporated by reference in this Prospectus to the exclusion of the remainder. The Company and the Agent have not authorized anyone to provide investors with different or additional information. If anyone provides you with different or additional information, you should not rely on it. The Company and the Agent are not making an offer to sell or seeking an offer to buy the Common Shares in any jurisdiction where the offer or sale is not permitted. Prospective investors should assume that the information contained in this Prospectus is accurate only as of the date on the front of this Prospectus and that information contained in any document incorporated by reference is accurate only as of the date of that document, regardless of the time of delivery of this Prospectus or of any sale of Common Shares pursuant hereto. The Company's business, financial condition, results of operations and prospects may have changed since those dates.

The Company has not done anything that would permit the offering or distribution of our securities under this Prospectus in any jurisdiction where action for that purpose is required, other than in each of the provinces of Alberta, British Columbia, Ontario and Nova Scotia. Investors are required to inform themselves about, and to observe any restrictions relating to, any offering or distribution of our securities under this Prospectus.

Market data and certain industry forecasts used in this Prospectus and the documents incorporated by reference in this Prospectus were obtained from market research, publicly available information and industry publications. Management of the Company believes that these sources are generally reliable, but the accuracy and completeness of this information is not guaranteed. Neither the Company nor the Agent has independently verified such information, and neither the Company nor the Agent makes any representation as to the accuracy of such information.

ELIGIBILITY FOR INVESTMENT

In the opinion of Dentons Canada LLP, counsel to the Company, and Minden Gross LLP, counsel to the Agent, based on the current provisions of the *Income Tax Act* (Canada) (the "**Tax Act**") and the regulations thereunder (the "**Regulations**"), provided that the Common Shares are listed on a "designated stock exchange" for the purposes of the Tax Act (which currently includes the TSXV) on the date hereof, the Common Shares will be "qualified investments" under the Tax Act and the Regulations for a trust governed by a "registered retirement savings plan" ("**RRSP**"), "registered retirement income fund" ("**RRIF**"), "tax-free savings account" ("**TFSA**"), "registered education savings plan", "deferred profit sharing plan" or "registered disability savings plan" (as those terms are defined in the Tax Act) (each, a "**Registered Plan**").

Notwithstanding that the Common Shares may be "qualified investments" for a TFSA, RRSP or RRIF, if the Common Shares are a "prohibited investment" within the meaning of the Tax Act for a Registered Plan, the holder or annuitant of the Registered Plan, as the case may be, will be subject to penalty taxes as set out in the Tax Act. The Common Shares will generally not be a prohibited investment for a Registered Plan if the holder or annuitant, as the case may be, (a) deals at arm's length with the Company for the purposes of the Tax Act, and (b) does not have a "significant interest" (as defined for purposes of the prohibited investment rules in the Tax Act) in the Company. In addition, the Common Shares will not be a prohibited investment if the Common Shares are "excluded property" (as defined in the Tax Act for purposes of the prohibited investment rules) for a Registered Plan.

Prospective purchasers who intend to invest through a Registered Plan should consult their own tax advisers with respect to whether Common Shares would be a prohibited investment having regard to their particular circumstances.

FORWARD-LOOKING STATEMENTS

This Prospectus, including the documents incorporated by reference herein, contains forward-looking statements and forward-looking information as such terms are defined under applicable Canadian securities legislation (collectively, "**forward-looking statements**"). All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as business results, investment objectives and strategy, development plans, intentions, results of operations, levels of activity, future capital and other expenditures (including the amount, nature and sources of funding thereof), business prospects and opportunities, extent of solar resources and future growth and performance. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "continuous", "potential", "target", "opportunity", "believes", "expected", "plans", "may", "will", "estimates", "would", "could", "should", "predicts" or similar statements, including negatives or other variations thereof that suggest future outcomes.

Various material factors and assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements. Those material factors and assumptions are based on information currently available to the Company, including information obtained from third party industry analysts and other third party sources. In some instances, material assumptions and material factors are presented elsewhere in this Prospectus, including the documents incorporated by reference herein, in connection with the forward-looking statements. Readers are cautioned that the following list of material factors and assumptions is not exhaustive. Specific material factors and assumptions include, but are not limited to: the performance of Eguana's businesses, including current business and economic trends; capital expenditure programs and other expenditures by Eguana and its customers; the ability of Eguana to retain and hire qualified personnel; the ability of Eguana to obtain parts, consumables, equipment, technology, and supplies in a timely manner to carry out its activities; risks associated with international operations such as political, economic and other uncertainties; the ability of Eguana to maintain good working relationships with key suppliers; the ability of Eguana to market its services and products successfully to existing and new customers; the ability of Eguana to raise additional capital in a timely manner on acceptable terms, including Eguana's ability to complete the Offering; currency exchange and interest rates; changes under governmental regulatory regimes and tax, environmental and other laws in Canada, the United States, Europe, Japan and other international jurisdictions in which Eguana sells its products; fluctuations in market value for energy storage power conversion; uncertainty in the Company's ability to develop relationships with other companies; and a stable competitive environment.

With respect to forward-looking statements contained in this Prospectus, including the documents incorporated by reference herein, management of the Company has made statements regarding, among other things: the growth in the solar power industry; the growth of the distributed energy storage industry; characteristics of the markets for distributed energy in Europe and North America; the value of our technology in enabling battery technologies to be used in lower power ratings; the competition for those segments of the market which we are targeting; the barriers to entry or lack thereof that we face in entering those markets; our ability to sell products on favorable terms; the completion and closing of the Offering and the timing thereof; the satisfaction of the conditions to closing of the Offering, including the receipt, in a timely manner, of regulatory and other required approvals and clearances, including the approval of the TSXV for the listing of the Common Shares on the TSXV; and the use of the net proceeds of the Offering.

Forward-looking statements reflect management's current beliefs with respect to future events and are based on information currently available to management of the Company. Eguana believes the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. Forward-looking statements are not guarantees of the Company's future performance and involve known and unknown risks, uncertainties and assumptions that may cause actual results, performance or achievements, or developments in our industry, to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements.

Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements, including, among others:

- risks related to the Offering including, but not limited to, the closing of the Offering; the Company's ability to operate as a going concern; the existence of an active, liquid market; risks relating to negative cash flow; discretion in the use of proceeds; future dilution and liquidity of Common Shares; risks related to forward-looking information; the Company's management identifying a material weakness in the Company's internal control over financial reporting;
- risks related to the Company's limited operating history;
- the Company being dependent on the ability and expertise of its Chief Executive Officer, Chief Technology Officer and a very limited number of employees;
- the Company having incurred losses since its inception and its anticipation that it will continue to incur substantial net losses for the foreseeable future and may never achieve or sustain profitability;
- risks relating to the Company requiring additional financing to carry out its plan of operations;
- the Company's independent registered public accounting firm having included an explanatory paragraph in its report on the Company's Annual Financial Statements (as defined below) stating that the Company has included going concern disclosure which raises substantial doubt about the Company's ability to continue as a going concern for the year ended September 30, 2015. In addition, the Company has included a similar note in the amended and restated unaudited consolidated financial statements of the Company for the six months ended March 31, 2016;
- the Company's failure to maintain effective internal controls over financial reporting;
- risks related to the Company raising additional capital by issuing securities or through debt financing that may cause dilution to existing shareholders, restrict its operations or require the Company to relinquish proprietary rights;
- risks related to the limited market awareness of the Company and its product;
- the Company cannot provide assurances that the development by others of new or improved devices or products will not result in the Company's present and future products from becoming obsolete;
- if the Company's intellectual property protection is inadequate, competitors may gain access to the Company's technology and undermine its competitive condition and any successful intellectual property challenges or infringement proceedings against us could have a material adverse effect on the Company's business, financial condition, or results of operations;
- the Company being subject to various litigation claims and legal proceedings, including intellectual property litigation, such as patent infringement claims, which may result in the Company being liable for damages and having to alter or cease certain of its business practices or product lines;

- risks related to technologies and products used or developed by the Company infringing on the patent or proprietary rights of other parties;
- if the Company's expenses are greater than anticipated, then the Company will have fewer funds with which to pursue its plan of operations and its financing requirements will be greater than anticipated;
- the Company not being able to build an effective distribution network for its products;
- risks related to competition;
- risks related to the Company's officers being subject to conflicts of interest;
- a decline in the price of the Common Shares could affect the Company's ability to raise any required working capital and adversely impact its operations;
- risks related to the future sales of the Company's equity securities diluting the ownership percentage of the Company's existing shareholders and decreasing the market price for the Common Shares; and
- the Company being authorized to issue an unlimited number of Common Shares which could result in substantial dilution to current shareholders and potential investors in the Common Shares.

By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, events or developments, or industry results, to be materially different from any future results, events or developments expressed or implied by such forward-looking statements or information. In evaluating these statements, prospective purchasers should specifically consider various factors, including the risks outlined herein and those described under the heading "*Risk Factors*" in our AIF (as defined herein) and those described from time to time in our future reports and filings available under the Company's profile on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") website at www.sedar.com. Should one or more of these risks or uncertainties or a risk that is not currently known to us materialize, or should assumptions underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein. The forward-looking statements included in this Prospectus are made as of the date of this Prospectus and, in the case of documents incorporated by reference in this Prospectus, as of the date of such documents or as otherwise indicated herein or therein, and neither the Company nor the Agent intend, nor assume any obligation, to update such forward-looking statements and forward-looking information, except as expressly required by law. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to their inherent uncertainty.

CURRENCY

Unless otherwise indicated, all references to "$", "Cdn$" or "dollars" in this Prospectus refer to Canadian dollars.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in each of the provinces of Alberta, British Columbia, Ontario and Nova Scotia. Copies of the documents incorporated by reference in this Prospectus and not delivered with this Prospectus may be obtained on request without charge from Curtis Smith, Director of Finance of Eguana Technologies Inc. at 6143 – 4th Street SE, Unit 3, Calgary, Alberta T2H 2H9, telephone: (403) 508-7177, or by accessing the disclosure documents through the Internet on the SEDAR website at www.sedar.com.

The following documents, filed with the securities commissions or similar regulatory authorities in each of the provinces of Alberta, British Columbia, Ontario and Nova Scotia, are specifically incorporated by reference, and form an integral part of, this Prospectus:

- the Company's annual information form for the period ended September 30, 2015 dated June 6, 2016 (the "**AIF**");
- the audited consolidated financial statements of the Company for the financial year ended September 30, 2015, together with the notes thereto (the "**Annual Financial Statements**");
- management's discussion and analysis of financial condition and results of operations of the Company for the financial year ended September 30, 2015;
- the amended and restated unaudited consolidated financial statements of the Company for the six months ended March 31, 2016, together with the notes thereto, that were re-filed on SEDAR on June 22, 2016;
- management's discussion and analysis of financial condition and results of operations of the Company for the six months ended March 31, 2016;
- the material change report of the Company dated October 6, 2015, reporting that the Company has closed a brokered private placement of common shares for gross proceeds of $3,517,500; and

- the Company's management information circular dated June 10, 2016 in connection with the annual general and special meeting of shareholders to be held on July 22, 2016.

Any document of the type referred to in Section 11.1 of Form 44-101F1 *Short Form Prospectus* filed by the Company with a securities commission or similar regulatory authority in Canada after the date of this Prospectus and prior to the termination of the distribution shall be deemed to be incorporated by reference into this Prospectus.

Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus shall be deemed to be modified or superseded for the purposes of this Prospectus to the extent that a statement contained herein or in any subsequently filed document which also is or is deemed to be incorporated by reference in this Prospectus modifies or supersedes that statement. Any statement so modified or superseded shall not constitute a part of this Prospectus except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, 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 to make a statement not misleading in light of the circumstances in which it was made.

MARKETING MATERIALS

Any template version of "marketing materials" (as defined in National Instrument 41-101 – *General Prospectus Requirements*) filed with the securities commission or similar authority in each of the provinces of Alberta, British Columbia, Ontario and Nova Scotia in connection with this Offering after the date hereof but prior to the termination of the distribution of the Common Shares (and any Over-Allotment Common Shares) under this Prospectus (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated by reference herein.

EGUANA TECHNOLOGIES INC.

The following description of the Company is derived from selected information about the Company contained in the documents incorporated by reference in this Prospectus and does not contain all of the information about the Company and its business that should be considered in full before investing in the Common Shares. This Prospectus and the documents incorporated by reference herein should be reviewed and considered by prospective purchasers in connection with their investment in the Common Shares.

Our Business

Eguana designs and manufactures power control products for grid interactive energy storage systems using advanced batteries. Based on our core power electronics technology, our products are designed with value added system integration as appropriate for their target market.

Our products charge and discharge batteries converting alternating current to direct current to charge the battery and converting DC to AC to discharge batteries in a seamless bi-directional conversion process. Our products are also the point of connectivity of an energy storage system with the power grid and the consumer or "load" and are the primary focus of regulatory control over the interconnection of the energy storage system to the power grid. All integrated energy storage systems (ESS) have three major components, the software controller (energy management system), the battery, and the advance power controls.

Our focus is on distributed energy storage located at the point of consumption, or grid edge, rather than the point of generation. There are multiple applications for our products including the storage of renewable energy, especially solar energy produced at low demand periods throughout the day to meet peak demand periods in the evenings, providing peak shaving capacity for commercial businesses to reduce utility demand charges, providing grid improvements with respect to voltage control, frequency regulation, and capacity to the utilities and power grid operators, providing residential back up power to homeowners, and providing power to super-charge electric vehicles.

We believe that our competitive advantage is based on our core technology efficiency advantage, our flexible design for integration, our software-driven open controls architecture, and our integration capabilities.

Our business is global. Our primary markets today are in Europe, the United States, Australia and Japan. We have manufactured and shipped more than 5,000 systems in the past 2 years, primarily to markets in Europe, Australia, and the United States.

Intellectual Property

The following patents have been issued by the United States Patent Office ("**USPTO**") and are owned by the Company:

- U.S. Patent Nos. 6,198,178; 6,608,404; and 6,978,916 describe the step wave power conversion process used by Eguana to allow low voltage DC power to be more efficiently converted into AC power using the controlling step wave voltages output from multiple different bridge circuits so that in combination the voltages create an AC output voltage.

- U.S. Patent Nos. 6,628,011 and 6,882,063 describe how power transfer is managed between a plurality of different DC power sources and a DC bus using a rechargeable DC power source.

- U.S. Patent No. 6,765,315 describes a fuzzy logic power conversion concept whereby a control circuit monitors voltage levels and power demands on opposite sides of the inverter and then controls the operations of the converter or inverter according to the monitored voltage levels and power demands.

- U.S. Patent No. 6,738,692 describes a process where a plurality of modules configured to perform power conversion and power management operations are connected together through a common backplane.

- U.S. Patent No. 7,087,332 describes a power slope targeting process for optimizing the performance of fuel cells by identifying in real time a maximum allowable power output and adjusting the electrical parameters of the fuel cell to output power at approximately the identified maximum allowable power level.

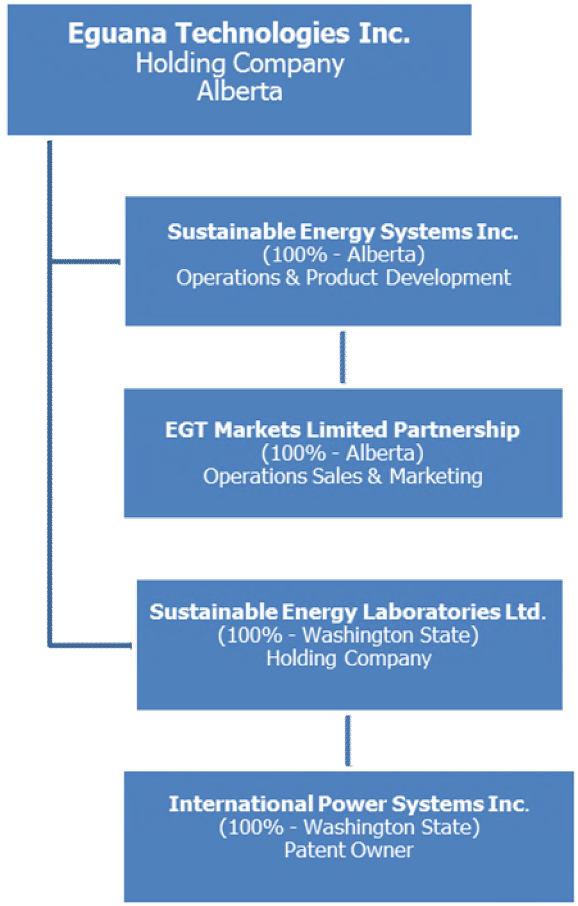
- US Patent No 8,026,639 describes a control scheme for backup power and off grid applications.

- US patent No. 8,031,495 describes a robust controller and the single transformer topology.

In addition to the foregoing, in February 2016, the Company made a provisional filing with the USPTO covering 5 new inventions related to AC Battery concepts.

In addition to our patents, we rely on copyrights, trademarks, trade secrets, and contracts to protect our technologies, products, and brands. The Company has registered the Bi-Direx™ trademark in the United States and Europe, and we assert copyright ownership for our published materials and for the software embedded in our products. We use technical means to prevent unauthorized copying of the software embedded in our products.

Intercorporate Relationships



Eguana owns 100% of Sustainable Energy Systems Inc. ("**SES**") and Sustainable Energy Laboratories Ltd. ("**SET Labs**") and is the sole limited partner of EGT Markets Limited Partnership ("**EGT LP**"). SES controls EGT LP as general partner of EGT LP with a net 1% interest in EGT LP. SES is the 100% owner of SET Labs, which owns 100% of International Powers Systems Inc. In addition to the entities described above, Eguana also has interests in other foreign companies which are not active and not material to the operations of the Company.

Corporate Information

Eguana is a corporation existing under the *Business Corporations Act* (Alberta) (the "**ABCA**"). Eguana was incorporated under the ABCA on November 4, 1996 as RTM Holdings Inc. ("**RTM**"). On September 30, 1999, RTM acquired all of the issued and outstanding shares of Sustainable Energy Systems Inc. (**"SES"**), a privately owned Alberta corporation organized to develop and manufacture generation systems for remote micro-grid markets. On July 2, 1997, RTM amended its articles and changed its name to Sustainable Energy Technologies Ltd. On December 21, 2012, Sustainable Energy Technologies Ltd. amended its articles to consolidate the issued and outstanding common shares on a ten to one basis. On November 1, 2013, Sustainable Energy Technologies Ltd. amended its articles and changed its name to Eguana Technologies Inc.

Recent Developments

Private Placements

On September 29, 2015, the Company completed a private placement of 67,000,000 Common Shares at a price if $0.0525 per share for aggregate gross proceeds of $3,517,500. Concurrently with the closing of the private placement, the Company and DHCT II Luxembourg, S.A.R.L. ("**DHCT**") entered into a seventh amended and restated investor rights agreement pursuant to which DHCT will, among other things, retain its right to appoint one director of the Company and to ex officio membership on committees of the Board of Directors of Eguana and the right to approve the issuance of securities that are senior to the Common Shares.

On December 31, 2015, the Company completed a private placement and issued an aggregate of 747 exchangeable limited partnership units of EGT LP at a price of $1,000 per unit for gross proceeds of $747,000. Pursuant to the terms of the units, the Company had the right to acquire all of the units in exchange for: (a) 6,790,977 Common Shares, if acquired on or before March 31, 2016; or (b) 10,186,465 Common Shares if acquired after March 31, 2016. On February 23, 2016, the Corporation exercised its right to acquire all of the 747 units in consideration for 6,790,977 Common Shares.

On April 8, 2016, the Company completed a private placement of 8,148,402 Common Shares at a price of $0.12 per share for aggregate gross proceeds of $977,808. In addition, the Company completed a second closing on April 15, 2016 and issued an additional 1,834,000 Common Shares for additional gross proceeds of $220,080.

Management Appointments

On November 3, 2015, Vishwas Ganesan was appointed as the Company's Director of Business Development USA, Keith Johnston was appointed as Manager of Product Design and Curtis Smith became the Company's Director of Finance.

Commercial Developments

On December 8, 2015, the Company and Itochu Corporation entered into a formal marketing agreement. Pursuant to the agreement, Itochu Corporation, a leading Japanese trading house, will develop opportunities for Eguana through their energy storage network. Itochu Corporation is currently developing opportunities in Japan, Australia, United States, and Europe.

Additional Historical Information

On December 21, 2014, in advance of the second anniversary of the issuance of the Company's Series II debentures issued on August 7, 2013, a subsidiary of the Company acquired $240,000 principal amount of the Series II debentures of the Company that were owned by Justin Holland, Michael Carten and Robert Penner for face value. In addition, on December 21, 2014, $42,167 of the remaining principal amount of the Series I debentures issued on June 29, 2012 that were issued to Justin Holland were acquired by a subsidiary of the Company.

At the time of the acquisition, Justin Holland was Chief Operating Officer of the Company, Michael Carten was President, Chief Executive Officer and a director of the Company and Robert Penner was a director of the Company. Pursuant to the acquisition of the Series I and Series II debentures by the Company:

- Justin Holland transferred $102,167 principal amount of debentures to a subsidiary of the Company for aggregate proceeds of $102,167. The principal amount transferred to the subsidiary of the Company was comprised of: (i) $60,000 principal amount of Series II debentures issued to Mr. Holland on August 7, 2013 for an aggregate purchase price of $52,500; and (ii) $42,167 remaining principal amount of Series I debentures issued on June 29, 2012 for an aggregate purchase price of $40,250;

- Michael Carten transferred $120,000 principal amount of debentures to a subsidiary of the Company for aggregate proceeds of $120,000. The principal amount transferred to the subsidiary of the Company was comprised of $120,000 principal amount of Series II debentures issued to Mr. Carten on August 7, 2013 for an aggregate purchase price of $105,000; and

- Robert Penner transferred $60,000 principal amount of debentures to a subsidiary of the Company for aggregate proceeds of $60,000. The principal amount transferred to the subsidiary of the Company was comprised of $60,000 principal amount of Series II debentures issued to Mr. Penner on August 7, 2013 for an aggregate purchase price of $52,500.

During the course of the Company's December 2014 private placement, a key subscriber imposed a closing condition on the Company requiring that the Company meet a minimum subscription amount prior to the closing of the offering. After a review of the financial position of the Company, management and the board of directors agreed, through the Company's wholly-owned subsidiary, to acquire the debentures from Messrs. Holland, Carten and Penner. Prior to the purchase of the debentures, the individuals provided a verbal non-binding confirmation to the Company that they proposed to utilize the proceeds from the disposition of their debentures to participate in the Company's December 2014 private placement. The Company acquired the debentures from Messrs. Holland, Carten and Penner and did not make an offer to acquire all of the Series II debentures of the Company that were outstanding because: (i) Messrs. Holland, Carten and Penner approached the Company with the offer to sell their Series II debentures at face value; (ii) the Company needed to complete the acquisition of the debentures in an expedited manner; and (iii) after considering the value of the Series II debentures, management of the Company believed that the other holders of the debentures would be unwilling to sell such debentures at face value.

Messrs. Holland, Carten and Penner elected to participate in the December 2014 private placement where the Company issued an aggregate of 16,057,903 units at a price of $0.30 per unit for aggregate gross proceeds of $4,817,371. By having Messrs. Holland, Carten and Penner participate in the private placement, the Company was able to meet the minimum subscription condition which helped ensure the ability of the Company to continue its operations and reduced the Company's ongoing debt obligations at face value without requiring the Company to pay a premium to the holders of the debentures. Messrs. Holland, Carten and Penner purchased an aggregate of $330,000 of units in connection with the December 2014 private placement. For further details on the private placement, please see the Company's AIF which is available on SEDAR.

Pursuant to Section 5.9 of TSX Policy 3.1 – *Directors, Officers, Other Insiders & Personnel and Corporate Governance* ("**Policy 3.1**"), every issuer listed on the TSXV must have a Chief Executive Officer and a Chief Financial Officer who are not the same person. At present, Justin Holland, the Chief Executive Officer of Eguana, is also acting as Chief Financial Officer of the Company. As a result of the foregoing, Eguana is not currently in compliance with the requirements imposed by Policy 3.1; however, as the Company's bank accounts require two (2) signatures and four (4) individuals are presently designated as signatories on these accounts, the TSXV has provided the Company until September 30, 2016 to locate a new Chief Financial Officer. The Company is currently in the process of evaluating potential candidates to become Eguana's Chief Financial Officer.

CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Company as at March 31, 2016 and the pro forma consolidated capitalization of the Company as at March 31, 2016 adjusted to give effect to the Offering. The figures set forth below do not account for the exercise, if any, of the Option, unless otherwise stated.

	Authorized	**As at March 31, 2016(1)**	**As at March 31, 2016, after giving effect to the Offering (2)**
Common Shares	Unlimited	$33,344,814 157,796,300 Common Shares	$39,157,861 189,159,936 Common Shares
Preferred Shares	Unlimited	$1 1 Preferred Share	$1 1 Preferred Share
Debentures(3)	-	$1,591,427	$1,591,427

Notes:

(1) As at March 31, 2016, the Company had stock options and common share purchase warrants outstanding that could result in the issuance of up to 5,128,813 and 16,438,402 additional Common Shares, respectively.

(2) Assumes full exercise of the Option. See "*Plan of Distribution*".

(3) The Company has issued an aggregate of $2,980,000 principal amount of secured subordinated debentures, of which $2,000,166 principal amount is currently outstanding, and bear interest at a rate of 3% per annum and a royalty on revenue ranging from 0.36% to 1.82%. In addition, such debentures are secured against the assets of the Company.

USE OF PROCEEDS

The net proceeds to the Company from the Offering are estimated to be $5,250,000, after deducting the Agents' Fee of $450,000 and the estimated expenses of $300,000 of the Offering.

The Company intends to allocate the net proceeds of the Offering as follows:

Use of Proceeds	Amount
Product certification and supply chain improvement	1,000,000
Maintenance of existing debt of the Company	800,000(1)
Hiring of new employees	600,000
Office relocation and capital improvements to the research lab	500,000
Acquisition of production equipment	300,000
Marketing and business development initiatives	400,000
Ongoing operations for general corporate purposes	1,650,000
Total (exclusive of the Option):	**$5,250,000**

Note:

(1) The Company may utilize $2,000,000 of the net proceeds of the Offering to repay the Company's issued and outstanding debentures at such time as the Company determines that the economic cost of maintaining such debentures exceeds their economic benefit. At this time, the Company does not intend to exercise its right to repay the principal amount of the debentures but will utilize a portion of the net proceeds to cover payments of interest and principal that are required to be made pursuant to the terms of the debentures.

If the Option is exercised in full, the Company will receive an additional $832,500 in net proceeds after deducting the Agent's Fee associated with such exercise. The net proceeds from the exercise of the Option will be applied to ongoing operations and general corporate purposes. The Company may utilize a portion of the proceeds of the Offering to repay the principal amount of the Company's outstanding debentures. The proceeds from the issuance of the Company's outstanding debentures were primarily used to fund the operations, including for general working capital purposes, of the Company during the years in which such debentures were issued.

The Company expects the net proceeds of the Offering to advance, including and without limitation, the following business objectives: (a) improving the Company's balance sheet and capitalization; (b) increasing the employee head count to better service and grow the business; (c) improvements to the Company's research abilities and production equipment; and (d) general corporate purposes.

Pending the use of the net proceeds of the Offering, the funds may be invested in a business investment savings account and may be invested in other quality short-term investments at the discretion of management of the Company.

The Company had negative operating cash flow for its most recent interim financial period and financial year. To the extent the Company has negative cash flows in future periods, the Company may use a portion of its general working capital to fund such negative cash flows. See "*Risk Factors*".

There may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be necessary. The actual amount that the Company spends in connection with each of the intended uses of proceeds may vary significantly from the amounts specified above and will depend on a number of factors, including those referred to under "*Risk Factors*".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Dentons Canada LLP, counsel to the Company, and Minden Gross LLP, counsel to the Agent, the following is, as at the date of this Prospectus, a summary of the principal Canadian federal income tax considerations under the Tax Act and Regulations, generally applicable to an investor who acquires Common Shares pursuant to the Offering, and who, for the purposes of the Tax Act and Regulations and at all relevant times, holds the Common Shares as capital property and deals at arm's length with, and is not affiliated with, the Company or the Agent (a "**Holder**"). The Common Shares will generally be considered to be capital property to a Holder unless the Holder holds such Common Shares in the course of carrying on a business of buying and selling securities or has acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to: (i) a Holder that is a "financial institution" as defined in the Tax Act for the purposes of the "mark-to-market property" rules; (ii) a "specified financial institution" as defined in the Tax Act; (iii) a Holder an interest in which is a "tax shelter investment" as defined in the Tax Act; (iv) a Holder to whom the "functional currency" reporting rules in the Tax Act apply; (v) a Holder that is a foreign affiliate (as defined in the Tax Act) of a taxpayer resident in Canada; or (vi) a Holder that has entered into or will enter into a "derivative forward agreement" or a "synthetic disposition arrangement" (as those terms are defined in the Tax Act) with respect to the Common Shares. This summary is also not applicable to a Holder that is a corporation resident in Canada, and is, or becomes, controlled by a non-resident corporation for the purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. All such Holders should consult their own tax advisors with respect to the income tax considerations applicable to it in respect of acquiring, holding and disposing of Common Shares.

This summary is based on the current provisions of the Tax Act and the Regulations and an understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**"), made public prior to the date hereof. This summary takes into account all proposed amendments to the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada), prior to the date hereof (the "**Proposed Amendments**") and assumes that such Proposed Amendments will be enacted in the form proposed, although no assurance can be given that the Proposed Amendments will be enacted in their current form or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any other changes in law or any changes in the CRA's administrative policies and assessing practices, whether by judicial, governmental or legislative action or decision, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. This summary is not exhaustive of all Canadian federal income tax considerations. The relevant tax considerations for Holders may vary according to the status of the Holder, the jurisdiction in which the Holder resides or carries on business and the Holder's own particular circumstances. **Accordingly, prospective Holders are urged to consult their own tax advisors about the specific tax consequences to them of acquiring, holding and disposing of Common Shares.**

Residents of Canada

The following discussion applies to a Holder who, for the purposes of the Tax Act, and at all relevant times, is, or is deemed to be, resident in Canada, which Holder is referred to herein as a "**Resident Holder**."

Dividends

A Resident Holder who is an individual (other than certain trusts) will be required to include in income any dividends received or deemed to be received on the Common Shares, and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by the Company as "eligible dividends" as defined in the Tax Act.

A Resident Holder that is a corporation will be required to include in income any dividend received or deemed to be received on the Resident Holder's Common Shares, and generally will be entitled to deduct an equivalent amount in computing its taxable income. A "private corporation" (as defined in the Tax Act) or a "subject corporation" (as defined in the Tax Act), may be liable under Part IV of the Tax Act to pay a refundable tax of 38⅓% on any dividend that it receives or is deemed to receive on its Common Shares to the extent that the dividend is deductible in computing the Resident Holder's taxable income. In certain circumstances, however, subsection 55(2) of the Tax Act may deem a dividend received (or deemed to be received) by a resident holder that is a corporation to be proceeds of disposition or a capital gain.

Disposition of Shares

A disposition or deemed disposition of a Common Share by a Resident Holder will generally result in a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of the disposition, exceed (or are less than) the adjusted cost base to the Resident Holder of such Common Shares immediately before the disposition. See "*Residents of Canada—Taxation of Capital Gains and Capital Losses*."

Taxation of Capital Gains and Capital Losses

Generally, one-half of the amount of any capital gain (a "**taxable capital gain**") realized by a Resident Holder will be included in the Resident Holder's income for the year of disposition. One-half of the amount of any capital loss (an "**allowable capital loss**") realized by a Resident Holder in a taxation year generally must be deducted by the Resident Holder against taxable capital gains in that year (subject to, and in accordance with, the provisions of the Tax Act). Any excess of allowable capital losses over taxable capital gains of a Resident Holder realized in the year of disposition may be carried back up to three taxation years or forward indefinitely and deducted against net taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

Alternative Minimum Tax on Resident Holders

A capital gain realized, or a dividend received, by a Resident Holder who is an individual(and certain trusts) may give rise to liability for minimum tax under the Tax Act.

Additional Refundable Tax

A Resident Holder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation" (as defined in the Tax Act) may be subject to pay a refundable tax of $10^{2/3}$% on its "aggregate investment income" (as defined in the Tax Act).

Non-Residents of Canada

The following portion of this summary is applicable to a Holder who: (i) has not been, is not, and will not be resident or deemed to be resident in Canada for purposes of the Tax Act; and (ii) does not and will not use or hold, and is not and will not be deemed to use or hold, the Common Shares in connection with, or in the course of, carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere, or an "authorized foreign bank" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors.

Dividends

A dividend paid or credited on the Common Shares to a Non-Resident Holder generally will be subject to Canadian withholding tax at a rate of 25% of the gross amount of the dividend, unless the rate is reduced under the provisions of an applicable income tax convention. The rate of withholding tax under the Canada-U.S. Income Tax Convention (1980) (the "**U.S. Treaty**") generally will be 15% for a Non-Resident Holder, who is the beneficial owner of the dividend, a resident of the United States for the purposes of the U.S. Treaty and is eligible for benefits under the U.S. Treaty. The Company will be required to withhold the required amount of withholding tax from the dividend, and to remit it to CRA for the account of the Non-Resident Holder.

Disposition of Shares

A Non-Resident Holder who disposes or is deemed to dispose of the Common Shares that were acquired under the Offering will not be subject to Canadian income tax in respect of any capital gain realized on the disposition unless such Common Shares constitute "taxable Canadian property" of the Non-Resident Holder for the purposes of the Tax Act and no exemption is available under an applicable income tax convention between Canada and the jurisdiction in which the Non-Resident Holder is resident.

Generally, the Common Shares will not be taxable Canadian property of a Non-Resident Holder at a particular time provided that the Common Shares are listed on a designated stock exchange (which currently includes the TSXV) at that time, unless, (a) (i) at any time during the 60-month period immediately preceding the disposition one or any combination of: (A) the Non-Resident Holder, (B) persons with whom the Non-Resident Holder does not deal at arm's length (within the meaning of the Tax Act), and (C) partnerships in which the Non-Resident Holder or a person described in (B) holds a membership interest directly or indirectly through one or more partnerships owned 25% or more of the issued shares of any series or class of the Company's capital stock and (ii) more than 50% of the fair market value of the Common Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act) or options in respect of, or interests in, or for civil law, rights in such property, whether or not such property exists; or (b) the Common Shares are deemed under the Tax Act to be taxable Canadian property of the Non-Resident Holder. Non-Resident Holders whose Common Shares are taxable Canadian property should consult their own tax advisors for advice having regard to their particular circumstances.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

This Prospectus qualifies the distribution of the Common Shares issued under the Offering pursuant to the terms of the Agency Agreement.

The Company is authorized to issue an unlimited number of Common Shares without par value. As of June 24, 2016, there were 167,942,827 Common Shares issued and outstanding, 6,699,583 Common Shares issuable upon exercise of outstanding stock options and 16,988,045 Common Shares issuable upon exercise of outstanding common share purchase warrants.

Holders of Common Shares are entitled to receive notice of any meetings of shareholders of the Company, and to attend and to cast one vote per Common Share at all such meetings. Each Common Share held entitles the holder to receive dividends as and when declared by the Board of Directors of Eguana. As at the date hereof, the Board of Directors of Eguana has not declared any dividends. In the event of the liquidation, dissolution or winding-up of the Company other distribution of assets of the Company among its shareholders for the purposes of winding-up its affairs or upon a reduction of capital the holders of the Common Shares shall, share equally, share for share, in the remaining assets and property of the Company.

The Compensation Option Shares are Common Shares.

PRIOR SALES

For the 12-month period before the date of this Prospectus, the Company issued the following Common Shares, or securities exchangeable or convertible into Common Shares:

Type of Security	Date of Issuance/Grant	Number of Securities Issued	Issue/Exercise Price
Options	June 30, 2015	200,000	$0.35
Warrants	September 29, 2015	4,690,000	$0.0525
Common Shares	September 29, 2015	67,000,000	$0.0525
Options	October 5, 2015	225,000	$0.08
Options	November 2, 2015	150,000	$0.12
Limited Partnership Units(1)	December 31, 2015	747	$1,000
Warrants	December 31, 2015	216,820	$0.11
Warrants	January 29, 2016	139,583	$0.12
Common Shares	February 23, 2016	6,790,977	See Note 2
Common Shares	April 8, 2016	8,148,402	$0.12
Common Shares	April 15, 2016	1,834,000	$0.12
Warrants	April 16, 2016	698,768	$0.12
Options	May 19, 2016	500,000	$0.175

Type of Security	Date of Issuance/Grant	Number of Securities Issued	Issue/Exercise Price
Options	May 19, 2016	500,000	$0.325
Options	June 6, 2016	695,000	$0.235

Notes:

(1) See "*Recent Developments – Private Placements*".
(2) Pursuant to the terms of the limited partnership units issued on December 31, 2016, the Company acquired the units in exchange for the 6,790,977 Common Shares.

TRADING PRICE AND VOLUME

The Common Shares are listed and posted for trading on the TSXV under the symbol "EGT". The following table sets forth trading information for the Common Shares on the TSXV for the 12 months preceding the date of this Prospectus.

Month	Monthly High Price ($)	Monthly Low Price ($)	Monthly Volume
June 2015	0.31	0.24	1,282,463
July 2015	0.24	0.10	4,465,374
August 2015	0.12	0.06	1,580,754
September 2015	0.10	0.07	1,967,334
October 2015	0.12	0.07	2,604,693
November 2015	0.15	0.10	2,417,708
December 2015	0.14	0.10	2,168,045
January 2016	0.13	0.08	3,951,611
February 2016	0.14	0.09	3,037,642
March 2016	0.16	0.09	5,193,794
April 2016	0.17	0.12	3,388,415
May 2016	0.22	0.14	9,296,522
June 2016(1)	0.39	0.20	27,966,463

Note:

(1) From June 1 to June 24, 2016.

PLAN OF DISTRIBUTION

Pursuant to an Agency Agreement entered into between the Company and the Agent, the Company has appointed Mackie to act as the agent to offer for sale, on a best efforts basis by way of a public offering in Canada, 27,272,728 Common Shares at the Offering Price for aggregate gross proceeds of $6,000,000. The Offering Price was determined by arm's length negotiations between the Company and the Agent. The Offering is subject to a minimum subscription condition of $6,000,000. The subscription funds will be held by the Agent in trust, pending closing of the Offering. If the minimum amount is not received within the period of distribution or the Offering does not close for any other reason, the subscription proceeds will be returned to subscribers, without interest or deduction, unless such subscribers have otherwise directed the Agent. In addition to the foregoing, in no event will the distribution of the Common Shares continue after the date that is 90 days following the date that a receipt for this Prospectus is issued by the applicable securities commissions.

Eguana will grant to the Agent the Option, which is exercisable in whole or in part at any time and from time to time until the date that is 30 days from and including the Closing Date to purchase up to an additional 15% of the Common Shares sold under the Offering on the same terms as set forth above to cover over-allotments, if any, and for market-stabilization purposes. This Prospectus qualifies the grant of the Option and the distribution of the Over-Allotment Common Shares on the exercise of the Option. A purchaser who acquires Over-Allotment Common Shares forming part of the Agent's over-allocation position acquires those Over-Allotment Common Shares under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Option or secondary market purchases.

It is a condition to the completion of this Offering that the Common Shares be listed on the TSXV. The TSXV has conditionally approved the listing of the Common Shares and the Compensation Option Shares (as defined herein) to be distributed under this Prospectus on the TSXV. Listing will be subject to the Company fulfilling all of the listing requirements of the TSXV.

The Agency Agreement provides that the obligations of the Agent under the Agency Agreement may be terminated at the Agent's discretion on the basis of "material change out", "due diligence out", "disaster out", "market out", "regulatory out" and may also be terminated on the occurrence of certain other stated events, including breach of the Agency Agreement. The Agency Agreement will also provide that the Company will be required to indemnify the Agent and its directors, officers, employees, shareholders and representatives against certain liabilities and expenses.

The expenses of this Offering, not including the Agent's Fee, are estimated to be $300,000 and are payable by Eguana. The aggregate Agent's Fee will be equal to 7.5% of the gross proceeds raised from the Offering and the Option. The Agent will also receive, on the Closing Date, Compensation Options to purchase, in the aggregate, that number of Compensation Option Shares as is equal to 7.5% of the aggregate number of Common Shares issued and sold under the Offering, including any Common Shares sold pursuant to the exercise of the Option. Each Compensation Option is exercisable for a period of 24 months from the Closing Date, to acquire one Common Share at the Offering Price. The Compensation Options are non-transferable. This Prospectus qualifies the distribution of the Compensation Options and the securities issuable upon exercise of the Compensation Options.

The Agency Agreement permits the Agent the right to invite one or more Selling Firms to form a selling group to participate in the soliciting of offers to purchase the Common Shares, which selling group will include BayFront. The Agent and BayFront have agreed that BayFront will receive 30% of the net Agent's Fee and the Compensation Options issued hereunder. The Agent has the exclusive right to control all additional compensation arrangements between the other members of the selling group, if applicable. The Agent shall comply, and ensure that any Selling Firm shall agree with the Agent to comply, with all applicable laws and with the covenants and obligations given by the Agents herein.

Whether or not the Offering is completed, the Company has agreed to pay the reasonable out-of-pocket documented Offering expenses incurred by the Agent, including the reasonable out-of-pocket fees and disbursements of legal counsel to the Agent.

Eguana has agreed, subject to certain exceptions, not to authorize, sell or issue or announce its intention to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any securities of the Company (including those that are convertible or exchangeable into securities of the Company), other than in connection with: (i) the incentive stock option plan of the Company as it currently exists; (ii) securities outstanding as at the date of this Prospectus that are convertible or exchangeable into Common Shares (or securities convertible into or exchangeable for Common Shares); or (iii) any acquisitions, for a period of 120 days subsequent to the filing of the final prospectus, without the prior written consent of Mackie, which consent may not be unreasonably withheld.

The Agent conditionally offers the Common Shares on a best efforts basis, subject to prior sale if, as and when issued by the Company and accepted by the Agent in accordance with the terms and conditions contained in the Agency Agreement, and subject to approval of certain legal matters on behalf of the Company by Dentons Canada LLP and on behalf of the Agent by Minden Gross LLP. While the Agent has agreed to use its best efforts to sell the Common Shares, the Agent is not obligated to purchase the Common Shares that are not sold. Subscriptions for the Common Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. Provided that the minimum subscription condition of $6,000,000 has been met, the closing of the Offering is expected to occur on or about June 30, 2016, or such other date as may be agreed on by the Company and the Agent, notwithstanding the foregoing, the distribution of the Common Shares will not occur for a period of more than 90 days following the date that a receipt for this Prospectus is issued by the applicable securities commissions.

The Offering will be conducted under the book-based system in the Canadian jurisdictions where the Common Shares are being sold. A subscriber in a Canadian jurisdiction where the Common Shares are being sold who purchases Common Shares will receive a customer confirmation from the registered dealer through which Common Shares are purchased and who is a CDS participant. CDS will record the CDS participants who hold Common Shares on behalf of owners who have purchased them in accordance with the book-based system. No certificates will be issued to Canadian purchasers.

Pursuant to rules and policy statements of certain Canadian securities regulators, the Agent may not, at any time during the period ending on the date the selling process for the Common Shares ends and all stabilization arrangements relating to the Common Shares are terminated, bid for or purchase Common Shares. The foregoing restrictions are subject to certain exceptions including: (i) a bid for or purchase of Common Shares if the bid or purchase is made through the facilities of the TSXV in accordance with the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada; (ii) a bid or purchase on behalf of a client, other than certain prescribed clients, provided that the client's order was not solicited by the Agent or if the client's order was solicited, the solicitation occurred before the commencement of a prescribed restricted period; and (iii) a bid or purchase to cover a short position entered into prior to the commencement of a prescribed restricted period. In connection with this Offering, the Agent may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market, including: short sales; purchases to cover positions created by short sales; imposition of penalty bids; syndicate covering transactions and stabilizing transactions.

No action has been taken in any jurisdiction by the Company or the Agent that would permit a public offering of the Common Shares, other than in each of the provinces of Alberta, British Columbia Ontario or Nova Scotia. No offer or sale of the Common Shares may be made in any jurisdiction except in compliance with the applicable laws thereof. Persons receiving this Prospectus are responsible for informing themselves about and observing any restrictions as to the Offering and the distribution of this Prospectus.

The Common Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws. Accordingly, the Common Shares may not be offered, sold or delivered within the United States, and the Agent has agreed that it will not offer, sell or deliver the Common Shares within the United States.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy the Common Shares in the United States or to, or for the account or benefit of, U.S. Persons.

RISK FACTORS

An investment in the Common Shares should be considered highly speculative and involves significant risks due to the nature of our business and our limited operating history. Investors should carefully consider the information included or incorporated herein by reference in this Prospectus and Eguana's historical consolidated financial statements and related notes thereto, before making an investment decision concerning the Common Shares. There are various risks, including those set forth below and those discussed in the Company's AIF, which are incorporated herein by reference, that could have a material adverse effect on, among other things, the Company's strategic plans, the operating results of properties, and the business and condition (financial or otherwise) of Eguana.

These risk factors, together with all other information included or incorporated by reference in this Prospectus, including, without limitation, information contained in the section "*Forward Looking Statements*" as well as the risk factors set out below, should be carefully reviewed and considered by investors.

Risks Related to the Offering

Going Concern

The Company has included a "going concern" qualification in the notes to the Company's unaudited interim condensed consolidated financial statements for the period ended March 31, 2016 and which is incorporated by reference in this Prospectus. The Company's report from its independent registered public accounting firm for the year ended September 30, 2015 includes an explanatory paragraph stating that the Company has included going concern disclosure in its consolidated financial statements due to recurring losses from operations and net capital deficiency which raise substantial doubt about its ability to continue as a going concern.

If the Company is unable to obtain sufficient funding, its business, prospects, financial condition and results of operations will be materially and adversely affected and the Company may be unable to continue as a going concern. If the Company is unable to continue as a going concern, the Company may have to liquidate its assets and investors will likely lose all or a part of their investment. If the Company seeks additional financing to fund business activities in the future and there remains doubt about its ability to continue as a going concern, investors or other financing sources may be unwilling to provide additional funding on commercially reasonable terms or at all.

Active Liquid Market for Common Shares

There may not be an active, liquid market for the Common Shares. There is no guarantee that an active trading market for the Common Shares will be maintained on the TSXV. Investors may not be able to sell their Common Shares quickly or at the latest market price if trading in the Common Shares is not active.

Negative Operating Cash Flow

A portion of the net proceeds from the Offering will be used to fund negative cash flow from operating activities in future periods. The Company has negative cash flow from operating activities. During the fiscal year ended September 30, 2015, the Company incurred a net loss of $8,788,807 and for the six-month period ended March 31, 2016, incurred a net loss of $2,520,134. The Company anticipates that it will continue to have negative cash flow and it expects to continue to incur losses for the foreseeable future as the Company continues to expand its market and customer base.

Discretion in the Use of Proceeds

Eguana currently intends to apply the net proceeds received from the Offering as described above under the heading "*Use of Proceeds*". However, management of the Company will have discretion concerning the use of the net proceeds of the Offering as well as the timing of their expenditures. As a result, an investor will be relying on the judgment of management for the application of the net proceeds of the Offering. Management may use the net proceeds of the Offering in ways other than as described herein if it is believed to be in the best interests of the Company, which an investor may not consider desirable. The results and the effectiveness of the application of proceeds are uncertain. If the proceeds are not applied effectively, the Company's results may suffer.

Future Sales or Issuances of Securities

Eguana may sell additional Common Shares or other securities in subsequent offerings to finance future activities. Eguana cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Common Shares. Sales or issuances of substantial numbers of Common Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, investors will suffer dilution to their voting power and Eguana may experience dilution in its earnings per share.

Forward-Looking Information May Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements and forward-looking information. By its nature, forward-looking statements and forward-looking information involve numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements and forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties are found in this Prospectus under the heading "*Forward-Looking Statements*".

AGENT FOR SERVICE OF PROCESS

Messrs. George W. Powlick and Greg Nelson, directors of the Company, reside outside of Canada. In connection with the filing of this Prospectus, Mr. Powlick and Mr. Nelson have each appointed Dentons Canada LLP, Suite 400, 77 King Street West, Toronto, Ontario, M5K 0A1, as agent for service in Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person or company that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada, even if the party has appointed an agent for service of process.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditor of the Company is BDO Canada LLP, Chartered Professional Accountants ("**BDO**"), located in Calgary, Alberta.

The transfer agent and registrar for the Company is TMX Equity Transfer Services at its principal office located in Toronto, Ontario.

INTERESTS OF EXPERTS

Certain Canadian legal matters related to the offering of securities under this Prospectus will be passed upon on behalf of Eguana by Dentons Canada LLP and on behalf of the Agent by Minden Gross LLP. As of the date of this Prospectus, none of the persons listed above received or will receive a direct or indirect interest in any property of Eguana or any of its associates or affiliates. As of the date hereof, each of such persons owns beneficially, directly or indirectly, less than one percent of any outstanding class of securities of Eguana and less than one percent of the outstanding securities of any class of Eguana' associates or affiliates.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF EGUANA TECHNOLOGIES INC.

Dated: June 27, 2016

This short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Alberta, British Columbia, Ontario and Nova Scotia.

(Signed) *Justin Holland* Chief Executive Officer	(Signed) *Justin Holland* Acting Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(Signed) *George W. Powlick* Director	(Signed) *Michael A. Carten* Director

CERTIFICATE OF THE AGENT

Dated: June 27, 2016

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Alberta, British Columbia, Ontario and Nova Scotia.

Mackie Research Capital Corporation

(Signed) *David Greifenberger*
Managing Director, Investment Banking