

TERM SHEET
D-BOX TECHNOLOGIES INC.
OVERNIGHT MARKETED PUBLIC OFFERING OF UNITS

February 17, 2021

A preliminary short form prospectus containing important information relating to the securities described in this document has been filed with the security regulatory authorities in all of the provinces of Canada. A copy of the preliminary short form prospectus, and any amendment, is required to be delivered with this document and may be obtained from Canaccord Genuity Corp. via email at ecm@cgf.com. The preliminary short form prospectus is still subject to completion or amendment. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued. This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, the final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

The offering of these securities has not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the applicable securities laws of any state of the United States and, subject to certain exceptions, may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the "United States") except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state. This document and the preliminary short form prospectus do not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered in the United States.

Information has been incorporated by reference in the preliminary short form prospectus from documents filed with securities commissions or similar authorities in Canada.

All dollar amounts are in Canadian dollars unless otherwise stated.

Issuer:	D-BOX Technologies Inc. (the "Company").
Gross Proceeds:	Approximately C\$[●] million (up to C\$[●] million assuming the Over-Allotment Option (as hereinafter defined) is exercised in full) (the "Offering").
Issue:	Up to [●] units (the "Units") of the Company (up to [●] Units assuming the Over-Allotment Option is exercised in full).
Units:	Each Unit shall consist of one common share and one common share purchase warrant of the Company (each whole warrant, a "Warrant"). Each Warrant shall be exercisable to acquire one common share of the Company (a "Warrant Share") for a period of 24 months following the Closing Date (as hereinafter defined) at an exercise price of C\$[●] per share, subject to adjustment in certain events.
Issue Price:	C\$[●] per Unit, to be determined in the context of the market (the "Issue Price").

Over-Allotment Option:	The Company has granted the Underwriters (as defined below) an over-allotment option (the “Over-Allotment Option”) to arrange for the sale of up to an additional 15% of the Units at the Issue Price, which Over-Allotment Option is exercisable in whole or in part at any time until 30 days after the Closing Date.
Type of Transaction:	Overnight marketed public offering by way of a short form prospectus in all provinces of Canada, subject to the entering into of a formal underwriting agreement, including standard industry “regulatory proceedings out”, “disaster out”, “material adverse change out”, “market out” and “breach out” clauses running up to the Closing Date.
Exchange Listing:	The Company will apply to list the common shares underlying the Units as well as the Warrant Shares on the Toronto Stock Exchange (“TSX”). The Company will also use its best efforts to list the Warrants underlying the Units on the TSX, subject to satisfying minimum distribution requirements for the Warrants. Listing will be subject to fulfilling all the listing requirements of the TSX. The outstanding common shares of the Company are listed on the TSX under the symbol “DBO”.
Use of Proceeds:	The Company intends to use the net proceeds of the Offering as follows: (i) 36% to accelerate the commercialization and the deployment of its haptic systems experience for the gaming industry and home entertainment experience with large scale-partnerships; (ii) 36% to make content acquisition, improve and deploy productivity tools for content production; (iii) 7% for the opening of the D-BOX haptic ecosystem to accelerate the development of external devices and gaming peripherals; and (iv) the balance for working capital and general corporate purposes.
Eligibility:	Eligible for RRSP, RESP, RRIF, TFSA and DPSP accounts.
Commission:	The Company shall pay to the Underwriters a cash fee equal to 6% (the “Underwriters’ Commission”) of the gross proceeds raised under the Offering, subject to a reduction to 3% for purchasers on the president’s list (the “President’s List”). In addition, the Company shall grant the Underwriters such number of brokers’ warrants (the “Broker Warrants”) as is equal to 6% of the number of Units issued and sold by the Company pursuant to the Offering, subject to a reduction to 3% for purchasers on the President’s List. Each Broker Warrant will be exercisable for a period of 24 months following the Closing Date to acquire one Common Share of the Company at an exercise price per share equal to the Issue Price or C\$0.15, whichever is greater, subject to adjustment in certain events.
Bookrunner:	Canaccord Genuity Corp. (“Canaccord Genuity”).
Closing Date:	On or about March 4, 2021 (the “Closing Date”).