

A copy of this amended and restated preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces and territories of Canada, except for the Province of Quebec, but has not yet become final for the purpose of the sale of securities. Information contained in this amended and restated preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This preliminary short form prospectus constitutes a public offering of the securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

The offering of these securities has not been and will not be registered under the United States Securities Act of 1933, as amended (the “1933 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 to, or for the account or benefit of, any person, within the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the “United States”) or a “U.S. person” (as defined in Regulation S under the 1933 Act) (“U.S. Person”) except in transactions exempt from registration under the 1933 Act and under the securities laws of any applicable state. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby to, or for the account or benefit of, any person in the United States or a U.S. Person.

Information has been incorporated by reference in this prospectus from documents filed with the securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the secretary of the issuing Company at 1400-340 Albert Street, Ottawa, ON, K1R 0A5, Telephone: 613-238-2022, and is also available electronically at www.sedar.com

AMENDED AND RESTATED PRELIMINARY SHORT FORM PROSPECTUS

AMENDING AND RESTATING THE PRELIMINARY SHORT FORM PROSPECTUS DATED NOVEMBER 7, 2017

New Issue

November 21, 2017



LEONOVUS INC.

\$12,000,000

24,000,000 Units consisting of Common Shares and Warrants

This preliminary short form prospectus (the “**Prospectus**”) qualifies the distribution of 24,000,000 units (the “**Units**”) of LeoNovus Inc. (“**Leonovus**”, the “**Company**” “us” or “we”) at a price of \$0.50 per Unit (the “**Offering Price**”) for aggregate gross proceeds of \$12,000,000 (the “**Offering**”).

Each Unit consists of one common share in the capital of the Company (a “**Unit Share**”) and one-half of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”). Each Warrant will be exercisable to purchase one common share in the capital of the Company (a “**Warrant Share**”) at a price of \$0.65 per Warrant Share for a period of 24 months following the Closing Date (as hereinafter defined).

The Unit Shares and Warrants comprising the Units will separate immediately upon closing of the Offering. The Units will be sold pursuant to an underwriting agreement (the “**Underwriting Agreement**”) dated November 7, 2017 between the Company and Clarus Securities Inc., Canaccord Genuity Corp., Haywood Securities Inc., Paradigm Capital Inc., and PI Financial Corp. (the “**Underwriters**”). The price of the Units offered hereunder was determined by negotiation between the Company and the Underwriters. See “**Plan of Distribution**”. Proceeds received from the Offering will be available to the Company for the purposes set out under the heading “Use of Proceeds”.

The outstanding common shares of Leonovus (the “**Common Shares**”) are listed for trading on the TSX Venture Exchange (the “**TSXV**”) under the symbol “LTV”. On October 31, 2017, the last trading day prior to the announcement of the Offering, the closing price the Common Shares on the TSXV was \$0.57 per Common Share. On November 16, 2017, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSXV was \$0.49 per Common Share. The Company has applied to list the Unit Shares, the Warrant Shares, the Over-Allotment Shares and the Compensation Options (each as defined herein), if any, distributed under this Prospectus on the TSXV. Listing will be subject to the Company fulfilling all the listing requirements of the TSXV.

\$0.50 per Unit

	<u>Price to the Public</u>	<u>Underwriters' Fee</u> ⁽¹⁾	<u>Net Proceeds to the Company</u> ⁽²⁾
Per Unit	\$0.50	\$0.03	\$0.47
Total	\$12,000,000 ⁽⁴⁾	\$720,000 ⁽³⁾	\$11,280,000 ⁽⁵⁾

Notes:

- (1) The Company has agreed to pay to the Underwriters a cash commission equal to 6% of the gross proceeds realized from the sale of Units and Additional Securities (as hereinafter defined) (the "**Underwriters' Fee**"). The Company has also agreed to grant to the Underwriters such number of compensation options (the "**Compensation Options**") as is equal to 6% of the aggregate number of Units and Additional Units (as hereinafter defined) sold under the Offering. Each Compensation Option will be exercisable to purchase one unit of the Company on the same terms as the Units (a "**Compensation Option Unit**") at a price of \$0.50 per Compensation Option Unit for a period of 24 months following the Closing Date. This Prospectus also qualifies the distribution of the Compensation Options. See "*Plan of Distribution*".
- (2) After deducting the Underwriters' Fee, but before deducting the expenses of the Offering, estimated to be \$500,000 and the Advisory Fee, which will be paid from the proceeds of the Offering.
- (3) The Company has granted to the Underwriters an option (the "**Over-Allotment Option**"), exercisable, in whole or in part, at any time for a period of 30 days from and including the Closing Date, to arrange for purchasers of additional Units (the "**Additional Units**") and representing in number up to the lesser of (i) 15% of the number of Units sold under the base Offering; and (ii) the actual over-allocation position of the Underwriters, such Additional Units having the same terms and conditions as the Units, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters in respect of: (i) Additional Units at a price of \$0.50 per Additional Unit; (ii) additional Unit Shares (the "**Additional Shares**") at a price of \$0.48 per Additional Share; (iii) additional Warrants (the "**Additional Warrants**") at a price of \$0.04 per Additional Warrant; or (iv) any combination of Additional Shares and/or Additional Warrants (collectively with the Additional Units, the "**Additional Securities**"), so long as the aggregate number of Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 3,600,000 Additional Shares and 1,800,000 Additional Warrants. If the Over-Allotment Option is exercised in full, the cumulative gross proceeds of the Offering will be \$13,800,000, the total Underwriters' Fee will be \$828,000 and the total net proceeds to the Company will be \$12,672,000, after deducting the Underwriters' Fee and the Advisory Fee but before deducting the expenses of the Offering, estimated to be \$500,000. This Prospectus qualifies the grant of the Over-Allotment Option and the distribution of the Additional Securities issuable upon exercise of the Over-Allotment Option. Unless the context otherwise requires, references to Units, Unit Share and Warrants include the applicable Additional Securities.
- (4) A purchaser who acquires Units forming part of the Underwriters' over-allocation position acquires those securities under this short form prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the over-allotment option or secondary market purchases.
- (5) PowerOne Capital Markets Limited ("**PowerOne**") acted as a special financial advisor in connection with the Offering, which entitles PowerOne to receive a cash fee in the amount of \$300,000 (the "**Advisory Fee**"). PowerOne provides ongoing support to the Company in connection with identifying investment opportunities, identifying and obtaining sources of financing in the debt and equity markets, identifying potential merger and acquisition targets and providing consultative guidance regarding financing structuring and optimization, including in connection with the Offering.

The Underwriters, as principal, conditionally offer the Units, subject to prior sale, if, as and when issued by Leonovus and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement, and subject to the approval of certain legal matters on behalf of Leonovus by Perley-Robertson, Hill & McDougall LLP and on behalf of the Underwriters by Stikeman Elliott LLP. **The Underwriters propose to offer the Units initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Units at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any Units remaining unsold. Any such reduction will not affect the proceeds received by the Company. See "*Plan of Distribution*".**

Subscriptions for the Units offered under this Prospectus will be received by the Underwriters 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. It is expected that closing of the Offering will occur on or about November 22, 2017, or on such other date or dates as the Company and the Underwriters, may agree, in any event, on or before a date not later than 42 days after the date of the receipt for the (final) short form prospectus (the "**Closing Date**").

The Company will arrange for an instant deposit of the securities issued hereunder to or for the account of the Underwriters with CDS Clearing and Depository Services Inc. ("**CDS**") on the Closing Date, against payment of the aggregate purchase price for the securities issued hereunder. Accordingly, a purchaser of securities issued hereunder will receive only a customer confirmation from the Underwriters or other registered dealers who are CDS participants and from or through which the securities issued hereunder are purchased.

There is no market through which the Warrants comprising part of the Units may be sold and purchasers may not be able to resell the Warrants that are purchased under this short form prospectus. In addition, the Warrants will not be listed for trading on the TSXV or any other stock exchange following the Closing Date. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the Warrants and the extent of issuer

regulation. See “*Risk Factors*”.

Underwriters’ Position	Maximum Size or Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	Option to arrange for purchasers of up to 3,600,000 Additional Shares and/or 1,800,000 Additional Warrants	30 days from and including the Closing Date	\$0.50 per Additional Unit \$0.48 per Additional Share \$0.04 per Additional Warrant
Compensation Options ⁽¹⁾	Options to purchase up to 1,656,000 Compensation Option Units ⁽²⁾	24 months from the Closing Date	\$0.50 per Compensation Option Unit

Notes:

(1) This Prospectus qualifies the distribution of the Compensation Options. See “*Plan of Distribution*”.

(2) Assuming the exercise in full of the Over-Allotment Option.

Subject to applicable laws in connection with the Offering, the Underwriters may effect transactions intended to stabilize or maintain the market price for the Common Shares at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See “*Plan of Distribution*”.

An investment in the Units is subject to certain risks. Prospective investors should carefully consider the risk factors incorporated by reference in this Prospectus under the heading “Risk Factors” in this Prospectus and the AIF (as defined herein) and elsewhere in this Prospectus.

Unless otherwise specified, in this Prospectus all dollar amounts are stated in Canadian dollars and all references to “dollars” or “\$” are to Canadian dollars and USD or US\$ refers to US Dollars.

Investors should rely only on the information contained or incorporated by reference in this Prospectus. The Company has not authorized any person to provide different information.

The Units may be sold only in those jurisdictions where offers and sales are permitted. This Prospectus is not an offer to sell or a solicitation of an offer to buy the Units in any jurisdiction where it is unlawful. The information contained in this Prospectus is accurate only as of the date of this Prospectus, regardless of the time of delivery of this Prospectus or of any sale of the Units, except in the case of documents incorporated or deemed to be incorporated by reference into the Prospectus after the date hereof. Information contained on the Company’s Internet website, at www.leonovus.com, shall not be deemed to be a part of this Prospectus or incorporated by reference herein and may not be relied upon by prospective investors for determining whether to invest in the Units qualified for distribution under this Prospectus.

The head and registered office of Leonovus is located at 1400-340 Albert Street, Ottawa, ON, K1R 0A5.

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DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Company at 1400-340 Albert Street, Ottawa, ON, K1R 0A5, Telephone: 613-238-2022. In addition, copies of the documents incorporated herein by reference are also available through the Internet on SEDAR which can be accessed at www.sedar.com.

The following documents filed with the securities commissions or similar authorities in each of the provinces and territories of Canada are specifically incorporated by reference into and form an integral part of this Prospectus:

- (a) the annual information form (the “AIF”) of the Company dated November 7, 2017 for the year ended December 31, 2016;
- (b) the audited financial statements of the Company as at and for the year ended December 31, 2016 and the related notes thereto and the auditor’s report thereon;
- (c) the management's discussion and analysis of the Company for the year ended December 31, 2016 (“**Annual MD&A**”);
- (d) the management proxy statement and information circular dated May 16, 2017 for the annual and special meeting of the shareholders of the Company held on June 21, 2017;
- (e) the restated unaudited interim consolidated financial statements of the Company and the related notes thereto for the three and six months ended June 30, 2017 and for the three and six months ended June 30, 2016 filed on November 21, 2017 (the “**Interim Financial Statements**”);
- (f) the restated management's discussion and analysis of the Company for the three and six months ended June 30, 2017 filed on November 21, 2017 (the “**Interim MD&A**”);
- (g) the material change report dated February 9, 2017 announcing that the TSXV had accepted for filing the Company’s proposal to settle outstanding debt in the principal amount of \$150,000 with one creditor of the Issuer in exchange for 3,000,000 units.
- (h) the material change report dated March 13, 2017 announcing the Company had raised gross proceeds of \$1,300,000 by way of private placement of units; and
- (i) the material change reports dated November 3, 2017 announcing that the Company had entered into a bought deal agreement with the Underwriters regarding the Offering.

A reference herein to this Prospectus also means any and all documents incorporated by reference in this Prospectus. Any document of a type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, including any annual information forms, material change reports (excluding confidential reports), business acquisition reports, interim financial statements, annual financial statements and the auditor's report thereon, management's discussion and analysis of the financial condition and operations and information circulars filed by Leonovus with the securities commissions or similar authorities in the provinces and territories of Canada after the date of this Prospectus and prior to the termination of this Offering, are deemed to be incorporated by reference in 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 other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not incorporate that it has modified or superseded a prior statement or include any other 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 considering the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.

Upon a new annual information form and the related annual financial statements being filed by Leonovus with, and where required, accepted by, the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual information form, the previous annual financial statements and all quarterly financial statements, material change reports and information circulars filed prior to the commencement of our financial year in which the new annual information form is filed shall be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Units under this Prospectus.

The investor should rely only on the information contained in or incorporated by reference in this Prospectus or any applicable

amendment. Leonovus has not authorized anyone to provide the investor with different or additional information. Leonovus is not making an offer of the Units in any jurisdiction where the offer is not permitted by law. The investor should not assume that the information in this Prospectus or any applicable amendment is accurate as of any date other than the date on the front of those documents.

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus relating to the Company's operating and business plans are "forward-looking statements" within the meaning of securities legislation. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indicates", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements, although not all forward-looking statements contain these words.

Discussions containing forward-looking statements include, among other places, those under "Business of Leonovus" "Risk Factors" and "Use of Proceeds" and in certain documents incorporated by reference, including statements with respect to:

- the completion of the Offering and the timing thereof;
- the use of net proceeds from the Offering;
- obtaining all of the required stock exchange and other approvals in connection with the Offering;
- the future outlook of the Company;
- business plans and strategies;
- product development;
- product launch dates and timing of products' availability for sale;
- the intention to grow the business and operations of the Company;
- working capital;
- the Company's future cost structure, product development;
- the Company's marketing and promotion;
- growth into new markets including through new partners;
- the protection of intellectual property;
- availability of tax credits; and
- changes to key personnel.

Forward-looking information contained in this Prospectus and the documents incorporated by reference herein are based on certain factors and assumptions regarding, among other things, anticipated events or results, business strategy and strategic goals, the expected costs and results of operations, characteristics of the industry, business prospects, regulatory developments, research and development activities, projected costs and capital expenditures, financial results, the ability to raise capital, taxes and plans and objectives of or involving the Company. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward-looking information includes statements regarding the future and are inherently uncertain. Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, those described under "*Risk Factors*" which include: intentions of executives to resign, history of losses; risks relating to debt structure; no guarantee of product development; inability to protect intellectual property; competitive industry; key personnel; expiration of patents; intellectual property infringement; reliance on third-party service providers; transfer pricing; uncertain financial and geopolitical climate and downturn in global economy; reliance on cloud servers; network disruptions, system failures and breaches of security; reliance on third-party manufacturing and shipping; legal and regulatory approvals and requirements; Solution defects; open source software; loss of rights to use software or components supplied by third parties; gross margins; managing acquisitions; security of customer information; limited operating history of the Company; additional capital requirements; taxes; accounting estimates; litigation; fluctuation of revenue and operating results; changes to pricing model; ability to manage product obsolescence; inability to meet demand; regulatory compliance; regulatory, economic, risks associated with foreign operations; fluctuations in foreign currencies; difficulty in enforcement of judgements. **The foregoing list is not exhaustive of all the factors that could affect us. The forward-looking information contained in this Prospectus, including the documents incorporated by reference herein are expressly qualified by this cautionary statement.** Given the risks, uncertainties and assumptions inherent in the forward-looking statements, the reader should not place undue reliance on the forward-looking statements in this Prospectus and the documents incorporated in this Prospectus by reference.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

Unless otherwise stated, the forward-looking statements contained in this Prospectus are made as of the date of this Prospectus and we do not assume any obligation to update any forward-looking statements, whether as a result of new information or future events or otherwise, except to the extent required by applicable law.

BUSINESS OF LEONOVUS

Leonovus has developed a blockchain hardened software-defined storage and Intelligent Network that enables efficient, secure, and high-speed on-premise, hybrid or public cloud object storage for large enterprises. "Blockchain hardened" is a method by which we increase the data security of the overall system by using a blockchain to protect the metadata of the software defined storage system. We believe that Leonovus is the first company to use a blockchain in this way to enhance data security. With its innovative and patented virtualized network infrastructure, the Company has created a geo-distributed data storage center capability that scales to a potentially unlimited number of remotely located, physical data sites comprised of both compute and storage end-points. We offer a leading software-defined object storage solution (SDOSS) combined with governance, risk management and compliance (GRC) as an integrated solution for the modern enterprise.

Leonovus offers geo-distributed cloud storage services as well as enabling a, soon to be released, secure, blockchain-based, app platform that adds new and recurring revenue for many providers in the data storage and distributed compute market and other services, providers. This geo-distributed data center and network operate securely through Leonovus' focus on protecting the data and services - not the hardware. The Company expects to test the app platform by Q1 2018 with a limited release later in Q1 2018.

We do not currently and have not recently offered any services or solutions for sale to the public other than Leonovus 3.0. Leonovus sells its software defined storage solutions to enterprise customers needing to store bulk, archival and backup data. These customers typically have a compounded annual data storage growth rate of over 50% and are looking for alternative storage solutions such as cloud storage. However, these enterprise customers are not willing to move their data to the cloud without a compelling business case that includes return on investment, data security and IT compliance monitoring tools, all of which is within Leonovus 3.0.

As of the date of this Prospectus, the Company has sold three proof of concepts ("**POC**") to customers and expects up to two more sales of POC's to close before the end of 2017:

- On October 23, 2016, the Company announced it has signed a proof of concept agreement with one of Canada's 'big six' banks (the "Bank"). Leonovus will install its unique blockchain-hardened Leonovus 3.0 software product to assist the Bank in developing a multi-site data storage management with data security, performance and compliance metrics that meet or exceed the Bank's data governance policies.
- On October 26, 2017, the Company announced FlexITy Solutions Inc. ("FlexITy") based in Toronto, Ontario as a value-added reseller partner. FlexITy is an integrator of telephony, data centre, and IT network infrastructure providing professional and managed services with certified, highly experienced IT experts. FlexITy will sell and support the Leonovus 3.0 products and services.
- On November 3, 2017, the Company signed a proof of concept agreement with a global health data services company.

The expected sales cycle to enterprise customers is a twenty-four month process and can be described as follows: six to nine months to complete a sale of a POC from an initial lead; followed by an eight to sixteen weeks is the duration of a POC; beginning month thirteen is the in-production installation of the Issuer's product; revenue is anticipated to start in month thirteen and will continue until month twenty-four.

There are no anticipated mergers or acquisition at this time. The Company intends to attempt to monetize certain patents that are not necessary for the Company's current business plan, but may be of value to another user. There are no assurances that the Company will be able to monetize such patents or, if we are able to monetize the patents, there is no guarantee that such monetization will result in significant benefit for the Company.

The Company is currently undergoing a cryptography certification process, which if successful, may allow the Company to qualify to bid for certain public contracts in Canada and the United States.

On November 13, 2017 AlphaNorth filed a Form 62-103F3 indicating that they were no longer a 10% holder.

Audit Committee

The Corporation has an audit committee comprised of three members, Denis Archambault (Chair), Daniel Hilton and David Chow, all of whom are considered financially literate under National Instrument 52-110 – Audit Committees and the majority of whom are independent. At the end of the Corporation's financial year ended December 31, 2016, the Corporation's audit committee was comprised of Michael Gaffney, Denis Archambault (Chair) and Daniel Hilton. On November 16, 2017 the audit committee was reconstituted and Mr. Gaffney was replaced by Mr. Chow. In addition to each member's general business experience, the education and experience relevant to the audit committee responsibilities of each audit committee member who has served in such capacity during the current financial year of the Corporation is outlined below.

Denis Archambault

Denis Archambault is not an executive officer, employee or control person of the Corporation. He holds a Bachelor of Business Administration from the University of Ottawa and held for 25 years, professional designations in the Real Estate Industry. Mr. Archambault has served on the National Board of the Real Estate Institute of Canada along with appointments on its Finance Committee and currently serves on the board of a hotel and multi-use property in South Florida. He also currently serves on a finance committee of a pension fund located in Montreal. Mr. Archambault was a Senior Commercial Loan Account Manager for a Montreal Trust Company in Ottawa. He also served as Director of Finance and development co-ordinator for a major real estate developer/owner in the Ottawa area where his duties included strategic mortgage analysis, acquisitions and development of a varied portfolio of real estate assets. He was also dean of faculty for the finance program for the Real Estate Institute of Canada for over 20 years. He is presently president of DMAC Group Inc. an investment company that acquires, self-manages, finances, develops various real estate endeavours and performs consultations & training for lenders, pension fund managers and real estate portfolio owners. Mr. Archambault also performs various seminars relating to mortgage financing and real estate investment analysis. Mr. Archambault is fluently bilingual and he is based in Ottawa.

David Chow

Mr. Chow is President and CFO of Stoneworks Technologies Inc., an Ottawa based systems integration and value added reseller company focused on security and cloud products for enterprise customers. Mr. Chow has been developing technology markets and selling into these markets for the past twenty years. Mr. Chow is a graduate of Queens University with a degree in Economics.

Daniel Hilton

Mr. Hilton is the interim Chief Financial Officer of the Corporation. He is a Chartered Financial Accountant with a broad range of experience in strategic planning and leadership of finance and operations. He has served on the Board since its inception in 2008. Mr. Hilton is currently Chief Officer of Careworx Corporation and was formerly the Chief Financial Officer & Corporate Secretary at Datawind Ltd. He served as Executive Director of the Conservative Party of Canada from 2009 to 2013 and, prior to that, Director of Finance and Administration, Research and Development for World Heart Corporation and a co-founder and Chief Financial Officer of Kids Futures Ltd., a national loyalty program, which in December of 2005 became a publicly traded entity on the Exchange. Mr. Hilton was formerly the Vice-President Finance and Technology and Senior Vice-President, Corporate Development & Administration of Enablence Technologies Inc., a publicly traded entity on the Exchange. Mr. Hilton earned his undergraduate business degree from the University of Ottawa, and earned his professional designation with the firm Deloitte & Touche LLP. Mr. Hilton holds graduate business degrees from both Queen's University and Cornell University.

Cease Trade Orders

Dan Hilton was CFO of Datawind Inc. ("Datawind") from January 2014 to November 2016. On September 7, 2016, the Ontario Securities Commission (the "OSC") issued a Failure-to-File Cease Trade Order ("FFCTO") against Datawind for failure to file its audited financial statements, management's discussion and analysis, and related CEO and CFO certifications and its annual information form for the year ended March 31, 2017 and related CEO and CFO certifications on June 30, 2017. On November 25, 2016 the OSC issued a Revocation Order, revoking the previously announced FFCTO. Datawind's common shares resumed trading on the Toronto Stock Exchange on November 28, 2016.

Mr. Hilton was a director of the Company on May 5, 2016 when the OSC issued a FFCTO against the Company for its failure to file its annual audited financial statements, management's discussion and analysis for the fiscal year ended December 31, 2015, and related CEO and CFO certifications within the statutory filing deadlines. The order was revoked by the OSC on August 8, 2016 and by the British Columbia Securities Commission on August 9, 2016. The Company was reinstated for trading on August 29, 2016.

CONSOLIDATED CAPITALIZATION

Other than as disclosed in this Prospectus, since August 29, 2017 there have been no material changes in the share capital of the Corporation. See "Prior Sales".

The authorized capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares. As of November 17, 2017, there are 208,175,014 outstanding Common Shares and no preferred shares are issued and

outstanding. As of November 17, 2017, the Company has issued and outstanding (i) 52,333,500 Common Share purchase warrants to acquire up to an aggregate of 52,333,500 Common Shares; (ii) 600,000 compensation options to acquired Common Shares at a price of \$0.06 per Common Share until February 2022; (iii) and stock options to purchase up to an aggregate of 11,491,000 Common Shares issued to certain directors, officers, employees and consultants of the Corporation (the “**Stock Options**”) pursuant to the Corporation’s amended and restated stock option plan (the “**Stock Option Plan**”).

As at the date hereof, after giving effect to the Offering but without assuming the exercise of the Over-Allotment Option, there would be an aggregate of 232,175,014 Common Shares, 64,333,500 Common Share purchase warrants (including the Warrants) and 2,256,000 compensation options to purchase units of the Corporation (including the Compensation Options) outstanding, assuming no further exercises or issuances of convertible securities.

USE OF PROCEEDS

The net proceeds of the Offering, after deducting the Commission, the Advisory Fee, and the estimated expenses of the Offering payable by Leonovus, will be approximately \$10,480,000, assuming that the Over-Allotment Option will not be exercised.

Leonovus had negative cash flow from its operating activities in the most recently completed financial year ended December 31, 2016. See “*Risk Factors*”.

Principal Purposes

The business operations of the Company are capital intensive and as such the primary application of the net proceeds of this Offering will be as follows:

Principal Purpose	Amount
Debt Repayment	\$430,000
Product Development	\$3,015,000
Marketing and Promotion	\$4,020,000
Working Capital	\$3,015,000

The foregoing represents our current intentions based upon our present plans and business conditions to use and allocate the net proceeds of the Offering. Leonovus however, will retain broad discretion in allocating the net proceeds of the Offering based on budgets approved by its Board of Directors and consistent with established internal control guidelines. If an unforeseen event occurs, business conditions change, or we need to account for business fluctuations, we may use the proceeds of the Offering differently than as described in this Prospectus. There may be circumstances where, for sound business reasons, a reallocation of the net proceeds may be necessary, and the Company’s actual use of such net proceeds may vary depending on Leonovus’s operating and capital needs from time to time.

Debt Repayment

We will use a portion of the proceeds to repay or service outstanding debt on the Company’s balance sheet. As of June 30, 2017, the Company had indebtedness, pursuant to certain notes and debentures, of approximately \$309,000. The Company anticipates requiring approximately \$430,000 in order to repay the outstanding principal and interest on such indebtedness as it becomes payable.

Product Development

Our ongoing research and development process seeks to continue to constantly upgrade data protection. In addition, Leonovus intends to further secure the IT infrastructure for and bring value to an enterprise by facilitating enterprise grade blockchain capabilities both within and external to the enterprise customer. Finally these capabilities shall be made available to the enterprise and small business customer as a brokered set of cloud-based services, adding further flexibility and even more enhanced ROI for corporate and institutional customers. The Company will hire at least fifteen additional employees into the product development team. Temporal technical development requirements will be outsourced to strategic partners. A lab and demo data center needs to be built to support the complete testing and verification process.

To achieve these product goals, Leonovus will be conducting research and development in three phases, each dependent on the other. Phase One entails enhanced security for Leonovus 3.0 meta-data via private blockchains and smart contracts. Phase Two consists of a solution to simplify the installation, deployment, operation, management and monitoring of private blockchains, on existing enterprise compute and storage resources. Phase Three ties both of these facets together along with bundling them into a set of cloud compute, storage and other broader services which can be powered by and consumed by both enterprises and small business alike as enabled by Leonovus’ powerful WISE network and blockchain and smart contracts technologies. Projected budgets for each of these phases are:

Phase	Projected Budget
1	\$500,000
2	\$1,000,000
3	\$1,500,000

Currently, Leonovus 3.0 is ready for limited deployment and will be ready for scalable implementations in Q1 2018. Leonovus 3.0 Phase II will launch early in Q2 limited external release. It is expected that Leonovus 5.0 will launch later in Q2 2018.

*Marketing and Promotion*⁵

The Company will make significant investments in sales and marketing. Between ten and twelve staff will be added to the sales and business development team in Canada, the USA and Europe. Three senior product managers will be hired. Additional investments will be made in content writers, technical writers and social media marketing experts. Trade shows, contracting with industry research associations, and hiring one or two thought leaders in the field of storage or cybersecurity are other additional new headcount in the marketing budget. In addition to headcount the Company will ramp up spending in standard advertising vehicles to enhance the branding and communicate the benefits of the Leonovus product line.

The Company is planning to convert three to five proof of concept customers into full paying customers by the end of Q1 2018. For each salesperson hired, the Company is targeting fifteen to twenty new enterprise customers over the first twenty-four months of their employment.

The revenue growth phase of the Company began in Q3 2017 with our product being installed with customers initially on a 'proof of concept' basis. It is the intention of the Company to convert as many of these customers as possible to continued revenue generating customers.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Underwriters have agreed to purchase, as principals, and the Company has agreed to sell, subject to compliance with all necessary legal requirements and pursuant to the terms and conditions of the Underwriting Agreement, on the Closing Date, not less than all of the Units at a price of \$0.50 per Unit, payable in cash to the Company against delivery of the Units.

The Company has granted to the Underwriters the Over-Allotment Option, exercisable, in whole or in part, at any time for a period of 30 days from and including the Closing Date, to arrange for purchasers of Additional Units representing in number up to the lesser of (i) 15% of the number of Units sold under the base Offering; and (ii) the actual over-allocation position of the Underwriters, such Additional Units having the same terms and conditions as the Units, to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option may be exercised by the Underwriters in respect of: (i) Additional Units at a price of \$0.50 per Additional Unit; (ii) Additional Shares at a price of \$0.48 per Additional Share; (iii) Additional Warrants at a price of \$0.04 per Additional Warrant; or (iv) any combination of Additional Shares and/or Additional Warrants, so long as the aggregate number of Additional Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 3,600,000 Additional Shares and 1,800,000 Additional Warrants. The grant of the Over-Allotment Option and the distribution of the Additional Securities issuable upon exercise of the Over-Allotment Option are hereby qualified for distribution under this Prospectus. A purchaser who acquires Additional Securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised in full, the total price to the public, the Underwriters' Fee and the net proceeds to the Company (deducting the Advisory Fee but before the deduction of the expenses of the Offering, estimated to be approximately \$500,000) will be \$13,800,000, \$828,000 and \$12,672,000, respectively. The price of the Units and the Additional Securities was determined by negotiation between the Company and the Underwriters.

In consideration for the services to be performed by the Underwriters, the Company has agreed to pay to the Underwriters the Underwriters' Fee equal to 6% of the gross proceeds of the Offering. The Company has also agreed to grant to the Underwriters such number of Compensation Options as is equal to 6% of the aggregate number of Units and Additional Units sold under the Offering. Each Compensation Option will be exercisable to purchase one Compensation Option Unit at an exercise price of \$0.50 per Compensation Option Unit for a period of 24 months following the Closing Date. This Prospectus also qualifies the distribution of the Compensation Options.

Subscriptions 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. It is expected that closing of the Offering will take place on or about the Closing Date, or such other date or dates as may be agreed upon by the Company and the Underwriters, in any event, on or before a date

not later than 42 days after the date of the receipt for the (final) short form prospectus.

The Company will arrange for an instant deposit of the securities issued hereunder to or for the account of the Underwriters with CDS on the Closing Date, against payment of the aggregate purchase price for the securities issued hereunder. Accordingly, a purchaser of securities issued hereunder will receive only a customer confirmation from the Underwriters or other registered dealers who are CDS participants and from or through which the securities issued hereunder are purchased.

The obligations of the Underwriters under the Underwriting Agreement may be terminated at its discretion upon the occurrence of certain stated events, including in the event that: (a) there shall be any material change or change in a material fact, or there should be discovered any previously undisclosed material fact required to be disclosed in the Prospectus or any amendment thereto, in each case which, in the reasonable opinion of the Underwriters, has or would be expected to have a significant adverse effect on the market price or value of the Common Shares, or any other securities of the Company; (b) if there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism or accident) or major financial occurrence of national or international consequence or a new or change in any law or regulation which in the sole opinion of the Underwriters seriously adversely affects or involves or may seriously adversely affect or involve the financial markets or the business, operations or affairs of the Company and its subsidiaries taken as a whole or the market price or value of the securities of the Company; (c) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Company or any one of the officers or directors of the Company or any of its principal shareholders where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSX Venture Exchange or securities commission which involves a finding of wrong-doing; (d) if any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the securities of the Company is made or threatened by a securities regulatory authority; (e) the Company is in breach of any material term, condition or covenant contained in the Underwriting Agreement or any material representation or warranty given by the Company in the Underwriting Agreement becomes or is false and such material breach or materially false representation is, in the sole opinion of the Underwriters acting reasonably, not capable of being cured prior to the Closing Date; or (f) both the Company and Underwriters agree in writing to terminate the Underwriting Agreement. The Underwriters are, however, obligated to take up and pay for all of the Units if any of the securities are purchased under the Underwriting Agreement.

The Underwriting Agreement also provides that the Company will indemnify, among others, the Underwriters and its affiliates, subsidiaries, control persons, and their respective directors, officers, employees, shareholders, partners and agents against certain liabilities and expenses or will contribute to payments that the Underwriters may be required to make in respect thereof.

From the date of the Underwriting Agreement until a date that is 90 days from the Closing Date, the Company has agreed not to, without the prior written consent of the Underwriters, such consent not to be unreasonably withheld or delayed, 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 (i) pursuant to the Offering; (ii) the issuance of non-convertible debt securities; (iii) upon the exercise of convertible securities, options or warrants of the Company outstanding as of the date of the Underwriting Agreement; (iv) pursuant to the Company Stock Option Plan or any other securities compensation arrangement of the Company; (v) pursuant to any acquisition of shares or assets of arm's length persons, or (vi) in connection with any investments in the Company by a strategic third party at or above the issue price of the Units.

As a condition of closing of the Offering, the Company will cause each of the directors and officers of the Company to execute a lock-up agreement to be delivered at the closing of the Offering, setting out that for a period of 90 days from the Closing Date, without the consent of the Underwriters, each director and officer will not, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, any Common Shares, whether then owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares, whether such transaction is settled by the delivery of Common Shares, other securities, cash or otherwise other than pursuant to a take-over bid or any other similar transaction made generally to all of the shareholders of the Company.

Employees of Canaccord Genuity Corp. own 1,000,000 Common Shares and Warrants to acquire 1,000,000 common shares at an exercise price of \$0.075 per Common Share. Canaccord Genuity Corp. has imposed a lock-up on such common shares of 90 days after closing of the offering.

The Company has applied to list the Unit Shares and Warrant Shares underlying the Units and the Additional Securities on the TSXV. Listing will be subject to the Company fulfilling all the listing requirements of the TSXV.

The Offering is being made concurrently in all Provinces other than Quebec. In addition, the Underwriters may offer the Units

outside of Canada, subject to compliance with the local securities law requirements in such a manner as to not require registration of the Units, or filing of a prospectus or registration statement with respect to those Units under the laws in such jurisdictions or qualification as a foreign corporation or to file a general consent to service of process in such jurisdictions.

Pursuant to rules and policy statements of certain Canadian securities regulatory authorities, the Underwriters may not, throughout the period of distribution under this Prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to certain exceptions. Such exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Subject to applicable laws and in connection with the Offering, the Underwriters may over-allot or effect transactions that stabilize or maintain the market price of the Common Shares at levels other than which would otherwise prevail on the open market, including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions. Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Common Shares while the Offering is in progress.

The price of the Units offered hereunder was determined by negotiation between the Company and the Underwriters. The Underwriters propose to offer the Units initially at the Offering Price. After the Underwriters have made a reasonable effort to sell all of the Units at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any Units remaining unsold. Any such reduction will not affect the proceeds received by the Company.

Qualification of Securities for Distributions

This Prospectus qualifies the distribution of the Units, the Unit Shares, the Warrants, the grant of the Over-Allotment Option, and the distribution of the Additional Securities and the Compensation Options.

Offering in the United States

The Units offered hereby have not been and will not be registered under the U.S. Securities Act, or any state securities laws, and accordingly may not be offered or sold within the United States (as such term is defined in Regulation S under the U.S. Securities Act) except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

In addition, until 40 days after the commencement of the Offering, any offer or sale of Units within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

Units

Each Unit consists of one Common Share and one-half of one Warrant.

Unit Shares

Holders of Common Shares are entitled to receive notice of, attend and vote at, meetings of shareholders (other than meetings at which only holders of another class or series of shares are entitled to vote separately as a class or series). Each Common Share carries the right to one vote. Holders of Common Shares are entitled to receive any dividends declared by the Company in respect of the Common Shares, subject to the rights of the holders of Preferred Shares or other classes ranking in priority to the Common Shares with respect to the payment of dividends. In the event of the liquidation, dissolution or winding-up of our Company, holders of Common Shares are also entitled to receive, on a pro rata basis, the remaining property and assets of the Company available for distribution after payment of all its liabilities and subject to the rights of the holders of Preferred Shares or other classes ranking in priority to the Common Shares.

Warrants

Each Warrant will entitle the holder thereof to purchase one Warrant Share at a price of \$0.65 at any time prior to 4:00 p.m. (Toronto time) on the date that is 24 months following the Closing Date, after which time the Warrants will expire and be void and of no value.

The Warrants will be issued under a warrant indenture (the “**Warrant Indenture**”) to be entered into between the Company and TSX Trust Company (the “**Warrant Agent**”). The Company will appoint the principal transfer offices of the Warrant Agent in Toronto as the location at which the Warrants may be surrendered for exercise, transfer or exchange. The Warrant Indenture will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Warrant Shares to be issued upon exercise of the Warrants upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, the payment of stock dividends and the amalgamation of the Company.

No adjustment in the exercise price or the number of Warrant Shares purchasable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would change the exercise price by at least 1%.

The Company will covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to holders of Warrants of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Warrant Shares issuable upon exercise of the Warrants, at least fourteen (14) days prior to the record date or effective date, as the case may be, of such event.

No fractional Warrant Shares will be issuable upon the exercise of any Warrants, and no cash or other consideration will be paid in lieu of fractional shares. Holders of Warrants will not have any voting or preemptive rights or any other rights that a holder of Warrant Shares would have.

From time to time, the Company and the Warrant Agent, without the consent of the holders of Warrants, may amend or supplement the Warrant Indenture for certain purposes, including curing defects or inconsistencies or making any change that does not adversely affect the rights of any holder of Warrants. Any amendment or supplement to the Warrant Indenture that adversely affects the interests of the holders of the Warrants may only be made by “extraordinary resolution”, which is defined in the Warrant Indenture as a resolution either (i) passed at a meeting of the holders of Warrants at which there are holders of Warrants present in person or represented by proxy representing at least 25% of the aggregate number of the then outstanding Warrants and passed by the affirmative vote of holders of Warrants representing not less than 66 $\frac{2}{3}$ % of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (ii) adopted by an instrument in writing signed by the holders of Warrants representing not less than 66 $\frac{2}{3}$ % of the aggregate number of all the then outstanding Warrants.

There is no market through which the Warrants may be sold and purchasers may not be able to resell the Warrants purchased under this Prospectus. This may affect the pricing of the Warrants in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “Risk Factors”.

The foregoing is a summary only of the terms of the Warrants and is qualified subject to the more detailed provisions of the Warrant Indenture.

PRIOR SALES

Common Shares

During the 12-month period prior to the date of this Prospectus, Leonovus has issued the following Common Shares and equivalent warrant shares.

Date of Issue	Number of Common Shares Issued	Issuance Price Per Share	Reason for Issuance
February 9, 2017	3,000,000	\$0.05	Shares-for-debt ⁽¹⁾
March 10, 2017	26,000,000	\$0.05	Private placement
September 20, 2017	30,000,000	\$0.05	Private Placement
September 21, 2017	1,565,000	\$0.10	Warrant exercise
September 22, 2017	250,000	\$0.10	Warrant exercise
October 10, 2017	800,000	\$0.10	Warrant exercise
October 12, 2017	1,050,000	\$0.10	Warrant exercise
October 16, 2017	1,000,000	\$0.10	Warrant exercise
October 18, 2017	1,500,000	\$0.10	Warrant exercise
October 19, 2017	3,000,000	\$0.05	Warrant exercise
October 24, 2017	487,500	\$0.10	Warrant exercise
October 26, 2017	1,300,000	\$0.10	Warrant exercise
October 27, 2017	500,000	\$0.10	Warrant exercise
October 30, 2017	600,000	\$0.10	Warrant exercise
November 1, 2017	500,000	\$0.10	Warrant exercise
November 2, 2017	539,000	\$0.10	Warrant exercise

November 3, 2017	1,100,000	\$0.10	Warrant exercise
November 7, 2017	2,400,000	\$0.10	Warrant exercise
November 9, 2017	300,000	\$0.10	Warrant exercise
November 10, 2017	150,000	\$0.10	Stock option exercise
November 13, 2017	375,000	\$0.065	Stock option exercise

Notes:

- (1) See material change report listed in “*Documents Incorporated by Reference*”

Options

The Company granted of 1,750,000 options to employees in October 2016 at an exercise price of \$0.05, exercisable within 4 years of the date of grant. In December 2016, 5,766,000 options were granted to employees and directors at an exercise price of \$0.05, exercisable within 5 years of the date of grant. In January 2017, the Company granted 4,500,000 options to purchase Common Shares pursuant to the Company’s Stock Option Plan at an exercise price of \$0.05, exercisable within 5 years of the date of grant. The Company granted 600,000 options to marketing consultants in February 2017 at an exercise price of \$0.06, exercisable within 5 years of the date of grant. No other options to purchase Common Shares were granted by the Company in the 12 months preceding this Offering.

Warrants

On February 9, 2017, as part of the repayment of debt, the Company issued 3,000,000 warrants exercisable for one common share at a price per share of \$0.05 for 12 months from the date of issuance, and at \$0.10 for the next 12 months from the date of issuance.

In conjunction with the March 10, 2017 non-brokered private placement, 26,000,000 warrants were issued. Each warrant is exercisable for one common share at \$0.10 per share for a period of 24 months from the date of issuance. In conjunction with the March 10, 2017 non-brokered private placement, 1,560,000 broker’s warrants were issued. Each warrant is exercisable for one common share at \$0.10 per share for a period of 24 months from the date of issuance.

In conjunction with the September 21, 2017 non-brokered private placement, 30,000,000 common share purchase warrants were issued. Each warrant is exercisable into one Common Share at a price of \$0.075 per Common Share for 18 months from the closing date. In conjunction with the September 21, 2017 non-brokered private placement, 2,100,000 warrants were issued as part of a finder’s fee arrangement. Each warrant is exercisable at \$0.075 per Common Share for a period of 18 months from the closing date.

TRADING PRICE AND VOLUME

The following table sets forth information relating to the monthly trading of the Common Shares on the TSXV during the 12-month period prior to the date of this Prospectus.

		Price Range (\$) ⁽¹⁾		Trading Volume ⁽²⁾
	Month	High	Low	
2016	November	0.05	0.04	98,800
	December	0.04	0.03	543,500
2017	January	0.11	0.04	1,337,700
	February	0.09	0.05	2,530,800
	March	0.09	0.06	764,300
	April	0.10	0.07	591,600
	May	0.10	0.06	1,276,400
	June	0.09	0.06	782,100
	July	0.08	0.05	1,012,900
	August	0.07	0.05	976,600
	September	0.26	0.07	3,1928,400
	October	0.60	0.14	100,676,700
	November 1-17, 2017	0.70	0.45	65,294,700

Notes:

- (1) Includes intra-day high and low prices
(2) Total volume traded in the relevant month

INTERESTS OF EXPERTS

Certain legal matters relating to the issue and sale of the securities offered hereunder will be passed upon by Perley-Robertson, Hill & McDougall LLP, on behalf of the Company, and by Stikeman Elliott LLP, on behalf of the Underwriters. As of the date of

this Prospectus, the partners and associates of Perley-Robertson, Hill & McDougall LLP, own, directly or indirectly, in the aggregate, less than 1% of the Common Shares. As of the date of this Prospectus, the partners and associates of Stikeman Elliott LLP own, directly or indirectly, in the aggregate, less than 1% of the issued and outstanding Common Shares.

MNP LLP is the auditor of the Company and is independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

Deloitte LLP is the former auditor of the Company and is independent of the Company within the meaning of the Rules of Professional Conduct of the Chartered Professional Accounts of Ontario. Deloitte LLP ceased to be the auditor of the Company on December 20, 2016.

None of the aforementioned firms or persons, nor any directors, officers or employees of such firms, are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any of associate or affiliate of the Company.

ELIGIBILITY FOR INVESTMENT

In the opinion of Perley-Robertson, Hill & McDougall LLP, counsel to the Company, and Stikeman Elliott LLP, counsel to the Underwriters, the Unit Shares, Warrants underlying the Units and Warrant Shares, if issued on the date hereof, would be “qualified investments” under the Income Tax Act (Canada) and the regulations thereunder (the “**Tax Act**”) for trusts governed by registered retirement savings plans (“**RRSP**”), registered education savings plans (“**RESP**”), registered retirement income funds (“**RRIF**”), deferred profit sharing plans, registered disability savings plans (“**RDSP**”) and tax-free savings accounts (“**TFSA**”) (collectively, “**Deferred Plans**”), provided that (i) the Common Shares are listed on a “designated stock exchange” within the meaning of the Tax Act (which currently includes the TSXV); and (ii) in the case of the Warrants either (a) they are listed on a designated stock exchange (which currently includes the TSXV), or (b) the Company and any person with whom the Company does not deal at arm’s length for the purposes of the Tax Act is not an annuitant, a beneficiary, an employer or a subscriber under or a holder of, the particular Deferred Plan.

Notwithstanding the foregoing, if the Unit Shares, Warrants or Warrant Shares are a “prohibited investment” (as defined in the Tax Act) for an RRSP, RRIF or TFSA, the annuitant of the RRSP or RRIF or the holder of the TFSA, as the case may be, will be subject to a penalty tax as set out in the Tax Act. The Unit Shares, Warrants and Warrant Shares will not be a prohibited investment for an RRSP, RRIF or TFSA provided the annuitant or holder thereof, as the case may be, (i) deals at arm’s length with the Company for purposes of the Tax Act, and (ii) does not have a “significant interest” (as defined in the Tax Act for purposes of the prohibited investment rules) in the Company. In addition, the Unit Shares and Warrant Shares will not be a prohibited investment if they are “excluded property” (as defined in the Tax Act for purposes of the prohibited investment rules) for trusts governed by an RRSP, RRIF or TFSA. If certain proposed amendments to the Tax Act released by the Department of Finance (Canada) on September 8, 2017 are enacted as proposed, the prohibited investment rules will extend to trusts governed by RDSPs and RESPs. Prospective purchasers who intend to hold the Unit Shares, Warrants or Warrant Shares in a Deferred Plan are advised to consult their personal tax advisors.

RISK FACTORS

A prospective investor should consider carefully the risk factors set out below and incorporated herein by reference and in the latest annual AIF, annual and interim MD&A and financial statements of the Company before making an investment in the securities of the Company.

An investment in the Units offered by the Company hereby involves a high degree of risk and must be considered speculative due to the nature of the Company’s business and present stage of development. A prospective investor should carefully consider the information included or incorporated by reference in this short form Prospectus and the Company’s historical consolidated financial statements and related notes before making an investment decision regarding the Common Shares. The risk factors contained in the Annual MD&A and Interim MD&A and under the heading “Risk Factors” in the AIF (copies of which may be accessed at www.sedar.com) are incorporated herein by reference. These risk factors include but are not limited to, the risks associated with: history of losses; no guarantee of product development; inability to protect intellectual property; competitive industry; key personnel; expiration of patents; intellectual property infringement; transfer pricing; failure to manage growth; uncertain financial and geopolitical climate and downturn in global economy; reliance on cloud servers; network disruptions, system failures and breaches of security; legal and regulatory approvals and requirements; regulation, certification and health risks; dependence on advertising; gross margins; managing acquisitions; security of customer information; limited operating history of the Company; additional capital requirements; taxes; accounting estimates; litigation; fluctuation of revenue and operating results; changes to pricing model; ability to manage product obsolescence; inability to meet demand; environmental legal and regulatory compliance; regulatory, economic uncertainties; ability to attract customers to generate revenue; risks associated with foreign operations; fluctuations in foreign currencies; difficulty in enforcement of judgements. The information

set out below is presented as of the date hereof and is subject to change, completion or amendment without notice.

Before investing, prospective purchasers of Units should carefully consider the factors set out below, as well as the other information contained in this Prospectus and in the documents incorporated by reference. The following list of risk factors may not be exhaustive, as Leonovus operates in a rapidly changing business, and new risk factors emerge from time to time. The Company cannot predict such risk factors, nor can Leonovus assess the impact, if any, of such risk factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those projected in any forward-looking statements. Accordingly, the Company does not, nor should shareholders of Leonovus or potential purchasers of Units rely on forward-looking statements as a prediction of actual results. See *“Forward Looking Statements”*.

Key Personnel

Our success depends largely upon the continued services of our executive officers and other key employees, including, but not limited to, Michael Gaffney, our Chief Executive Officer, Dan Willis, Chief Technology Officer, Daniel Hilton, our Chief Financial Officer, and Sean O’Hagan our VP Product Development for their industry expertise, operations experience with us and their working relationships, existing shareholders and personnel. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. Dan Hilton has announced his intention to resign from his position as CFO by December 31, 2017. If we are unable to attract and retain top talents, our ability to compete may be harmed. Our success is also highly dependent on our continuing ability to identify, hire, train, retain and motivate highly qualified personnel. Competition for highly skilled technical, research and development, management, sales and other employees is high in our industry, and we may not be successful in attracting and retaining such personnel. Failure to attract and retain qualified executive officers and other key employees could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

History of Losses

We have incurred significant operating losses in each of the last three years. We incurred net losses after finance charges of US\$0.82 million during the six months ended June 30, 2017, US\$1.24 million in the fiscal year ended December 31, 2016, and US\$1.88 million in the 2015 fiscal year. At June 30, 2017 we had an accumulated deficit of US\$23.7 million compared to US\$22.9 million as at December 31, 2016. These losses and accumulated deficit were due to the substantial investments we made to in our software development. These losses combined with non-cash income and expenses, as well as working capital impacts, resulted in net cash outflows from operating activities, respectively of US\$0.70 million during the six months ended June 30, 2017, US\$0.45 million in the fiscal year ended December 31, 2016, and US\$0.60 million in 2015.

Significant expenditures to support our growth strategy may include investments in our capabilities and infrastructure, research and development costs associated with the development of new products and software and general and administrative costs. We expect that our operating expenses will continue to increase as we spend resources on growing our business, and if we do not increase our revenue generation, our operating results and financial condition will suffer. The amount of these expenditures is difficult to forecast accurately, and cost overruns may occur. We cannot be certain of the timing and extent of revenue receipts and expense disbursements. To become profitable, we will have to generate sufficient revenue while controlling our costs and expenses. Accordingly, we cannot assure you that we will achieve profitability in the future, nor that, if we do become profitable, we will sustain profitability. Consequently, we cannot assure that we will generate positive cash flows from operating activities in the future or, if we do generate positive cash flows from operating activities, that they will be sustained.

Risks Relating to Debt Structure

The Company has relied on debt financing in the past and currently has indebtedness outstanding. The terms on which we borrow funds are such that the lender can withdraw funding without prior notice which may cause us to find alternative financing methods including dilutive equity issuances to satisfy the amounts owing. Further, failure to renegotiate or refinance indebtedness as it comes due may have an adverse impact on the Corporation.

Inability to Protect Intellectual Property

Our commercial success and value depends to a significant degree upon our ability to develop new or improved technologies, and to successfully obtain patent or other proprietary or statutory protection, in the United States and Canada and other countries in which we carry on (or intend to carry on) business. However, we may not be able to develop technology that is patentable, patents may not be issued in connection with the pending applications (as applied for, or at all) and claims allowed may not be sufficient to provide us with exclusive protection for our technology. Furthermore, any patents issued to us could be challenged, invalidated or circumvented by others, and may not provide proprietary protection or a competitive advantage to us.

A number of our competitors and other third parties have been issued patents, and may have filed patent applications or may obtain additional patents and proprietary rights for technologies similar to those that we have made or may make in the

future. There can be no assurance that others will not independently develop or have not so developed similar or equivalent software. We cannot be certain that we were the first to develop the software covered by our pending patent applications or that we were the first to file patent applications for the technology. In addition, the disclosure in our patent applications, particularly in respect of the utility of our claimed inventions, may not be sufficient to meet the statutory requirements for patentability in all cases. As a result, we cannot assure investors that our patent applications will result in valid or enforceable patents or any of our patents or patent applications will ultimately provide any protection or competitive advantages to us.

In addition to patents, we rely on copyrights, trademarks owned by Leonovus, trade secrets, confidentiality procedures and contractual provisions to protect our proprietary rights. We may enter into confidentiality and non-disclosure agreements with our employees, consultants, contract manufacturers, customers, potential customers and others to attempt to limit access to and distribution of our proprietary and confidential information, however it is possible that: (a) some or all of our confidentiality agreements will not be honoured; (b) third parties will independently develop equivalent technology; (c) disputes will arise with our strategic partners, customers or others concerning the ownership of intellectual property; (d) unauthorised disclosure of our know-how or trade secrets will occur; or (e) misappropriation of our property and confidential information, including technology, will nevertheless occur.

We cannot assure an investor that we will be successful in protecting or enforcing our rights protecting our confidential information and know-how, and unregistrable intellectual property rights, or that all such information and know-how is protectable.

We have not registered or applied to register trademarks other than in Canada and United States. No assurance can be given that any future applications for our trademarks will be granted or, if granted, will be valid or enforceable. Our ability or failure to secure registered trademark protection in countries in which we carry or intend to carry on business may have a material and adverse effect on our ability to protect our brands, and to compete effectively.

Expiration of Patents

Certain of our patents, including certain of our key patents, will begin to expire in 2029. By US patent law this means they will be enforceable until 2035. However, these patents are not critical to our core business strategy and operations. Those which comprise elements of our business strategy begin to expire in 2033, with enforceability to 2039. As a result, our ability to exploit and fully commercialize our software, and to prevent others from using our software, may be limited. In addition, the expiration of certain core patents could result in significant and new competition for our products and technology, all of which may result in significant reductions in sales which would consequently affect our financial condition. The effect of these patent expirations depends, among other things, upon the nature of the market and the position of our products in the market from time to time, the growth of the market and the complexities and economics of manufacture of a competitive product.

Risks Related to the Offering and the Company's Equity

You may experience dilution because of the Offering and future equity offerings.

Giving effect to the issuance of Unit Shares in this Offering, the potential issuance of the Warrant Shares, the receipt of the expected net proceeds and the use of those proceeds, this Offering may have a dilutive effect on our expected net income/loss available to our shareholders per share and funds from operations per share. Furthermore, we are not restricted from issuing additional securities in the future, including Common Shares, securities that are convertible into or exchangeable for, or that represent the right to receive, Common Shares or substantially similar securities. To the extent that we raise additional funds through the sale of equity or convertible debt securities, the issuance of such securities will result in dilution to our shareholders. We may sell Common Shares or other securities in any other offering at a price per share that is less than the price per share paid by investors in this Offering, and investors purchasing Common Shares or other securities in the future could have rights superior to existing shareholders. The price per share at which we sell additional Common Shares or securities convertible or exchangeable into Common Shares, in future transactions may be higher or lower than the price per share paid by investors in this Offering.

Investors will have no rights as a shareholder with respect to their Warrants until they exercise their Warrants and acquire Common Shares.

Until you acquire Common Shares upon exercise of your Warrants, you will have no rights with respect to the Warrant Shares underlying such Warrants. Upon exercise of your Warrants, you will be entitled to exercise the rights of a shareholder only as to matters for which the record date occurs after the exercise date.

Unallocated Proceeds of the Offering

As of the date of this Prospectus, the Company has no definitive plans for the expenditure of the proceeds of the Offering. In addition, portion of the proceeds of the Offering will be allocated for working capital, product development and general corporate

purposes. All such expenditures of the net proceeds in connection with working capital and general corporate purposes will be at the sole discretion of management of the Company, and there can be no assurance as to how such funds will be expended.

Completion of the Offering

The completion of the Offering is subject to receipt of approval from the TSXV and all other applicable regulatory approvals, which approvals may not be obtained. The Company has applied to list the Unit Shares and Warrant Shares underlying the Units and the Additional Securities on the TSXV. Listing will be subject to the Company fulfilling all the listing requirements of the TSXV and there can be no assurance that the TSXV will provide final approval of the Offering.

Loss of Entire Investment

An investment in the Units is speculative and may result in the loss of a purchaser's entire investment. Only potential purchasers who are experienced in high-risk investments and who can withstand a complete loss of their investment should consider purchasing the Units in this Offering. Before making an investment decision, prospective purchasers of Units should consider the information contained and incorporated by reference in this Prospectus and, in particular, the risk factors set out herein and in the documents incorporated by reference herein. Readers are cautioned that such risk factors are not exhaustive.

Sales of substantial amounts of the Company's securities may have an adverse effect on the market price of the Securities

Sales of substantial amounts of the Company's securities, or the availability of such securities for sale, could adversely affect the prevailing market prices for the Company's securities, including the Common Shares. A decline in the market prices of the Common Shares or other securities could impair the Company's ability to raise additional capital through the sale of securities should it desire to do so.

The Company's Securities may experience price volatility

There can be no assurance that an active market for the Common Shares partially comprising the Units will be sustained after the Offering. Securities of small and mid-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include global economic developments and market perceptions of the attractiveness of certain industries. There can be no assurance that continuing fluctuations in price will not occur. The price per Common Share may be affected by the changes to the Company's financial condition or results of operations. As a result of any of these factors, the market price of the securities of the Company at any given point in time may not accurately reflect the long term value of the Company.

The Warrants will not be listed for trading

Since the Company does not intend to apply for listing of the Warrants on any securities exchange, there is no public market for the Warrants. There can be no assurance that a secondary market for the Warrants will develop or be sustained after the closing of the Offering. Even if a market develops for the Warrants, there can be no assurance that it will be liquid and that the price of the Warrants will be the same as the price allocated for the Warrants partially comprising the Units. If an active market for the Warrants does not develop, the liquidity of an investor's investment in the Warrants may be limited and the price may decline below the portion of the offering price allocated to the Warrants.

A significant number of Common Shares are owned by a limited number of existing shareholders

The Company's management, directors and employees own a substantial number of the outstanding Common Shares (on a non-diluted and partially-diluted basis). As such, the Company's management, directors and employees, as a group, are in a position to exercise influence over matters requiring shareholder approval, including the election of directors and the determination of corporate actions. As well, these shareholders could delay or prevent a change in control of the Company that could otherwise be beneficial to the Company's shareholders.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Perley-Robertson, Hill & McDougall LLP, counsel to the Company, and of Stikeman Elliott LLP, counsel to the Underwriters, the following is, as of the date hereof, a summary of the principal Canadian federal income tax consequences generally applicable to a person who acquires a Unit pursuant to this Offering and who, for the purposes of the Tax Act, is resident in Canada, hold such Units as capital property and deal at arm's length and is not affiliated with the Company or the Underwriters (a "**Holder**"). The Units will generally be considered to be capital property to a Holder thereof unless either the Holder holds Units in the course of carrying on a business or the Holder has acquired the Units in a transaction or transactions considered to be an adventure or concern in the nature of trade. Certain Holders whose Unit Shares and Warrant Shares might not otherwise be capital property may, in certain circumstances, be entitled to have such shares and every other "Canadian Security", as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. This election does not apply to the Warrants. Holders should consult their own tax advisors regarding this election.

This summary is based upon the current provisions of the Tax Act, counsels' understanding of the current published administrative practices of the Canada Revenue Agency (the "**CRA**") and proposed amendments to the Tax Act publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"). Except for the July 2017 Tax Proposals (as hereinafter defined), this summary assumes that the Proposed Amendments will be enacted as proposed but does not take into account or anticipate any other changes in law, whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax considerations. No assurances can be given that the Proposed Amendments will be enacted as proposed, if at all, or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

On July 18, 2017, the Minister of Finance (Canada) released a consultation paper that included an announcement of the Government's intention to amend the Tax Act to, among other things, increase the amount of tax applicable to certain investment income earned through a private corporation (the "**July 2017 Tax Proposals**"). This summary does not address the potential implications of the July 2017 Tax Proposals. Holders should consult their tax advisors with respect to the implications of the July 2017 Tax Proposals as they relate to the acquisition and holding of Common Shares or Warrants.

This summary does not apply to a Holder (i) that is a "financial institution" for the purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a "specified financial institution" as defined in the Tax Act; (iii), an interest in which would be a "tax shelter investment" as defined in the Tax Act; (iv) that has made a functional currency reporting election under the Tax Act; or (v) that has or will enter into a "derivative forward agreement" as defined in the Tax Act, with respect to the Common Shares or Warrants. Such Holders should consult their own tax advisors with respect to an investment in Units.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada and is (or does not deal at arm's length within the meaning of the Tax Act with a corporation resident in Canada that is), or becomes, controlled by a non-resident corporation for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their tax advisors with respect to the consequences of acquiring the Units.

The Canadian federal income tax consequences to a particular Holder will vary depending on a number of factors, including the province where a particular Holder resides, carries on business or has a permanent establishment. The following discussion of the income tax consequences is, therefore, of a general nature only and is not exhaustive of all the income tax consequences and is not intended to constitute income tax advice to any particular Holder. Accordingly, Holders should consult their own income tax advisors.

Allocation of Cost

Pursuant to the Tax Act, the Company and Holders will be required to allocate the purchase price for the Units between the Unit Shares and the Warrants on a reasonable basis and the amounts so allocated will constitute the cost of each to the Holder for the purposes of the Tax Act. For purposes of determining the Holder's adjusted cost base ("**ACB**") of the Unit Share partially comprising each Unit, the cost allocated to the Unit Share will be averaged with the ACB to the Holder of all Common Shares owned by the Holder as capital property immediately prior to such acquisition. For its purposes, the Company intends to allocate \$0.48 to each Unit Share and \$0.02 to each one-half Warrant forming part of each Unit. While the Company considers this allocation reasonable, it is not binding on the CRA or the Holder.

Exercise of Warrants

The exercise of a Warrant to acquire a Warrant Share will be deemed not to constitute a disposition of property for purposes of the Tax Act. As a result, no gain or loss will be realized by a Holder upon the exercise of a Warrant to acquire a Warrant Share. When a Warrant is exercised, the Holder's cost of the Warrant Share acquired thereby will be the aggregate of the Holder's ACB

of such Warrant and the exercise price paid for the Warrant Share. For purposes of determining the Holder's ACB of the Warrant Share so acquired, such cost will be averaged with the ACB to the Holder of all Common Shares owned by the Holder immediately prior to such acquisition.

Expiry of Warrants

In the event of the expiry of an unexercised Warrant, the Holder will realize a capital loss equal to the Holder's ACB of such Warrant. The tax treatment of capital gains and capital losses is discussed in greater detail below under the subheading "Capital Gains and Capital Losses".

Dividends

Dividends received or deemed to be received on Common Shares will be included in computing the Holder's income. In the case of an individual Holder, such dividends will be subject to the gross up and dividend tax credit rules normally applicable in respect of taxable dividends received from taxable Canadian corporations (as defined in the Tax Act). A dividend will be eligible for the enhanced gross-up and dividend tax credit if the recipient is notified in writing by the Company at or before the time the dividend is paid, designating the dividend as an eligible dividend. There may be limitations on the ability of the Company to designate dividends as eligible dividends.

Dividends received by a corporation on Common Shares must be included in computing its income but generally will be deductible in computing its taxable income. Private corporations (as defined in the Tax Act) and certain other corporations controlled by or for the benefit of an individual (other than a trust) or related group of individuals (other than trusts) generally will be liable to pay a refundable tax under Part IV of the Tax Act on dividends to the extent such dividends are deductible in computing taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Holder that is a corporation as proceeds of disposition or a capital gain. Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

Disposition of Common Shares and Warrants

A disposition (or deemed disposition) by a Holder of a Common Share or a Warrant (other than upon the exercise thereof) will generally give rise to a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, are greater (or less) than such Holder's ACB of such security. The tax treatment of capital gains and losses is discussed in greater detail below under the subheading "Capital Gains and Capital Losses".

Capital Gains and Capital Losses

Generally, a Holder is required to include in computing its income for a taxation year one half of any capital gain (a "taxable capital gain") realized in the year. Subject to and in accordance with the provisions of the Tax Act, a Holder is required to deduct one-half of any capital loss (an "allowable capital loss") against taxable capital gains realized in the year of disposition. Any unused allowable capital losses may be applied to reduce net taxable capital gains realized in the three preceding taxation years or any subsequent taxation year.

The amount of any capital loss realized on the disposition or deemed disposition of Common Shares by a Holder that is a corporation may be reduced by the amount of dividends received or deemed to have been received by it on such shares or shares substituted for such shares to the extent and in the circumstances described by the Tax Act. Similar rules may apply where a Holder that is a corporation is a member of a partnership or beneficiary of a trust that owns such shares or that is itself a member of a partnership or a beneficiary of a trust that owns such shares. Holders to whom these rules may be relevant should consult their own tax advisors.

A Holder that is throughout the relevant taxation year a "Canadian controlled private corporation" (as defined in the Tax Act) also may be liable to pay an additional refundable tax on its "aggregate investment income" for the year which will include taxable capital gains.

Minimum Tax

Capital gains realized and dividends received by a Holder that is an individual or a trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act. Holders should consult their own advisors with respect to the application of the minimum tax.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain provinces and territories 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 and territories, 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 such 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 or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

In an offering of Warrants, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the Warrant is being offered under the prospectus. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon exercise of the security, these amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF LEONOVUS INC.

Dated: November 21, 2017

This amended and restated 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 amended and restated short form prospectus as required by the securities legislation of each of the provinces and territories of Canada, other than the Province of Quebec.

(s) Michael Gaffney

(s) Daniel Hilton

Michael Gaffney
Chairman & CEO

Daniel Hilton
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

(s) Dennis Archambault

(s) David Chow

Denis Archambault
Director

David Chow
Director

CERTIFICATE OF THE UNDERWRITERS

Dated: November 21, 2017

To the best of our knowledge, information and belief, this amended and restated 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 amended and restated short form prospectus as required by the securities legislation of each of the provinces and territories of Canada, other than the Province of Quebec.

CLARUS SECURITIES INC.

(s) Rob Orviss

By: Rob Orviss
Managing Director

CANACCORD GENUITY CORP.

(s) Michael Kogan

By: Michael Kogan
Managing Director

HAYWOOD SECURITIES INC.

(s) Campbell Becher

By: Campbell Becher
Managing Director

PARADIGM CAPITAL INC.

(s) Barry Richards

By: Barry Richards
Managing Director

PI FINANCIAL CORP.

(s) Blake Corbet

By: Blake Corbet
Managing Director