March 29, 2021

# LEONOVUS INC.

## BEST EFFORTS SHORT FORM PROSPECTUS OFFERING OF UNITS
## TERM SHEET

*The following is a summary of the basic terms and conditions of a proposed offering of securities by Leonovus Inc.*

*A preliminary short form prospectus containing important information relating to the securities described in this document has been filed with the securities regulatory authorities in each of the provinces of Canada, other than Quebec. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities.*

*The preliminary short form prospectus is still subject to completion. Copies of the preliminary short form prospectus may be obtained from Mackie Research Capital Corporation at ecm@mackieresearch.com. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.*

*This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, final short form prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.*

*The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This term sheet shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.*

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| **Issuer:** | Leonovus Inc. ("**Leonovus**" or, the "**Company**"). |
| **Offered Securities:** | Best-efforts, short form prospectus offering (the **"Offering"**) of units of the Company (the "**Units**"). |
| **Amount:** | Up to $4,000,000. |
| **Offering Price:** | Priced in context of the market, at an indicative price of $0.68 per Unit. |
| **Units:** | Each Unit will consist of one common share ("**Common Share**") of the Company and one Common Share purchase warrant (a "**Warrant**"). |
| **Warrants:** | Each Warrant shall entitle the holder thereof to purchase one Common Share (a "**Warrant Share**") at an indicative exercise price of $0.84 for a period of 36 months following the closing of the Offering. |
| **Over-Allotment Option:** | The Agents shall also have the option (the "**Over-Allotment Option**") to increase the size of the Offering by up to an additional 15% in Units, and/or the components thereof, to cover over-allotments and for market stabilization purposes, by giving written notice of the exercise of the Over-Allotment Option, or a part thereof, to the Company at any time up to 30 days following Closing. |
| **Offering Basis:** | The Units are to be issued on a "best efforts" basis by way of short form prospectus to be filed in all provinces of Canada, other than Québec, as agreed between the Agents and the Company. In addition, the Agents may offer the Units outside of Canada (including in the United States), subject to compliance with applicable securities laws. |
| **Listing:** | The Company will apply to list the Common Shares and Warrants on the TSX Venture Exchange (the "**Exchange**"). Such listings will be subject to the Company fulfilling all of the listing requirements of the Exchange. The Company will use commercial reasonable efforts to obtain the necessary approvals to list the Warrants on the Exchange. |
| **Eligibility:** | The Units shall be eligible for RRSPs, RRIFs, RDSPs, RESPs, TFSAs and DPSPs. |

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| **Use of Proceeds:** | The net proceeds will be used for product development and management, sales and marketing, operating expenses, and general and administrative expenses as well as for working capital requirements and other general corporate purposes. |
| **Commission:** | 8.0% cash commission and 8.0% compensation options. |
| **Agents:** | Mackie Research Capital Corporation as lead agent and sole bookrunner (the "**Lead Agent**"), on behalf of a syndicate of agents, including Canaccord Genuity Corp. (collectively with the Lead Agent, the "**Agents**"). |
| **Closing:** | On or about the week of April 26, 2021, or on such other date as the Lead Agent and Company may agree upon (the "**Closing Date**"). |