XEBEC ADSORPTION INC.
UPSIZED TERM SHEET – DECEMBER 9, 2020

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the applicable securities regulatory authorities in each of the provinces of Canada. 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. 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 offered by the short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act"), or any state securities laws and may not be offered or sold in the United States, except in transactions exempt from the registration requirements of the 1933 Act and any applicable state securities laws. The short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States.

Issuer:	Xebec Adsorption Inc. ("**Xebec**" or the "**Company**").
Public Offering:	Treasury offering of 21,552,000 subscription receipts ("**Subscription Receipts**") of the Company, with each Subscription Receipt entitling the holder thereof, without payment or any additional consideration or further action on the part of the holder, the right to receive one common share of the Company (a "**Common Share**") upon the Acquisition Closing (as defined below) (the "**Public Offering**").
Offering Price:	$5.80 per Subscription Receipt (the "**Offering Price**").
Issue Amount:	$125,001,600, prior to the Over-Allotment Option
Over-Allotment Option:	The Company has granted the Underwriters the option (the "**Over-Allotment Option**") to purchase up to an additional 15% of the Public Offering , at the Offering Price, exercisable in whole or in part, at any time until 30 days following the Closing Date (as defined below) to cover over-allotments, if any, and for market stabilization purposes. If the Acquisition Closing has occurred at the time of exercise of the Over-Allotment Option, an equal number of Common Shares will be issued in lieu of the Subscription Receipts issuable pursuant to such Over-Allotment Option.
Concurrent Private Placement:	Concurrent with the Public Offering, the Company will issue, on a private placement basis, Subscription Receipts to Caisse de dépot et placement du Québec or one of its subsidiaries ("**CDPQ**") at the Offering Price for gross proceeds to the Company of approximately $55.0 million (the "**Concurrent Private Placement**"). The Company has granted CDPQ an over-allotment option to purchase up to an additional 15% Subscription Receipts in the event that the Underwriters exercise their over-allotment option under the Public Offering. If the over-allotment option is exercised in full by CDPQ, gross proceeds from the Concurrent Private Placement will be up to $63.3 million. The closing of the Concurrent Private Placement is scheduled to occur on the Closing Date and is conditional on the concurrent closing of the Public Offering. The Subscription Receipts sold pursuant to the Concurrent Private Placement (and underlying Common Shares issuable pursuant thereto) will be subject to a hold period of four months plus one day from the Closing Date.
The Acquisition:	Xebec has entered into a binding agreement (the "**Acquisition Agreement**") to acquire all of the issued and outstanding shares of Green Vision Holding B.V., the parent company of HyGear Technology and Services B.V., for an aggregate purchase price of approximately $127.3 million (the "**Acquisition**"). The purchase price for the Acquisition will be satisfied through the issuance of 10.3 million Common Shares at a deemed price of $6.03 and a cash consideration of $65.2 million (the "**Cash Consideration**"). The Acquisition is expected to close on or about December 30, 2020 (the "**Acquisition Closing**"). If the Acquisition Closing occurs prior to, or concurrently with, the closing of the Public Offering, an equivalent number of Common Shares in lieu of Subscription Receipts will be issued on the Offering Closing Date.
Use of Proceeds:	Upon escrow release, the Company intends to use the net proceeds from the Public Offering and Concurrent Private Placement to fund the Cash Consideration, to pay the expenses related to the Acquisition, to fund future potential acquisitions (which may include the acquisitions of a leading industrial gas generation technology and manufacturing business, as well as a specialty compressed air and air treatment services company, with respect of which the Company has entered into non-binding letters of intent) and growth opportunities, for working capital and for general corporate purposes.
Subscription Receipts:	Each Subscription Receipt will entitle the holder thereof, for no additional consideration and without further action on the part of the holder, to receive one Common Share, upon the satisfaction of the Escrow Release Conditions (as defined below). The terms of the Subscription Receipts will be governed by a subscription receipt agreement to be entered into

among Xebec, the Joint Bookrunners and AST Trust Company (Canada), as escrow agent (the "**Subscription Receipt Agent**") on the Closing Date.

Upon delivery by Xebec of a notice to the Joint-Bookrunners and the Subscription Receipt Agent certifying the Escrow Release Conditions have been satisfied (an "**Escrow Release Notice**"), the remaining Escrowed Proceeds (as defined below), and any remaining Earned Interest (as defined below), less the remaining amount of the Underwriters' Fee, will be released by the Subscription Receipt Agent to or as directed by Xebec.

If (a) the Escrow Release Conditions are not satisfied on or before 5:00 p.m. (Montreal time) on February 28, 2021 (the "**Acquisition Outside Date**"), (b) the Company delivers to the Underwriters a notice declaring that the it will not be proceeding with the Acquisition, (c) the Company formally announces to the public by way of press release that it does not intend to proceed with the Acquisition, (d) the Acquisition Agreement is terminated in accordance with its terms prior to the Acquisition Outside Date for any reason or (e) a "Termination Event" (as such term is defined in the subscription agreement entered into in connection with the Concurrent Private Placement), which has not been waived by the Joint Bookrunners, occurs (each of (a), (b), (c), (d) and (e) being a "**Termination Event**", and the date on which any such Termination Event occurs being the "**Termination Date**"), the Escrowed Proceeds will be reimbursed pro rata to the holders of Subscription Receipts, together with their pro rata portion of interest or other income earned or deemed to be earned thereon between the Closing Date and the Termination Date.

Escrow Proceeds:	The proceeds from the sale of the Subscription Receipts issued pursuant to the Public Offering and the Concurrent Private Placement, less 50% of the underwriting fee (the "**Escrowed Proceeds**"), will be delivered to and held by the Subscription Receipt Agent, as escrow agent and bailee on behalf of the holders of Subscription Receipts, will be invested in short-term obligations of, or guaranteed by, the Government of Canada or a province of Canada (and other approved investments) (interest earned on such investments referred as "**Earned Interest**") until the earlier of the satisfaction of the Escrow Release Conditions and the Termination Date. If the Escrow Release Conditions are satisfied prior to the Termination Date, the Escrowed Proceeds, together with any interest earned thereon and less the remaining 50% of the underwriting fee, will be released from escrow to the Company for the purposes of completing the Acquisition.
Escrow Release Conditions:	"**Escrow Release Conditions**" means that (i) all conditions, undertakings, and other matters to be satisfied, completed and otherwise met prior to the completion of the Acquisition in accordance with the Acquisition Agreement, and without waiver of any material provision thereof, in whole or in part, by any of the parties thereto unless the consent of the Joint Bookrunners, is given to such waiver, have been satisfied, completed, or otherwise met, other than the payment of the consideration to be paid pursuant to the Acquisition for which the Escrowed Proceeds are required, in whole or in part, (ii) there have been no material amendments of the terms and conditions of the Acquisition Agreement which have not been approved by the Joint Bookrunners prior to the occurrence of a Termination Event, and (iii) the escrow release conditions under the subscription receipt agreement entered into in connection with the Concurrent Private Placement having been satisfied or waived; provided that the Escrow Release Conditions may, if the foregoing conditions are met, at the election of Xebec, occur up to five business days prior to the Acquisition Closing.
Offering Basis:	Bought public offering, by way of short form prospectus to be filed in each of the provinces of Canada, and into the United States by way of private placement to Qualified Institutional Buyers pursuant to Rule 144A of the 1933 Act as well as in certain offshore jurisdictions as agreed between the Company and the Joint Bookrunners.
Eligibility:	Eligible under the usual statutes as well as for RRSPs, DPSPs, RESPs, TFSAs and RRIFs.
Listing:	An application will be made to list the Subscription Receipts and the Common Shares issuable pursuant thereto on the TSX Venture Exchange (the "**TSXV**"). The existing common shares currently trade on the TSXV under the symbol "XBC".
Underwriting Fee:	5.0% of the gross proceeds raised in respect of the Public Offering (the "**Underwriters' Fee**"). 50% of the Underwriters' Fee will be payable upon the Closing Date from the general funds of Xebec (the "**Initial Underwriters' Fee**"), and 50% will be payable upon, and subject to, release of the Escrowed Proceeds to the Company as set forth above. In the event a Termination Event occurs, only the Initial Underwriters' Fee will be payable to the Underwriters.
Joint Bookrunners:	Desjardins Securities Inc. and TD Securities Inc.
Closing Date:	December 30, 2020 (the "**Closing Date**").