

TANTALUS SYSTEMS HOLDING INC.

TERMS OF OFFERING – AUGUST 5, 2021

OVERNIGHT MARKETED – PROSPECTUS SUPPLEMENT

A final base shelf 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 (except Quebec). A copy of the final base shelf prospectus, any amendment to the final base shelf prospectus and any applicable shelf prospectus supplement that has been filed, is required to be delivered with this document.

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

*The offering of these securities has not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or the applicable securities laws of any state of the United States and, subject to certain exceptions, may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the “**United States**”) except in transactions exempt from registration under the U.S. Securities Act and under the securities laws of any applicable state.*

- Offering:** Treasury offering of 4,444,444 common shares (the “**Common Shares**”) of the Company
- Offering Price:** C\$2.25 per Common Share (the “**Offering Price**”)
- Amount:** C\$10,000,000
- Over-Allotment Option:** The Company will grant to Canaccord Genuity Corp. & Cormark Securities Inc. (“**Co-lead Underwriters**”) an option (the “**Over-Allotment Option**”), to purchase up to an additional 15% of the Offering, exercisable at any time, for a period of 30 days after and including the Closing Date.
- Offering Basis:** The Common Shares are to be issued by way of a Prospectus Supplement to be filed in all provinces of Canada other than Québec. The Common Shares may be offered and sold in the United States by way of a private placement by the Co-lead Underwriters directly to “qualified institutional buyers” pursuant to, and as defined, in Rule 144A under the U.S. Securities Act and in accordance with applicable state securities laws.
- Listing:** The Common Shares trade on the Toronto Stock Exchange under the symbol “GRID”.

Use of Proceeds: For strategic initiatives, working capital and general corporate purposes.

Form of Offering: Overnight marketed on a “best efforts” basis.

Eligibility: The Common Shares will be qualified investments under the Income Tax Act (Canada) for RRSPs, RESPs, RRIFs, DPSPs, RDSPs and TFSAs.

Commission: The Company will pay a fee in connection with the Offering comprised of (i) a cash fee equal to up to 6% of the aggregate gross proceeds of the Offering, and (ii) an aggregate number of compensation warrants (each, a “**Compensation Warrant**”) equal to up to 6% of the aggregate number of Common Shares issued pursuant to the Offering. Each Compensation Warrant will be exercisable to acquire one common share of the Company at an exercise price equal to the Offering Price for a period of 24 months from the Closing Date (as defined below), subject to adjustment in certain events.

Closing Date: On or about August 12, 2021 (the “**Closing Date**”).

Syndicate: Canaccord Genuity Corp. (37.5%)¹

Cormark Securities Inc. (37.5%)¹

Beacon Securities Limited. (15.0%)

PI Financial Corp. (5.0%)

Paradigm Capital Inc. (5.0%)

1. Joint Bookrunners & Co-Lead Underwriters