

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

*This preliminary short form base shelf prospectus (this “**prospectus**”) has been filed under legislation in each of the provinces of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. Unless an exemption from the prospectus delivery requirement has been granted, or is otherwise available, the legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This 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. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States. Unless otherwise specified in the applicable prospectus supplement, the securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States of America, its territories, possessions or the District of Columbia (the “**United States**”), and may not be offered, sold or delivered in the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See “Plan of Distribution”.*

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from the Chief Financial Officer of CubicFarm Systems Corp. at 7170 Glover Road, Langley, British Columbia V2Y 2R1, telephone 1 (888) 280-9076, and are also available electronically at www.sedar.com.

New Issue

January 18, 2023

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS DATED JANUARY 18, 2023



**CUBICFARM SYSTEMS CORP.
\$100,000,000**

**COMMON SHARES
DEBT SECURITIES
SUBSCRIPTION RECEIPTS
CONVERTIBLE SECURITIES
WARRANTS
UNITS**

CubicFarm Systems Corp. (“**CubicFarms**” or the “**Corporation**”) may from time to time offer and sell the following securities: (i) common shares (“**Common Shares**”) in the capital of the Corporation; (ii) debt securities of the Corporation (“**Debt Securities**”); (iii) subscription receipts (“**Subscription Receipts**”) exchangeable for Common Shares and/or other securities of the Corporation; (iv) securities convertible into or exchangeable for other securities (“**Convertible Securities**”); (v) warrants exercisable to acquire Common Shares and/or other securities of the Corporation (“**Warrants**”); and (vi) securities comprised of more than one of Common Shares, Debt Securities, Subscription Receipts, Convertible Securities and/or Warrants offered together as a unit (“**Units**” and, together with the Common Shares, Debt Securities, Subscription Receipts, Convertible Securities and Warrants, the “**Securities**”), or any combination thereof having an offer price of up to \$100,000,000 in the aggregate (or the equivalent thereof, based on the applicable exchange rate at the date of issue, in any other currency or currencies, as the case may be) at any time during the 25-month period that this prospectus, including any amendments hereto, remains valid. The Securities may be offered, separately or together, in amounts, at prices and on terms to be set forth in one or more prospectus supplements. In addition, the Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Corporation or a subsidiary of the Corporation. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities. Prospective purchasers should read this prospectus and any prospectus supplement carefully before investing in any of the Securities.

All shelf information permitted under applicable securities legislation to be omitted from this prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus. Each prospectus

supplement will be incorporated by reference into this prospectus as of the date of such prospectus supplement and only for the purposes of the distribution of the Securities to which that prospectus supplement pertains.

The Corporation may sell the Securities to or through underwriters or dealers purchasing as principals and may also sell the Securities to one or more purchasers directly, subject to applicable law, or through agents designated by the Corporation from time to time. The prospectus supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent engaged in connection with the offering and sale of the Securities, as well as the method of distribution and the terms of the offering of such Securities, including the net proceeds to the Corporation and, to the extent applicable, any fees, discounts, concessions or any other compensation payable to underwriters, dealers or agents and any other material terms of such offering. See *“Plan of Distribution”*.

In connection with any offering of the Securities, the underwriters or agents may over-allot or effect transactions that stabilize or maintain the market price of the Securities at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. See *“Plan of Distribution”*.

The Common Shares were previously listed on the TSX Venture Exchange under the symbol “CUB”. On September 1, 2021, the Corporation graduated and listed the Common Shares on the Toronto Stock Exchange (“TSX”) under the same symbol. On January 17, 2023, the last full trading day on the TSX prior to the date of this prospectus, the closing price of the Common Shares was \$0.085.

Unless otherwise specified in the applicable prospectus supplement, the Debt Securities, Subscription Receipts, Convertible Securities, Warrants and Units will not be listed on any securities or stock exchange and purchasers may not be able to resell such Securities purchased under this prospectus and the applicable prospectus supplement. This may affect the pricing of the Debt Securities, Subscription Receipts, Convertible Securities, Warrants or Units in the secondary market (if any), the transparency and availability of trading prices (if any), the liquidity of the Debt Securities, Subscription Receipts, Convertible Securities, Warrants or Units (if any), and the extent of issuer regulation. See *“Risk Factors”*.

Investing in Securities involves a high degree of risk. A prospective purchaser should therefore review this prospectus and the documents incorporated by reference in their entirety. See *“Risk Factors”* along with the risk factors described in the applicable prospectus supplement pertaining to a distribution of Securities and the risk factors described in the documents incorporated by reference in this prospectus and any applicable prospectus supplement. See *“Documents Incorporated by Reference”*.

This prospectus does not qualify for issuance specified derivatives or asset-backed securities.

Prospective purchasers should rely only on the information contained in this prospectus. The Corporation has not authorized anyone to provide information different from that contained in this prospectus. No underwriter, agent, or dealer has been involved in the preparation of this prospectus or performed any review of the contents of this prospectus.

In connection with any offering of Securities, other than an “at-the-market distribution” (as defined under applicable Canadian securities legislation), unless otherwise specified in a prospectus supplement, the underwriters or agents may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a higher level than that which might exist in the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. See *“Plan of Distribution”*.

No underwriter of the “at-the-market distribution” (as defined under applicable Canadian securities legislation) and no person or company acting jointly or in concert with an underwriter, may, in connection with the distribution, enter into any transaction that is intended to stabilize or maintain the market price of the Securities or securities of the same class as the Securities in connection with such distribution, including selling an aggregate number or principal amount of Securities that would result in the underwriter creating an over-allocation position in the securities.

The Securities 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 Securities in any jurisdiction where it is unlawful.

CubicFarms’ principal office is located at 7170 Glover Road, Langley, British Columbia V2Y 2R1 and its registered office is located at 2900-550 Burrard Street, Vancouver, British Columbia V6C 0A3.

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GENERAL MATTERS

Unless otherwise noted or the context indicates otherwise, the “**Corporation**” and “**CubicFarms**” refers to CubicFarm Systems Corp. and its wholly-owned subsidiaries.

An investor should rely only on the information contained or incorporated by reference in this prospectus. The Corporation has not authorized anyone to provide investors with additional or different information. The Corporation is not making an offer to sell or seeking offers to buy the Securities in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus or incorporated by reference in this prospectus is accurate as of the date of the document in which it appears, regardless of the time of delivery of this prospectus or any sale of the Securities. The Corporation’s business, financial condition, results of operations and prospects may have changed since that date. The Corporation is required by securities laws to update the information contained in this prospectus or incorporated by reference in this prospectus, as of the date of each supplement to this prospectus, to the extent necessary to ensure that this prospectus, together with such prospectus supplement and any other documents then incorporated by reference in this prospectus, contains full, true and plain disclosure of all material facts relating to the Securities offered by this prospectus and such prospectus supplement.

Prospective purchasers should assume that the information appearing or incorporated by reference in this prospectus is accurate only as at the respective dates thereof, regardless of the time of delivery of this prospectus or of any sale of Securities. The Corporation’s business, financial condition, results of operations and prospects may have changed since that date.

All currency amounts in this prospectus are stated in Canadian dollars, unless otherwise noted. Unless otherwise indicated, all financial information included in this prospectus and documents incorporated by reference in this prospectus or included in any prospectus supplement has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“**IFRS**”), which are also generally accepted accounting principles for publicly accountable enterprises in Canada.

Information on or connected to the Corporation’s website, even if referred to in a document incorporated by reference herein, does not constitute part of this prospectus.

Words importing the singular number include the plural, and vice versa, and words importing any gender include all genders.

NON-IFRS MEASURES

This prospectus and the documents incorporated by reference herein may contain terms which do not have a standardized meaning under IFRS and therefore may not be comparable with the calculation of similar measures by other companies.

THIRD PARTY INFORMATION

This prospectus and the documents incorporated by reference herein may include market and industry data and other statistical information that the Corporation has obtained from independent industry publications and surveys, government publications, market research reports and other published independent sources. Such publications and reports generally state that the information contained therein has been obtained from sources believed to be reliable. Although the Corporation believes these sources to be reliable, the Corporation has not independently verified any of the data or other statistical information contained therein, nor has it ascertained or validated the underlying economic or other assumptions relied upon therein. Some data are also based on the Corporation’s estimates, which are derived from the Corporation’s review of internal data, as well as independent sources. The Corporation cannot and does not provide any assurance as to the accuracy or completeness of such included information. Market forecasts, in particular, are likely to be inaccurate, especially over long periods of time. The Corporation has no intention and undertakes no obligation to update or revise any such information or data, whether as a result of new information, future events or otherwise, except as required by law.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this prospectus constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities legislation (“**forward-looking statements**”). All statements contained herein that are not historical in nature are forward-looking statements, and the words “anticipate”, “believe”, “budget”, “estimate”, “expect”, “forecast”, “intend”, “likely”, “may”, “plan”, “potential”, “proposed”, “should”, “will” and similar expressions are generally intended to identify forward-looking statements. Forward-looking statements represent the Corporation’s internal projections, estimates, expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking statements are only predictions and involve known and

unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

Forward-looking statements included or incorporated by reference in this prospectus include, but are not limited to, statements with respect to:

- the performance of the Corporation's business and operations;
- the intention to grow the business, operations and potential activities of the Corporation;
- the anticipated growth of the industry;
- the competitive conditions of the industry;
- the applicable laws, regulations and any amendments thereof;
- the competitive and business strategies of the Corporation;
- the projected sales pipelines of the Corporation;
- the anticipated benefits of the Corporation's strategic investor and reseller relationships;
- the anticipated future gross revenues and profit margins of the Corporation's operations;
- the Corporation's available funds and use and principal purpose of available funds; and
- the Corporation's ability to raise sufficient financing, if and when necessary, to continue its operations.

With respect to the forward-looking statements included or incorporated by reference in this prospectus, the Corporation has made assumptions regarding, among other things:

- operating and capital costs, including the amount and nature thereof;
- the Corporation's ability to generate sufficient cash flow from operations and to access existing credit facilities and capital markets to meet its future obligations;
- the effect of the COVID-19 pandemic on the Corporation's business;
- trends and developments in the Corporation's industry;
- business strategy and outlook;
- opportunities available to or pursued by the Corporation;
- expansion and growth of business and operations;
- the Corporation's ability to attract and retain qualified personnel or management;
- credit risks;
- anticipated acquisitions; and
- stability of general economic and financial market conditions.

Although the Corporation believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. The Corporation cannot guarantee future results, levels of activity, performance or achievements. Consequently, there is no representation by the Corporation that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements. Some of the risks and other factors, some of which are beyond the Corporation's control, which could cause results to differ materially from those expressed in the forward-looking statements included or incorporated by reference in this prospectus include, but are not limited to:

- general economic, market and business conditions in Canada and other countries, including reduced availability of debt and equity financing generally;
- the Corporation's ability to maintain current financing and to raise equity and/or debt financing on acceptable terms;
- the duration and effect of the COVID-19 pandemic;
- risks relating to the effective management of the Corporation's growth;
- liabilities and risks, including environmental liabilities and risks associated with the Corporation's operations;
- the execution of strategic growth plans;
- the Corporation's ability to attract and retain customers;
- the competitive nature of the industries in which the Corporation operates;
- competition for, among other things, capital and skilled personnel and management;
- limitations on insurance;
- failure to obtain industry partner and other third party consents and approvals when required;
- failure to obtain granted patents for applied patents and failure to have patent assignments properly recorded;
- imprecision in estimating capital expenditures and operating expenses;
- fluctuations in pricing environments;
- stock market volatility;
- the impact of new laws and regulatory requirements and other laws and regulations and changes in how they are interpreted and enforced;
- the Corporation's ability to maintain required regulatory approvals;
- geopolitical, political and economic conditions;
- the results of litigation or regulatory proceedings that may be brought against the Corporation;
- changes in income tax laws; and
- management's success in anticipating and managing the foregoing factors.

Readers are cautioned that the actual results achieved may vary from the information provided herein and the variations may be material. Readers are also cautioned that the foregoing list of factors is not exhaustive. Consequently, there is no representation by the Corporation that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements. Furthermore, the forward-looking statements contained or incorporated by reference in this prospectus are made as of the date hereof or as of the date of such documents incorporated by reference, as the case may be, and the Corporation is under no obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained herein and in the documents incorporated by reference herein are expressly qualified by this cautionary statement.

Prospective purchasers should carefully consider the matters discussed under "*Risk Factors*" in this prospectus and in any applicable prospectus supplement. Prospective purchasers should also refer to "*Risk Factors*" in the Corporation's annual information form and to the risk factors described in other documents incorporated by reference in this prospectus.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request

without charge from the Chief Financial Officer of CubicFarms, Carlos Yam, at 7170 Glover Road, Langley, British Columbia V2Y 2R1, telephone 1 (888) 280-9076. In addition, copies of the documents incorporated herein by reference may be obtained from the securities commissions or similar authorities in Canada through the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) website at www.sedar.com.

The following documents of CubicFarms, filed with the various securities commissions or similar authorities in each of the provinces of Canada where CubicFarms is a reporting issuer, are specifically incorporated by reference into and form an integral part of this prospectus:

- the annual information form of the Corporation for the year ended December 31, 2021, dated March 31, 2022 (the “**AIF**”);
- the amended audited consolidated financial statements of the Corporation as at and for the financial years ended December 31, 2021, six months ended December 31, 2020 and twelve months ended June 30, 2020, together with the auditor’s report thereon and the notes thereto;
- the management’s discussion and analysis of the Corporation for the year ended December 31, 2021, and the six-month period ended December 31, 2020, dated March 30, 2022;
- the management information circular and proxy statement of the Corporation, dated May 11, 2022, for the annual general and special meeting held on June 16, 2022;
- the material change report dated June 6, 2022 with respect to Corporation’s prospectus offering of unsecured convertible debenture units and common shares at a price of \$1,000 per debenture units and \$0.55 per common share for gross proceeds of approximately \$10,000,000;
- the material change report dated September 21, 2022, with respect to: (i) the Corporation announcing the return of a \$1,200,000 deposit held in trust from a private investor group for a 96 machine FreshHub installation on September 1, 2022; (ii) the Corporation announcing management changes and the appointment of a Special Committee of the Board of Directors on September 9, 2022; (iii) the Corporation announcing entering into a binding term sheet for a \$6,250,000 revolving term loan (the “**Term Loan**”) on September 12, 2022; and (iv) the Corporation announcing the closing of the Term Loan and increase of the Term Loan to \$6,400,000 on September 20, 2022;
- the condensed and consolidated unaudited interim financial statements of the Corporation as at and for the three and nine months ended September 30, 2022, dated November 14, 2022;
- the management’s discussion and analysis of the Corporation for the three and nine months ended September 30, 2022, dated November 14, 2022; and
- the material change report dated December 19, 2022 with respect to the closing of an offering by the Corporation of units of the Corporation at a price of \$0.063 units, for gross proceeds of US\$1,000,000, which each such unit comprised of one Common Share, and one Common Share purchase warrant of the Corporation, exercisable at a price of \$0.078 for a period of two (2) years from the closing date.

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in this prospectus, including any annual information form, audited annual consolidated financial statements (together with the auditor’s report thereon), information circular, unaudited interim consolidated financial statements, management’s discussion and analysis, material change reports (excluding confidential material change reports) or business acquisition reports filed by the Corporation with securities commissions or similar authorities in the relevant provinces of Canada subsequent to the date of this prospectus and prior to the termination of the offering of Securities under the applicable prospectus supplement shall be deemed to be incorporated by reference in this prospectus. These documents are available through the internet on SEDAR at www.sedar.com.

Upon a new interim financial report and related management’s discussion and analysis of the Corporation being filed with the applicable securities regulatory authorities during the currency of this prospectus, the previous interim financial report and related management’s discussion and analysis of the Corporation most recently filed shall be deemed no longer to be incorporated by reference into this prospectus for purposes of future offers and sales of Securities hereunder. Upon new annual financial statements and related management’s discussion and analysis of the Corporation being filed with the applicable securities regulatory authorities during the currency of this prospectus, the previous annual financial statements and related management’s discussion and analysis and the previous interim financial report and related management’s discussion and

analysis of the Corporation most recently filed shall be deemed no longer to be incorporated by reference into this prospectus for purposes of future offers and sales of Securities hereunder. Upon a new annual information form being filed by the Corporation with the applicable securities regulatory authorities during the currency of this prospectus, notwithstanding anything herein to the contrary, the following documents shall be deemed no longer to be incorporated by reference into this prospectus for purposes of future offers and sales of Securities hereunder: (i) the previous annual information form; (ii) material change reports filed by the Corporation prior to the end of the financial year in respect of which the new annual information form is filed; (iii) business acquisition reports filed by the Corporation for acquisitions completed prior to the beginning of the financial year in respect of which the new annual information form is filed; and (iv) any information circular of the Corporation filed prior to the beginning of the Corporation's financial year in respect of which the new AIF is filed. Upon a new management information circular prepared in connection with an annual general meeting of the Corporation being filed with the applicable securities regulatory authorities during the currency of this prospectus, the previous management information circular prepared in connection with an annual general meeting of the Corporation shall be deemed no longer to be incorporated by reference into this prospectus for purposes of future offers and sales of Securities hereunder.

All information permitted under applicable securities legislation to be omitted from this prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus. Each prospectus supplement will be incorporated by reference into this prospectus as of the date of such prospectus supplement and only for the purposes of the distribution of the Securities to which that prospectus supplement pertains.

Any statement contained herein or in a document incorporated, or deemed to be incorporated, by reference herein 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 state 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 in light of 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.

MARKETING MATERIALS

Any "template version" of "marketing materials" (as those terms are defined under applicable Canadian securities laws) that are utilized in connection with the distribution of Securities will be filed on SEDAR at www.sedar.com. In the event that such marketing materials are filed after the date of the applicable prospectus supplement for the offering and before termination of the distribution of such Securities, such filed versions of the marketing materials will be deemed to be incorporated by reference into the applicable prospectus supplement for the purposes of the distribution of the Securities to which such prospectus supplement pertains, except to the extent that the contents of the template version of the marketing materials have been modified or superseded by a statement contained in the prospectus or the applicable prospectus supplement.

SUMMARY DESCRIPTION OF THE BUSINESS OF CUBICFARMS

CubicFarm Systems Corp. is a technology company that is developing and deploying technology to feed a changing world. Its proprietary technologies enable farmers to grow high-quality, predictable crop yields for farms around the world. CubicFarms has two distinct technologies that address two distinct markets.

The first technology is its patented CubicFarm™ System, which contains CubicFarms' patented technology for growing leafy greens and other crops. It is a unique modular growing system which is the product of eight years of research by Dutch greenhouse growers, Jack and Leo Benne. Jack and Leo Benne were the majority shareholders of Bevo Agro Inc. (now a wholly-owned subsidiary of Zenabis Global Inc.), one of the largest plant propagation businesses in North America. The CubicFarm™ System addresses two of the most difficult challenges in the vertical farming industry, being high electricity and labour costs, using unique undulating path technology. CubicFarms leverages its patented technology by operating its own research and development facility in Pitt Meadows, British Columbia, and is selling the CubicFarm™ System to farmers, licensing its technology and providing industry-leading vertical farming expertise to its customers.

The second technology is means CubicFarms' HydroGreen technology for growing nutritious livestock feed (the "**HydroGreen System**"). The HydroGreen System was invented by Dihl Grohs, a rancher with operations in South Dakota, Utah and Missouri. This system utilizes a unique process to sprout grains, such as barley and wheat, in a controlled environment with minimal use of land, labour and water. The HydroGreen System is fully automated and performs all growing functions including seeding, watering, lighting, harvesting, and re-seeding – all with the push of a button – to deliver nutritious livestock feed without the

typical investment in fertilizer, chemicals, fuel, field equipment and transportation. The HydroGreen System not only provides superior nutritious feed to benefit the animal, but also enables significant environmental benefits to the farm.

Further details concerning the Corporation, including information with respect to the Corporation's assets, operations and history, are provided in the AIF and in the other documents incorporated by reference into this prospectus. Readers are encouraged to thoroughly review these documents as they contain important information about the Corporation.

DESCRIPTION OF SECURITIES

The Corporation has authorized share capital consisting of: (i) an unlimited number of Common Shares without par value or special rights or restrictions attached; (ii) an unlimited number of Class A Preferred Shares without par value and with certain rights and restrictions attached; and (iii) an unlimited number of Class B Preferred Shares without par value and with certain rights and restrictions attached. As of the date of this prospectus, the Corporation has 207,136,774 fully paid and non-assessable Common Shares and no Class A Preferred Shares or Class B Preferred Shares issued and outstanding.

The descriptions of Securities herein, and any descriptions of Securities in an applicable prospectus supplement, do not purport to be complete and are subject to and are qualified in their entirety by reference to, as applicable, the articles, agreements, indentures, agency arrangements, collateral arrangements and depositary arrangements relating to such Securities. To the extent that the material terms of any Securities are not described herein, such material terms will be described in the relevant prospectus supplement.

The Corporation reserves the right to include in a prospectus supplement specific terms and provisions pertaining to the Securities in respect of which the prospectus supplement is filed that are not within the variables and parameters set forth in this prospectus. To the extent that any terms or provisions or other information pertaining to Securities described in a prospectus supplement differ from any of the terms or provisions or other information described in this prospectus, the description set forth in this prospectus shall be deemed to have been superseded by the description set forth in the prospectus supplement with respect to those Securities.

To the extent any Securities are convertible into Common Shares or other securities of the Corporation, prior to such conversion the holders of such Securities will not have any of the rights of holders of the securities into which the Securities are convertible, including the right to receive payments of dividends or the right to vote such underlying securities.

Securities may be offered separately or in combination with one or more other Securities. The Corporation may, from time to time, issue Securities or incur indebtedness other than through the issuance of Securities pursuant to this prospectus.

Description of Common Shares

Each Common Share entitles the holder to receive notice of, to attend and to one vote per share at all meetings of shareholders of the Corporation. Holders of Common Shares have the right to receive any dividends if, as and when declared by the board of directors of the Corporation as it may be comprised from time to time. Holders of Common Shares have the right to receive *pro rata* the property and assets of the Corporation remaining after payment of debts and other liabilities in the event of the liquidation, dissolution or winding up of the Corporation, in each case subject to the rights of holders of any other classes of shares of the Corporation ranking in priority to the holders of Common Shares.

Description of Debt Securities

The following sets forth certain general terms and provisions of the Debt Securities and is not intended to be complete. Unless otherwise provided in a prospectus supplement relating to a series of Debt Securities, the Debt Securities will be the Corporation's direct, unsecured and unsubordinated obligations. The Debt Securities will be issued in series under one or more trust indentures (the "**Indenture**") to be entered into between the Corporation and one or more appropriately qualified financial institution(s) authorized to carry on business as a trustee (the "**Trustee**") that will be named in a prospectus supplement for a series of Debt Securities. Each such Indenture, as supplemented or amended from time to time, will be filed with the applicable securities commissions or similar authorities in Canada when it is entered into. The description of certain provisions of the Indenture in this section do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the provisions of the Indenture.

The particular terms and provisions of each issue of Debt Securities will be described in the applicable prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in such prospectus supplement. This description will include, as applicable:

- the designation, aggregate principal amount and authorized denominations of the Debt Securities;

- any limit upon the aggregate principal amount of the Debt Securities;
- the currency for which the Debt Securities may be purchased and in which the principal and any premium or interest is payable (in either case, if other than Canadian dollars);
- the offering price of the Debt Securities and percentage of the principal amount at which they will be issued;
- the date(s) on which the Debt Securities will be issued and delivered;
- the date(s) on which the Debt Securities will mature, including any provision for the extension of a maturity date, or the method of determining such date(s);
- the rate(s) per annum (either fixed or floating) at which the Debt Securities will bear interest (if any) and, if floating, the method of determining such rate(s);
- the date(s) from which any interest obligation will accrue and on which interest will be payable, and the record date(s) for the payment of interest or the method of determining such date(s);
- any guarantees given in respect of the Debt Securities;
- the ranking of the Debt Securities and, if applicable, their subordination to other indebtedness of the Corporation;
- whether the Debt Securities will be secured or unsecured;
- the identity of the Trustee under the applicable Indenture pursuant to which the Debt Securities are to be issued;
- any redemption terms, or terms under which the Debt Securities may be defeased prior to maturity;
- any repayment or sinking fund provisions;
- events of default and covenants in respect of the Debt Securities;
- whether the Debt Securities are to be issued in registered form or in the form of temporary or permanent global securities, and the basis of exchange, transfer and ownership thereof;
- whether the Debt Securities may be converted or exchanged for other securities of the Corporation or any other entity;
- if applicable, the Corporation's ability to satisfy all or a portion of any redemption of the Debt Securities, payment of any premium or interest thereon, or repayment of the principal owing upon the maturity through the issuance of securities of the Corporation or of any other entity, and any restrictions on the persons to whom such securities may be issued;
- provisions governing amendments to the Indenture; and
- any other material terms, conditions or other provisions applicable to the Debt Securities, including, without limitation, transferability, adjustment terms and whether the Debt Securities will be listed on an exchange.

Description of Subscription Receipts

The following sets forth certain general terms and provisions of the Subscription Receipts and is not intended to be complete. The Corporation may issue Subscription Receipts that may be exchanged by the holders thereof for Common Shares and/or other Securities of the Corporation upon the satisfaction of certain conditions. The Corporation will issue Subscription Receipts under one or more subscription receipt agreements, a copy of which will be filed by the Corporation with Canadian securities regulators after it has been entered into, and will be available electronically on SEDAR at www.sedar.com.

The particular terms and provisions of each issue of Subscription Receipts will be described in the applicable prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in such prospectus supplement. This description will include, as applicable:

- the number of Subscription Receipts;

- the price at which the Subscription Receipts will be offered and whether the price is payable in installment;
- any conditions to the exchange of Subscription Receipts into Common Shares, and/or other Securities of the Corporation, as the case may be, and the consequences of such conditions not being satisfied;
- the procedures for the exchange of the Subscription Receipts into Common Shares and/or other Securities of the Corporation, as the case may be;
- the number of Common Shares and/or other Securities of the Corporation, as the case may be, that may be exchanged upon exercise of each Subscription Receipt;
- the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;
- the dates or periods during which the Subscription Receipts may be exchanged into Common Shares and/or other Securities of the Corporation;
- the terms applicable to the gross proceeds from the sale of the Subscription Receipts plus any interest earned thereon; and
- any other material terms and conditions of the Subscription Receipts.

Description of Convertible Securities

The following description sets forth certain general terms and provisions of the Convertible Securities and is not intended to be complete. The detailed provisions of the Convertible Securities may be set out in an indenture, a copy of which will be filed by the Corporation with Canadian securities regulators after it has been entered into, and will be available electronically on SEDAR at www.sedar.com.

The particular terms and provisions of each issue of Convertible Securities will be described in the applicable prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in such prospectus supplement. This description will include, as applicable:

- the title or designation of the Convertible Securities;
- the number of Convertible Securities offered;
- the price at which the Convertible Securities will be offered;
- the number of Common Shares or other Securities that may be issued upon the conversion or exchange of the Convertible Securities and the procedures for conversion or exchange;
- the dates or periods during which the Convertible Securities are exercisable and when they expire;
- the designation and terms of any other securities with which the Convertible Securities will be offered, if any, and the number of Convertible Securities that will be offered with each such Security;
- the material income tax consequences of owning, holding and disposing of the Convertible Securities; and
- any other material terms and conditions of the Convertible Securities including, without limitation, transferability and adjustment terms and whether the Convertible Securities will be listed on a stock exchange.

Description of Warrants

The following sets forth certain general terms and provisions of the Warrants and is not intended to be complete. The Corporation may issue Warrants for the purchase of Common Shares and/or other Securities of the Corporation. The Warrants will either be issued under a warrant indenture or agreement that will be entered into by the Corporation or a trustee at the time of issuance of the Warrants or will be represented by warrant certificates issued by the Corporation. If the detailed provisions of the Warrants are set out in an indenture, a copy of such indenture will be filed by the Corporation with Canadian securities regulators after it has been entered into, and will be available electronically on SEDAR at www.sedar.com.

The particular terms and provisions of each issue of Warrants will be described in the applicable prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in such prospectus supplement. This description will include, as applicable:

- the title or designation of the Warrants;
- the aggregate number of Warrants offered and the offering price;
- the designation, number and terms of the Common Shares and/or other Securities of the Corporation purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;
- the exercise price of the Warrants;
- the dates or periods during which the Warrants are exercisable and when they expire;
- the designation and terms of any other securities with which the Warrants will be offered, if any, and the number of Warrants that will be offered with each such Security;
- the material income tax consequences of owning, holding and disposing of the Warrants; and
- any other material terms and conditions of the Warrants including, without limitation, transferability and adjustment terms and whether the Warrants will be listed on a stock exchange.

Description of Units

The following description sets forth certain general terms and provisions of the Units and is not intended to be complete. Units may be comprised of one or more of the other Securities described in this prospectus and in any combination. Each Unit will be issued so the holder thereof is also the holder of each Security included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each Security comprising the Unit. A unit agreement, if any, under which a Unit is issued may provide that the Securities comprising the Unit may not be held or transferred separately at any time or at any time before a specified date.

The particular terms and provisions of each issue of Units will be described in the applicable prospectus supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in such prospectus supplement. This description will include, as applicable:

- the designation and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately;
- any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units;
- whether the Units will be issued in fully registered or global form; and
- any other material terms and conditions of the Units.

CONSOLIDATED CAPITALIZATION

The applicable prospectus supplement will describe any material change, and the effect of such material change, on the share and loan capitalization of the Corporation that will result from the issuance of securities pursuant to such prospectus supplement.

Since September 30, 2022, there have been no changes in the Corporation's consolidated share or debt capital, other than as follows:

- On December 20, 2022, the Company issued 21,428,570 units consisting of: one Common Share and one Warrant, entitling the holder thereof to acquire one additional Common Share at \$0.078 until December 20, 2024.

PRICE RANGE AND TRADING VOLUME OF SECURITIES

The Common Shares are listed on the TSX under the symbol “CUB”. Information regarding trading price and volume of the Securities will be provided as required for all of the Corporation’s issued and outstanding Securities that are listed on any securities exchange, as applicable, in each prospectus supplement.

EARNINGS COVERAGE RATIOS

Earnings coverage ratios will be provided as required in the applicable prospectus supplement with respect to the issuance of Debt Securities pursuant to such prospectus supplement.

PRIOR SALES

Information regarding prior sales of Securities will be provided as required in a prospectus supplement with respect to the issuance of Securities pursuant to such prospectus supplement.

PLAN OF DISTRIBUTION

The Corporation may sell the Securities, separately or together: (i) to one or more underwriters or dealers; (ii) through one or more agents; or (iii) directly to one or more purchasers, subject to applicable law. The prospectus supplement relating to a particular offering of Securities will identify each underwriter, dealer or agent engaged in connection with the offering and sale of the Securities, as well as, as applicable, the method of distribution, the issue price (if the offering is a fixed price distribution), the manner of determining the issue price (if the offering is a non-fixed price distribution) and the terms of the offering of such Securities, including the net proceeds to the Corporation and, to the extent applicable, any fees, discounts, concessions or any other compensation payable to underwriters, dealers or agents and any other material terms of such offering. Only underwriters so named in the prospectus supplement are deemed to be underwriters in connection with the Securities offered thereby.

The Securities may be sold from time to time in one or more transactions at fixed prices or non-fixed prices, such as prices determined by reference to the prevailing price of Securities in a specified market, at market prices prevailing at the time of sale or at prices to be negotiated with purchasers, including sales in transactions that are deemed to be “at-the-market distributions” as defined in National Instrument 44-102 – *Shelf Distributions*, including sales made directly on the TSX or other existing trading markets for the securities. Prices may also vary as between purchasers and during the period of distribution of Securities. If, in connection with the offering of securities at a fixed price or prices, the underwriters have made a *bona fide* effort to sell all of the securities at the initial offering price fixed in the applicable prospectus supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial offering price fixed in such prospectus supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the securities is less than the gross proceeds paid by the underwriters to the Corporation. Without limiting the generality of the foregoing, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Corporation or a subsidiary of the Corporation. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

Underwriters, dealers or agents may make sales of Securities in privately negotiated transactions and/or any other method permitted by law, including sales deemed to be an “at-the-market” offering as defined in National Instrument 44-102 – *Shelf Distributions* and subject to limitations imposed by and the terms of any regulatory approvals required and obtained under applicable Canadian securities laws, which includes sales made directly on an existing trading market for the Common Shares, or sales made to or through a market maker other than on an exchange.

In connection with any offering of Securities, except with respect to “at-the-market” offerings, the underwriters or agents may over-allot or effect transactions which stabilize or maintain the market price of the offered Securities at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be commenced, interrupted or discontinued at any time. No underwriter or dealer involved in an “at-the-market” offering, as defined under applicable Canadian securities laws, under this prospectus, no affiliate of such an underwriter or dealer and no person or company acting jointly or in concert with such an underwriter or dealer will over-allot Securities in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Securities. In the event that the Corporation determines to pursue an “at-the-market” offering in Canada, the Corporation shall apply for the applicable exemptive relief from the Canadian securities commissions.

If underwriters purchase Securities as principal, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price

or at varying prices determined at the time of sale. The obligations of the underwriters to purchase those Securities will be subject to certain conditions precedent, and the underwriters may be obligated to purchase all the Securities offered by the prospectus supplement if any of such Securities are purchased. Any public offering price and any discounts or concessions allowed or re-allowed or paid to dealers may be changed from time to time. The Securities may also be sold through agents designated by CubicFarms from time to time or directly by CubicFarms at prices and upon terms agreed to by the purchaser and CubicFarms, subject to any applicable dealer registration requirements. Any agent involved in the offering and sale of the Securities pursuant to this prospectus will be named, and any commissions or other remuneration payable by CubicFarms to that agent will be set forth, in the applicable prospectus supplement. Unless otherwise specified in the applicable prospectus supplement, any agent will be acting on a best efforts basis for the period of its appointment.

CubicFarms may agree to pay underwriters, dealers and agents a commission for services relating to the issue and sale of any Securities offered by this prospectus and the applicable prospectus supplement, which will be paid out of CubicFarms' general funds or from the proceeds of the sale of the Securities, otherwise specified in the applicable prospectus supplement.

Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Corporation to indemnification by the Corporation against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Corporation in the ordinary course of business.

Any offering of Securities, other than Common Shares, will be a new issue of securities. There is currently no market through which the Securities, other than the Common Shares, may be sold and purchasers may not be able to resell such securities purchased under this prospectus. Unless otherwise specified in the applicable prospectus supplement, the Debt Securities, Subscription Receipts, Convertible Securities, Warrants and Units will not be listed on any securities or stock exchange and purchasers may not be able to resell such Securities purchased under this prospectus and the applicable prospectus supplement. This may affect the pricing of the Debt Securities, Subscription Receipts, Convertible Securities, Warrants or Units in the secondary market (if any), the transparency and availability of trading prices (if any), the liquidity of the Debt Securities, Subscription Receipts, Convertible Securities, Warrants or Units (if any), and the extent of issuer regulation. Certain dealers may make a market in these Securities, but will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that any dealer will make a market in these Securities or as to the liquidity of the trading market, if any, for these Securities.

This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Securities in the United States. Unless otherwise specified in the applicable prospectus supplement, the securities offered hereby have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States, and may not be offered, sold or delivered in the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Each underwriter, dealer, agent and direct purchaser of Securities will agree that it will not offer, sell or deliver Securities within the United States, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States.

USE OF PROCEEDS

The net proceeds to the Corporation from the sale of Securities, the proposed use of those proceeds and the specific business objectives which the Corporation expects to accomplish with such proceeds will be set forth in the applicable prospectus supplement relating to that offering of Securities. Among other potential uses, the Corporation may use the net proceeds from the sale of Securities for general corporate purposes, including funding ongoing operations and/or working capital requirements, to repay indebtedness outstanding from time to time, capital projects and potential future acquisitions.

Management of the Corporation will retain broad discretion in allocating the net proceeds of any offering of Securities under this prospectus and the applicable prospectus supplement, and the Corporation's actual use of the net proceeds will vary depending on the availability and suitability of investment opportunities and its operating and capital needs from time to time. All expenses relating to an offering of Securities and any compensation paid to underwriters, dealers or agents as the case may be, will be paid out of the proceeds from the sale of Securities, unless otherwise stated in the applicable prospectus supplement. See "*Risk Factors – Use of Proceeds*".

The Corporation's intended use of proceeds accounts for the impacts and effects of COVID-19 that are currently known. Future developments, which the Corporation cannot currently predict, may require the Corporation to adjust, delay or postpone, either temporarily or permanently, any intended use of proceeds. New or revised directives of various levels of the Canadian and international governments and public health authorities in such jurisdictions, the status of labour or equipment availability and

the ability to staff facilities, are all factors that could have an adverse impact on the Corporation's plans. See "*Risk Factors – Risks Arising from the Current COVID-19 Pandemic*".

The Corporation has had a history of losses and had negative operating cash flow for its most recent interim financial period ended September 30, 2022 and the financial year ended December 31, 2021. The Corporation may seek additional financings through the issuance of debt or equity to support further expansion and research and development activities and seek additional non-dilutive government grants and subsidies that are available. The Corporation may, however, be required to use some or all of the net proceeds from the sale of Securities under this prospectus to fund its cash working capital requirements and negative cash flows. See "*Risk Factors – Going Concern and Negative Cash Flow from Operations*".

INTEREST OF EXPERTS

Unless otherwise specified in the prospectus supplement relating to an offering and sale of Securities, certain legal matters relating to such offering and sale of Securities will be passed upon on behalf of the Corporation by Fasken Martineau DuMoulin LLP with respect to matters of Canadian law.

As at the date hereof, the partners and associates of Fasken Martineau DuMoulin LLP, as a group, own less than 1% of the outstanding securities of the Corporation.

KPMG LLP, Chartered Professional Accountants, are the auditors of CubicFarms commencing for the transition year (six months) ended December 31, 2020, and have confirmed with respect to CubicFarms that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Auditors

The Corporation's auditor is KPMG LLP, located at PO Box 10426 777 Dunsmuir Street, Vancouver, BC V7Y 1K3.

Transfer Agents, Registrars or Other Agents

Computershare Investor Services Inc., at its principal offices in Vancouver, British Columbia, is the transfer agent and registrar for the Common Shares.

RISK FACTORS

Risk factors relating to the Corporation's business are discussed in the Corporation's annual information form and certain other documents incorporated by reference or deemed to be incorporated by reference in this prospectus, which risk factors are incorporated by reference in this prospectus. Certain risk factors relating to the Corporation's use of proceeds generally are discussed below and additional risk factors relating to a specific offering of Securities may be described in the applicable prospectus supplement. The risks described in this prospectus and any other documents incorporated by reference or deemed to be incorporated by reference in this prospectus are not the only risks facing the Corporation. Prospective purchasers of Securities should consider carefully such risk factors, as well as the other information contained in and incorporated by reference in this prospectus and, if applicable, in the applicable prospectus supplement before purchasing Securities offered hereby. If any event arising from these risks occurs, the Corporation's business, prospects, financial condition, results of operations or cash flows, or your investment in the Securities could be materially adversely affected. Purchasers could lose all or part of their investment in the Securities.

Risks Arising from the Current COVID-19 Pandemic

Global or national health concerns, including the outbreak of pandemic or contagious diseases, such as COVID-19 (coronavirus), may adversely affect the Corporation. The Corporation's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises. In December 2019, COVID-19, a novel strain of coronavirus, was reported to have surfaced in Wuhan, China. On January 30, 2020, the WHO declared the outbreak a global health emergency and on March 11, 2020, the WHO expanded its classification of COVID-19 to a worldwide pandemic and federal, provincial and municipal governments in Canada have enacted measures to combat the spread of COVID-19.

The Corporation expects to experience some short to medium term negative impacts from the COVID-19 outbreak; the extent of such impacts is currently unquantifiable, but may be significant. Such impacts include, with respect to its operations,

increased suppliers' operations and its customers' operations inquiries, mandated social distancing, isolation and/or quarantines, impacts of declared states of emergency, public health emergency and similar declarations and could include other increased government regulations, a material reduction in demand for the Corporation's products and services, reduced sales, higher costs for new capital, licencing and permitting delays, increased operating expenses, delayed performance of contractual obligations, and potential supply shortages, all of which are expected to negatively impact the business, financial condition and results of operations of the Corporation and thus may impact the ability of the Corporation to comply with financial covenants, and its ability satisfy its obligations to its lenders and other parties, which in turn may adversely impact, among other things, the ability of the Corporation to access debt or equity capital on acceptable terms or at all.

The risks to the Corporation of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in the Corporation's facilities. Should an employee or visitor in any of the Corporation's facilities become infected with a serious illness that has the potential to spread rapidly, this could place the Corporation's workforce at risk. The outbreak of COVID-19 is one example of such an illness. The Corporation takes every precaution to strictly follow industrial hygiene and occupational health guidelines and applicable health authority recommendations.

Use of Proceeds

While detailed information regarding the use of proceeds from the sale of Securities will be described in the applicable prospectus supplement, the Corporation will have broad discretion in the actual application of the net proceeds, and may elect to allocate proceeds differently from that described in such prospectus supplement if it believes it would be in its best interests to do so as circumstances change. You may not agree with how the Corporation allocates or spends the proceeds from an offering of Securities under this prospectus. The failure by the Corporation to apply these funds effectively could have a material adverse effect on the Corporation's business, financial condition, cash flows, results of operations or prospects.

Going Concern and Negative Cash Flow from Operations

To date, the Corporation has financed its operations primarily through share issuances. The development of modular growing systems and Corporation feed system as well as its production process involve significant financial risks, including the ability of the Corporation to develop and penetrate new markets, obtain additional financing as required, achieve profitable production and the ability for the Corporation to be able to successfully assert its intellectual property rights and protect against patent infringement.

The Corporation had negative operating cash flows for the financial year ended December 31, 2021, and the nine months ended September 30, 2022. The losses and deficits indicate a material uncertainty that may cast significant doubt about the Corporation's ability as a going concern. Despite the material uncertainty, these consolidated financial statements have been prepared on the basis that the Corporation will continue as a going concern, as management believes that the Corporation will be able to raise sufficient capital and have positive cash flow from operating activities in future periods to meet its obligations as and when they come due. However, the Corporation cannot guarantee that it will have a cash flow positive status in the future. To the extent that the Corporation has negative cash flow in any future period, certain of the proceeds from the Offering may be used to fund such negative cash flow from operating activities. The Corporation may not be able to achieve or maintain profitability and may continue to incur significant losses in the future. In addition, the Corporation expects to continue to increase operating expenses as it implements initiatives to continue to grow its business. If the Corporation's revenues do not increase to offset its costs and operating expenses or if the Corporation is unable to raise financing to fund capital or operating expenditures or acquisitions, it could limit its growth and may have a material adverse effect upon the Corporation's business, financial condition, cash flows, results of operations or prospects.

CERTAIN INCOME TAX CONSIDERATIONS

The applicable prospectus supplement may describe certain Canadian federal income tax consequences to an investor who is a resident of Canada with respect to the acquisition, ownership and disposition of any Securities offered thereunder.

EXEMPTIONS

Pursuant to a decision of the Autorité des marchés financiers dated January 17, 2023, the Corporation was granted a permanent exemption from the requirement to translate this prospectus into French, any of the documents incorporated by reference herein into French or any prospectus supplement to be filed in relation to an "at-the-market distribution" into French. This exemption is granted on the condition that this prospectus and any prospectus supplement (other than in relation to an "at-the-market distribution") be translated into French, if the Corporation offers Securities to Québec purchasers in connection with an offering other than in relation to an "at-the-market distribution".

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser are not sent or delivered to the purchaser. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In certain of the provinces of Canada, the 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 the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal adviser.

In an offering of convertible, exchangeable or exercisable securities, purchasers are cautioned that the statutory right of action for damages for a misrepresentation contained in this prospectus or any prospectus supplement is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable securities are offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon the conversion, exchange or exercise of the security, these amounts may not be recoverable under the statutory right of action for damages that applies in those provinces.

The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal advisor.

CERTIFICATE OF THE CORPORATION

Dated: January 18, 2023

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the Provinces of Canada.

(Signed "John De Jonge")

John De Jonge
Interim Chief Executive Officer

(Signed "Carlos Yam")

Carlos Yam
Chief Financial Officer

On behalf of the Board of Directors

(Signed "Janet Wood")

Janet Wood
Director

(Signed "Daniel Burns")

Daniel Burns
Director