INITIAL PUBLIC OFFERING OF SUBORDINATE VOTING SHARES

Term Sheet

May 31, 2021

VerticalScope Holdings Inc.

Initial Public Offering of Subordinate Voting Shares

An amended and restated preliminary base PREP prospectus (the "preliminary 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 and territories of Canada. A copy of the preliminary prospectus, and any further amendment, is required to be delivered with this document. The preliminary prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final base PREP 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 prospectus, the final base PREP prospectus, the supplemented PREP 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 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 and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act), except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Capitalized terms used but not otherwise defined herein shall have the respective meaning ascribed thereto in the preliminary prospectus. All references to "$" or "dollars" in this document are to Canadian dollars, unless indicated otherwise.

The information contained in this document assumes (i) the completion of the Pre-Closing Reorganization as described in "Description of Share Capital – Pre-Closing Reorganization" in the preliminary prospectus, (ii) an Offering Price of $21.00 per Subordinate Voting Share, (iii) no exercise of the Over-Allotment Option, unless otherwise specified, and (iv) no issuance of Subordinate Voting Shares as partial consideration to the Company's legal counsel in connection with the Offering.

Issuer:	VerticalScope Holdings Inc. ("VerticalScope" or the "Company").
Offering:	It is anticipated that between 4,347,826 and 5,263,157 Subordinate Voting Shares will be offered based on the estimated Offering Price range (between 5,000,000 and 6,052,631 Subordinate Voting Shares if the Over-Allotment Option is exercised in full).
Offering Price:	It is anticipated that the Offering Price will be between $19.00 and $23.00 per Subordinate Voting Share (the "Offering Price").
Offering Size:	$100 million ($115 million assuming the Over-Allotment Option is exercised in full).
Over-Allotment Option:	The Company has granted the Underwriters the Over-Allotment Option, exercisable in whole or in part, at the sole discretion of the Underwriters, to acquire up to 714,286 additional Subordinate Voting Shares, representing 15% of the number of Subordinate Voting Shares offered under the Offering, to cover overallotments, if any. The Over-Allotment Option may be exercised at the Offering Price for a period of 30 days from the Closing Date.
Shares Outstanding:	Upon completion of the Offering and the Pre-Closing Reorganization, there will be 15,762,091 Subordinate Voting Shares and 2,957,265 Multiple Voting Shares on a non-diluted basis (17,634,026 Subordinate Voting Shares and 2,957,265 Multiple Voting Shares on a fully-diluted basis) issued and outstanding immediately after completion of the Offering. If the Over-Allotment Option is exercised in full, there will be 16,476,377 Subordinate Voting Shares and 2,957,265 Multiple Voting Shares on a non-diluted basis (18,419,741 Subordinate Voting Shares and 2,957,265 Multiple Voting Shares on a fully-diluted basis) issued and outstanding immediately after completion of the Offering.

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Principal Shareholders:	Upon completion of the Offering and the Pre-Closing Reorganization, 7,860,505 Subordinate Voting Shares will be owned or controlled by NordStar Group (representing approximately 17.3% of the total voting rights attached to all of the Company's issued and outstanding shares), 2,957,265 Multiple Voting Shares will be owned or controlled by RDL Ventures (representing approximately 65.2% of the total voting rights attached to all of the Company's issued and outstanding shares) and 3,111,557 Subordinate Voting Shares will be owned or controlled by Hedgewood (representing approximately 6.9% of the total voting rights attached to all of the Company's issued and outstanding shares).
Use of Proceeds:	VerticalScope intends to primarily use the net proceeds of the Offering to pursue its current pipeline of acquisitions.
Description of Share Capital:	Upon completion of the Offering and the Pre-Closing Reorganization, the authorized share capital of the Company will consist of: (i) an unlimited number of Multiple Voting Shares; (ii) an unlimited number of Subordinate Voting Shares; and (iii) an unlimited number of preferred shares (the "Preferred Shares"), issuable in series, of which 2,957,265 Multiple Voting Shares, 15,762,091 Subordinate Voting Shares and nil Preferred Shares will be issued and outstanding immediately following the Closing. The Subordinate Voting Shares will have one vote per share and the Multiple Voting Shares will have 10 votes per share. The Multiple Voting Shares carry a greater number of votes per share relative to the Subordinate Voting Shares. The Subordinate Voting Shares are therefore "restricted securities" within the meaning of such term under applicable Canadian securities laws. After giving effect to the Offering, the Subordinate Voting Shares will collectively represent approximately 84.2% of the total issued and outstanding shares and approximately 34.8% of the voting rights attached to all issued and outstanding shares (approximately 84.8% and 35.8%, respectively, if the Over-Allotment Option is exercised in full) and the Multiple Voting Shares will collectively represent approximately 15.8% of issued and outstanding shares and approximately 65.2% of the voting rights attached to all issued and outstanding shares of the company (approximately 15.2% and 64.2%, respectively, if the Over-Allotment Option is exercised in full). The Subordinate Voting Shares are not convertible into any other class of shares. The Multiple Voting Shares are convertible into Subordinate Voting Shares on a one-for-one basis at the option of the holder. In addition, Multiple Voting Shares will automatically convert into Subordinate Voting Shares in certain other circumstances. In accordance with applicable regulatory requirements designed to ensure that, in the event of a take-over bid, the holders of Subordinate Voting Shares will be entitled to participate on an equal footing with holders of Multiple Voting Shares, the Company will enter into a Coattail Agreement with holders of Multiple Voting Shares.

Lock-up Arrangements:	In connection with the completion of the Offering, each of the Company, the Principal Shareholders, certain other shareholders, as well as directors and executive officers of the Company will enter into Lock-Up Agreements pursuant to which he, she or it will agree not to, directly or indirectly, without the prior written consent of the Lead Underwriters, on behalf of the Underwriters, as applicable: (a) offer, sell, contract to sell, issue, grant or sell any option, right or warrant to purchase, or otherwise lend, transfer or dispose of shares of the Company, financial instruments or securities convertible into or exercisable or exchangeable for shares of the Company, (b) make any short sale, engage in any hedging transaction, or enter into any swap or other arrangement that transfers to another person, in whole or in part, any of the economic consequences of ownership of shares of the Company, whether any such transaction is to be settled by delivery of shares, other securities, cash or otherwise, or (c) announce any intention to do any of the foregoing for a period commencing on the Closing Date and ending (i) in the case of the Company, the Company's directors and executive officers and certain other shareholders, 180 days after the Closing Date and (ii) in the case of the Principal Shareholders, 12 months after the Closing Date for NordStar Group and Hedgewood and 24 months after the Closing Date for RDL Ventures (subject to the release mechanism described in the following paragraph), in all cases, subject to customary exceptions. Pursuant to the terms and conditions of their Lock-Up Agreements, each of the Principal Shareholders will have the right to sell, grant, secure, pledge or otherwise transfer, dispose of or monetize (a) as it relates to NordStar Group and Hedgewood, (i) up to half of their Subordinate Voting Shares or other equity securities of the Company 180 days after the Closing; (ii) up to three quarters of their Subordinate Voting Shares or other equity securities of the Company nine months after the Closing; and (iii) any and all of their Subordinate Voting Shares or other equity securities of the Company 12 months after the Closing; and (b) as it relates to RDL Ventures, (i) up to one third of its Multiple Voting Shares, Subordinate Voting Shares or other equity securities of the Company (12) months after the Closing; up to two thirds of its Multiple Voting Shares, Subordinate Voting Shares or other equity securities of the Company 18 months after the Closing; and (iii) any and all of its Multiple Voting Shares, Subordinate Voting Shares and other equity securities of the Company 24 months after the Closing. All of the Subordinate Voting Shares and Multiple Voting Shares, as applicable, held upon completion of the Offering by the Principal Shareholders, certain other shareholders as well as directors and executive officers will be subject to Lock-Up Agreements, representing approximately 99% of issued and outstanding shares on a non-diluted basis immediately prior to the completion of the Offering.
Listing:	The Company has applied to list the Subordinate Voting Shares on the TSX under the symbol "FORA". Listing is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved the listing application and there is no assurance that it will do so.
Eligibility for Investment:	Eligible for RRSPs, RRIFs, RDSPs, DPSPs, RESPs and TFSAs.
Offering Type:	Initial public offering under a long-form PREP prospectus filed in all provinces and territories of Canada. Private placement in the U.S. to "qualified institutional buyers" pursuant to Rule 144A of the United States Securities Act of 1933, and internationally as permitted by law.

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Joint Bookrunners:	RBC Capital Markets, Canaccord Genuity Corp., and National Bank Financial Inc.
Underwriting Fee:	6.0% of the gross proceeds from the sale of Subordinate Voting Shares pursuant to the Offering.
Pricing Date:	Expected the week of June 14, 2021.
Closing Date:	Expected the week of June 21, 2021.