



CBOE: CJET

Canada's Friendly Leisure Airline

INVESTOR PRESENTATION / MARCH 2024

Disclaimer & Forward-Looking Information

- The information contained herein, while obtained from sources we believe to be reliable, is not guaranteed as to accuracy or completeness. This Presentation is for information only and does not constitute an offer to sell or a solicitation to buy the securities referred to herein. No securities regulator or stock exchange has reviewed or accepted responsibility for the adequacy or accuracy of this Presentation. All figures in Canadian dollars unless indicated otherwise.
- This Presentation contains “forward-looking statements” and “forward-looking information” within the meaning of applicable Canadian and United States securities legislation (together, “forward looking information”). Except for statements of historical fact relating to Canada Jetlines Operations Ltd. (the “Company”), the statements contained herein constitute forward-looking information, including any information as to strategy, plans or future financial or operating performance. Forward-looking information is characterized by words such as “plan”, “expect”, “budget”, “target”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words or statements that certain events or conditions “may” or “will” occur. Forward-looking information is based on the opinions, assumptions and estimates of management that are considered to be reasonable at the time the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking information. These factors include the need for additional financing; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters; the absence of dividends; competition; inability to secure or maintain required governmental, regulatory, stock exchange or other such approvals; the completion of the licensing process; the ability to acquire aircraft on favorable terms and general economic, market or business conditions. In particular, this Presentation contains forward-looking information pertaining to the following: expectations as to future operations of the Company and the timing and receipt of all regulatory approvals required for operations by the Company; desirability of operating aircraft on certain routes and the pricing of airfares on such routes; anticipated competitive response from existing airlines as well as potential new market entrants which may compete with the Company; future profitability; the launch of Jetlines Vacations; impact of governmental regulation on the Company; future development and growth prospects; expected aircraft fleet size; expected operating costs, general administrative costs, costs of services and other costs and expenses; ability to meet current and future obligations; projections of revenues and profits; ability to obtain equipment, services and supplies in a timely manner, including the ability to lease or purchase aircraft; the destinations the Company intends to service, the details of the Company’s business partners; and ability to obtain financing on acceptable terms or at all.
- With respect to forward-looking information contained in this Presentation, the Company have made assumptions regarding, among other things, the following: the timely receipt of any governmental approvals required for international operations; the continuation of operations by the Company and the success of such operations; the ability of the Company to implement its business plan as intended; the legislative and regulatory environments of the jurisdictions where the Company will carry on business or have operations; the impact of competition and the competitive response to the Company’s business strategy; availability of aircraft; timing and amount of capital expenditures; conditions in general economic and financial markets; and the Company’s ability to obtain additional financing on satisfactory terms. The actual results, performance or achievements of the Company could differ materially from those anticipated in the forward-looking information as a result of the risk factors set forth below, including but not limited to: general economic conditions; the ability of management to execute its business plan; the competitive response from existing airlines in North America and potential new market entrants which may compete with the Company; the impact of the COVID-19 pandemic; the availability of sufficient financial resources to fund the Company’s expenditures; the possibility that government policies, regulations or laws may change or governmental approvals may be delayed, withheld or conditioned; stock market volatility and market valuations; and the availability of capital on acceptable terms or at all.
- Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from what is anticipated in such information. The reader is cautioned not to place undue reliance on forward-looking information. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company’s expected financial and operational performance and the Company’s plans and objectives and may not be appropriate for other purposes. Management the Company do not undertake to provide updates with respect to forward-looking information, except as may be required by law.
- This Presentation also contains future-oriented financial information and financial outlook information (collectively, “FOFI”) about the pro forma revenue of the resulting issuer which are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs. FOFI contained in this Presentation was made as of the date of this Presentation and was provided for the purpose of providing further information about the Company’s anticipated future business operations. The Company disclaims any intention or obligation to update or revise any FOFI contained in this Presentation, whether as a result of new information, future events or otherwise, unless required pursuant to applicable law. FOFI contained in this Presentation should not be used for purposes other than for which it is disclosed herein. Such future-oriented production information is provided for the purpose of providing information about management’s current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this Presentation.

Overview

Who We Are

We are a value-focused, friendly leisure airline that flies to high-demand sunny destinations. Our services also extend to charter flights, ensuring year-round demand from a diverse range of customers

Our Mission

We are shaped by our beliefs: To be on your side, to make flying fun and to do it together



Staying true to our **values**,
to consistently deliver an
exceptional experience,
every single time

First Flight
2022

Our Team
100+

Leadership Experience
70+ years

Our Fleet
3



Our Guest Experience Matters to Us!

We offer an unrivaled customer experience in the skies



Guest-centric experience - serving with a smile and open communication



Customer comfort (extra legroom seats)



Complimentary wireless in-flight entertainment



USB charging ports



Food and beverage - in-flight dining menu reflective of the season



Elite Team: Handpicked for Jetlines excellence

Extra Comfort: Elevating customer experience

Management Team



Eddy Doyle
President & Chief Executive
Officer, Board Member

- Over 35 years experience in aviation. Ed started his career as a pilot in the Canadian Air Force before joining Air Canada in 1989
- Over 11,000 hours flying experience - has flown Airbus and Boeing aircraft domestically and internationally
- At Air Canada was responsible for nearly 4,000 pilots, dispatchers, load agents, and administrative staff
- Played a crucial role in the Air Canada restructuring process of 2004, the negotiation with the pilots' union of the agreement that allowed the creation of Rouge, and major cost control improvements
- After retiring from Air Canada, Ed took the position of Deputy-CEO at Bamboo Airways in Vietnam, where he helped launch the airline. Grew the airline to 25 aircraft (A320 & B787) by the end of its first year in operation



Percy Gyara
Chief Financial Officer

- Percy has an extensive experience in the airline industry, having previously served as VP Finance at Sunwing Travel Group for 10 years, managing the Airlines, Tour Operator, Hotels and Destination Management divisions
- Percy also worked at Skyservice Airlines managing their Finance Department
- Percy has been instrumental in success of Sunwing Travel Group's vertical integration plan, growing 30% YOY under his tenure
- The Airlines division grew from 10 aircrafts to 40 aircrafts and hotel division started operations in 2015 and grew rapidly to 10 hotels in the Caribbean with a total of owned and managed 10,000 rooms



Brad Warren
Chief Operating Officer

- Brad has over 25 years of experience in the airline industry
- Prior to joining Canada Jetlines Brad served as the Managing Director at Air Canada accountable for line maintenance with more than 1,800 maintenance technicians across Canada and around the globe
- Prior to that he held a senior leadership role at Air Canada Rouge after his time as Vice President of maintenance for Air Georgian and Regional
- Brad is very familiar with the Airbus 320 family having worked with this aircraft type both at Rouge and Air Canada

Board of Directors

Brigitte Goersch Chair

- Seasoned aviation executive
- President of Lionheart Enterprises, LLC
- Former Deputy Executive Director, Greater Orlando
- Aviation Authority (Orlando International AirportOIA)
- Operations Oversight Executive, Federal Aviation Administration
- United States Air Force Lieutenant Colonel and Command Pilot.

Reg Christian

- Advisor to the Chairman of the Board related to the Travel Trade
- Currently sits as President and CEO of multiple successful businesses in Mississauga, Canada
- With a robust travel portfolio and active role in travel marketing since 2009, he operates Rhythm Travel and Tours, which is an IATA accredited and TICO Certified agency
- Founder President & CEO of RooSheila Group Inc

Ryan Goepel

- Over 20 years in Senior Finance Roles
- Significant LCC narrowbody CFO experience
- Multiple successful startups
- Key role in the first Burger King IPO

Beth S. Horowitz

- Former President & CEO, Amex Bank of Canada and Amex Canada Inc.
- Over 20 years of service on corporate and non-profit boards.
- Current corporate board service includes Northland Properties and past service includes HSBC Bank Canada and People Corporation.
- MBA degree from Harvard Business School and ICD.D designation from the Institute of Corporate Directors

David Kruschell

- President & CEO at Frontier Lodging Solutions
- Previously Senior Vice President, Client Management & Consulting at Direct Travel, a leader in travel management in north America, employing over 725 travel professionals in Canada

Shawn Klerer

- Experience spans numerous industries including telecom, financial services, travel, logistics, education, and software
- Currently the Chief Client Officer for Personify Corp
- Previously CFO for American Express in Canada and for Purolator Courier Inc.
- Led the Business Travel division for Amex in Canada

Ravinder Minhas

- Co-Founder of The Minhas Craft Brewery, ranked in the Top 10 largest breweries in America
- Has a Bachelor of Science in Oil & Gas Engineering from the University of Calgary

Gurdev Singh

- Over 16 years experience in aerospace, management, sales and marketing

A map of North America, including the United States, Canada, and Mexico, overlaid on a satellite image of a coastal area. The map displays numerous flight destinations marked with colored pins. The pins are color-coded according to the revenue stream they represent: blue for '01 Passenger Revenue From Scheduled Destinations', orange for '02 Chartered Flights & Subservice', and yellow for '03 Jetlines Vacations'. The destinations are labeled with airport codes. Blue pins are located in the northern and central parts of the continent, including YRT, YEG, YYC, YVR, YXE, YQR, YWG, YQT, YAM, YBG, YOW, YQB, YUL, YQX, SFJ, YQG, YYZ, YHM, JFK, STL, BNA, CJS, LAS, and AUA. Orange pins are located in the southern United States and Mexico, including FLL, NAS, MCO, VRA, CUN, SNU, MBJ, SDQ, LRM, and QRO. Yellow pins are located in the southwestern United States, including LAS and CJS. The background of the map is a satellite image of a coastal area with a large bay and a city.

Revenue Stream	Destinations (Airport Codes)
01 Passenger Revenue From Scheduled Destinations	YRT, YEG, YYC, YVR, YXE, YQR, YWG, YQT, YAM, YBG, YOW, YQB, YUL, YQX, SFJ, YQG, YYZ, YHM, JFK, STL, BNA, CJS, LAS, AUA
02 Chartered Flights & Subservice	FLL, NAS, MCO, VRA, CUN, SNU, MBJ, SDQ, LRM, QRO
03 Jetlines Vacations	LAS, CJS

A map of North America, including the United States, Canada, and Mexico, with numerous airport locations marked. The map is overlaid with a grid. The background is a dark blue gradient. The text '30,000 Foot View of Our Business Model' is in large white font. Below it, 'Maximizing Shareholder Value through Diversified Revenue Streams' is in smaller white font. On the right, three numbered items are listed: '01 Passenger Revenue From Scheduled Destinations' (blue), '02 Chartered Flights & Subservice' (orange), and '03 Jetlines Vacations' (green). The map shows various airports marked with colored pins: blue for scheduled destinations, orange for chartered flights, and green for jetlines vacations. The airports are labeled with their IATA codes: YRT, YEG, YYC, YVR, YXE, YQR, YWG, YQX, YBG, YOW, YQB, YUL, YQZ, YHM, JFK, STL, BNA, LAS, CJS, MCO, VRA, CUN, QRO, SNU, MBJ, SDQ, LRM, SXM, AUA, LIR, and SFJ.

30,000 Foot View of Our Business Model

Maximizing Shareholder Value through Diversified Revenue Streams

01 Passenger Revenue From Scheduled Destinations

02 Chartered Flights & Subservice

03 Jetlines Vacations

A map of North America, including the United States, Canada, and Mexico, with numerous airport locations marked. The map is overlaid with a grid. The background is a dark blue gradient. The map shows the following airports marked with pins:

- Blue pins (Scheduled Destinations):** YRT, YEG, YYC, YVR, YXE, YQR, YWG, YQT, YAM, YBG, YOW, YQB, YUL, YQX, SFJ, YYZ, YHM, JFK, STL, BNA, CJS, LAS, QRO, CUN, VRA, MCO, FLL, NAS, PUJ, SXM, LRM, SDQ, MBJ, SNU, CCC, LIR, AUA.
- Orange pins (Chartered Flights & Subservice):** LAS, CUN, VRA, MCO, FLL, NAS, PUJ, SXM, LRM, SDQ, MBJ, SNU, CCC, LIR, AUA.
- Yellow pins (Jetlines Vacations):** LAS, CUN, VRA, MCO, FLL, NAS, PUJ, SXM, LRM, SDQ, MBJ, SNU, CCC, LIR, AUA.

The map is titled "30,000 Foot View of Our Business Model" and "Maximizing Shareholder Value through Diversified Revenue Streams".

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A map of North America, including the United States, Canada, and Mexico, overlaid on a satellite image of a coastal area. The map displays numerous flight destinations marked with colored pins. The pins are color-coded according to the revenue stream they represent: orange for 'Passenger Revenue From Scheduled Destinations', blue for 'Chartered Flights & Subservice', and yellow for 'Jetlines Vacations'. The destinations are labeled with airport codes. Orange pins are located at LAS, CUN, MCO, VRA, SNU, MBJ, SDQ, and AUA. Blue pins are located at YRT, YEG, YYC, YVR, YXE, YQR, YWG, YQT, YAM, YBG, YOW, YQB, YUL, YQX, SFJ, STL, BNA, FLL, NAS, PUJ, SXM, LRM, and LIR. Yellow pins are located at YQG, YYZ, YHM, JFK, and QRO.

30,000 Foot View of Our Business Model

Maximizing Shareholder Value through Diversified Revenue Streams

- 01** Passenger Revenue From Scheduled Destinations
- 02** Chartered Flights & Subservice
- 03** Jetlines Vacations

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30,000 Foot View of Our Business Model

Maximizing Shareholder Value through Diversified Revenue Streams

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30,000 Foot View of Our Business Model

Maximizing Shareholder Value through Diversified Revenue Streams

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30,000 Foot View of Our Business Model

Maximizing Shareholder Value through Diversified Revenue Streams

- 01** Passenger Revenue From Scheduled Destinations
- 02** Chartered Flights & Subservice
- 03** Jetlines Vacations

Jetlines Vacations

- In keeping with our commitment to diversify revenue streams, the tour business is a proven source of higher margin participation
- Ancillary revenue streams are created through hotel, land, cruise, transfer and insurance plus destination co-operative marketing support
- Strong base to grow, projected to be a substantial part of our revenue mix
- Competitive advantage to having own airline seats



Industry Drivers

CJET is strategically positioned to soar as a leading travel company in the Canadian leisure travel market, capitalizing on industry drivers and favourable tailwinds



Market Opportunity

Recent acquisition and consolidation is creating a vacuum in the leisure travel space. There is unfulfilled demand against a backdrop of uncertainty

Thriving Leisure Market

Industry was decimated during COVID-19. With business travel returning to lower levels, leisure travel is propelling industry recovery

Rethinking the Skies

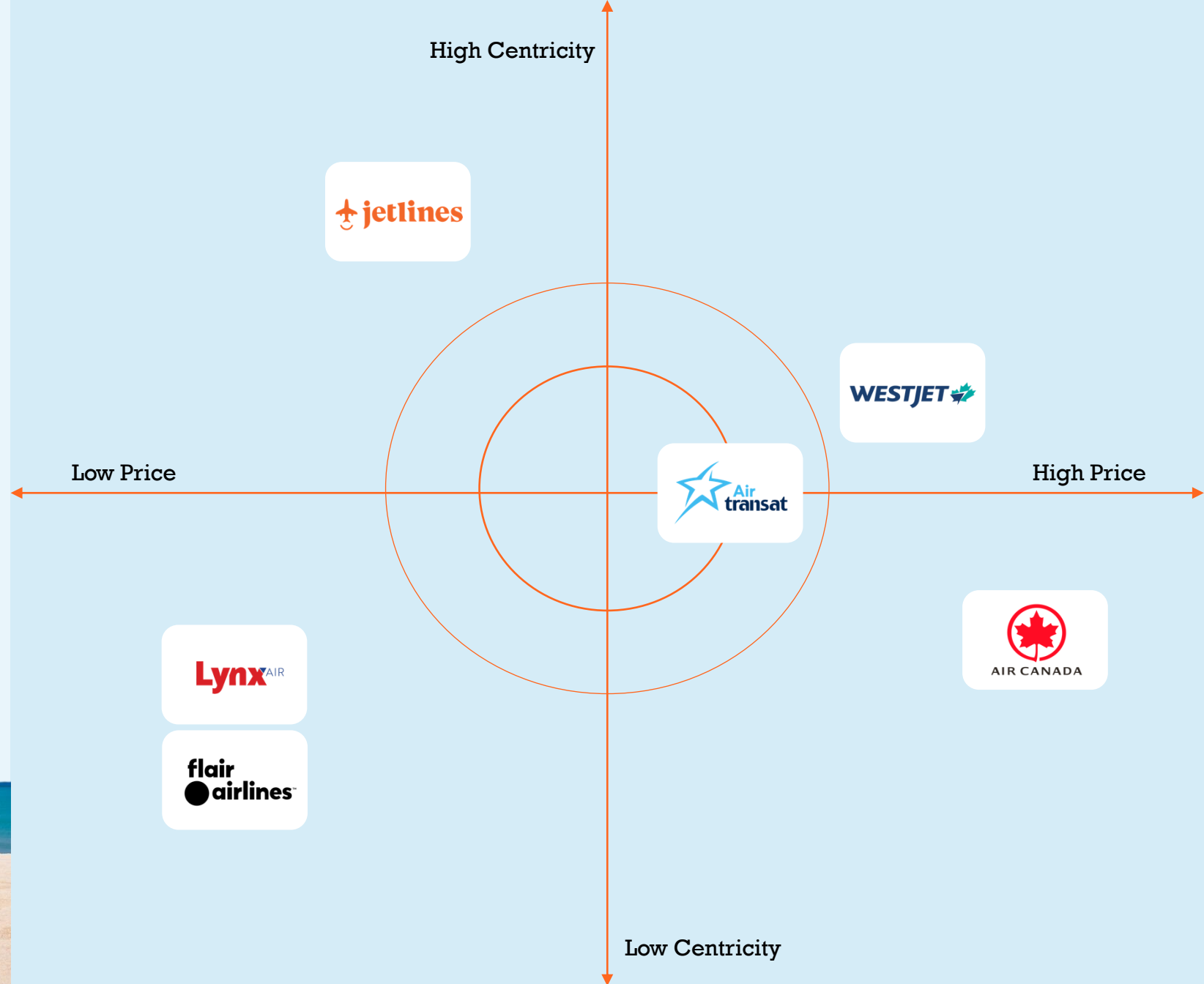
The traditional airline model has structurally shifted, fueled by changing customer expectations, evolving buying habits, and new technologies

New Entrant Advantage

As an agile airline, we are not saddled with a high fixed cost base or complex operating structure, such as legacy carriers. As leisure carriers are acquired, an underserved market creates a compelling investment opportunity

The Customer Centric Airline

Unlike ultra-low cost-carriers, we pride ourselves on offering both highly affordable fares and superior customer service



Our Fleet is the Engine of our Growth

- Our pathway to profitability is centered around our fleet expansion program
- Currently operating with 3 Airbus A320 with plans to add three additional aircraft by the end of Q2 2024



aircraft

by December 2025
(forecast)

2023



2024



2025



Strong performance during 2023

		Q3 2023	Q2 2023	Q1 2023
Revenue	↑	\$13.4M 52.1%	\$8.8M 72.8%	\$5.1M
Contribution*	↑	\$6.5M 71.0%	\$3.8M 138.8%	\$1.6M

*(Revenue less variable cost)





2023 Results

	Q3 2023	Q2 2023	Q1 2023
Operating Income / (Loss)	\$805K	\$(478K)	\$(3.06M)
Net Income/(Loss)	\$120K	\$(383K)	\$(2.96M)
EBITDAR** Earnings Before Interest, Taxes, Depreciation, Amortization and Rent	\$1.87M	\$320K	\$(383K)

**Key metric in aviation to properly compare airlines who purchase aircraft vs lease aircraft



2023 Key Milestones

Q1 2023

- Scheduled service start to Las Vegas
- Scheduled service start to Cancun
- Connection to travel agents through Amadeus GDS
- Connection to travel agents through Sabre GDS

Q2 2023

- CFL 3-season charter contract with Ottawa Redblacks signed
- CFL 2023 season charter contract with Hamilton Tiger Cats signed
- CFL 2023 season charter contract with Toronto Argonauts signed
- 1518 aircraft block hours flown

Q3 2023

- 3rd Airbus A320-200 joins fleet
- Major cruise company Greenland charter program start
- Record hours flown in July and August

Q4 2023

- Jetlines Vacations launch
- Scheduled service start to Montego Bay
- Scheduled service start to Orlando
- Go live with Google Flight Search and Skyscanner

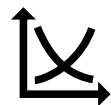
Key Investment Highlights

CJET is poised to emerge as Canada's friendly leisure airline



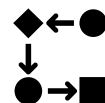
Quality Service Sets Us Apart

We turn every journey into an enjoyable experience



Bridging the Supply and Demand Gap

We are meeting the unmet demand in the leisure travel and chartered market in Canada



Robust Business Model

Leveraging multiple revenue streams to enhance profitability and long-term growth



Tour Business

Opportunity to provide vacation packages (i.e. hotels, attractions and more) to enhance margins



High Productivity

High aircraft utilization. Unencumbered by legacy labour contracts. Asset-light approach to operations

Current Capital Structure

(as of 31st Jan 2024)

Security Description

Common Shares Outstanding ¹	157,746,276
Variable Voting Shares Outstanding	31,190,430
RSUs	1,600,452
Stock Options	313,367
Warrants ²	10,583,016
Fully Diluted	170,243,111

1. 29.9% insider owned.

2. 4.78M @ \$0.50 (April 2024), \$0.65 to (April 2024-26) (4.13M @ \$0.40 to September 2024) (0.29M @ 0.40 to October 2024), (1.36M @ 0.35 to April 2025)



Rights of Action

- In certain circumstances, purchasers resident in certain provinces of Canada are provided with a remedy for rescission or damages, or both, in addition to any other right they may have at law, where an offering memorandum and any amendment to it contains a misrepresentation. A “misrepresentation” is an untrue statement of 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 the light of the circumstances in which it was made. These remedies, or notice with respect thereto, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by the applicable securities legislation.
- The following is a summary of right of rescission or damages, or both, available to purchasers resident in certain of the provinces of Canada. The following summary is subject to the express provisions of the applicable securities laws, regulations and rules, and reference is made thereto for the complete text of such provisions. Such provisions may contain limitations and statutory defenses not described herein on which we and other applicable parties may rely. Purchasers should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser.
- The rights of action described below are in addition to, and without derogation from, any other right or remedy available at law to the purchaser and are intended to correspond to the provisions of the relevant securities legislation and are subject to the defenses contained therein.
- ***Rights of Action – Saskatchewan Purchasers Only***
 - If this Offering Memorandum or any amendment to it is sent or delivered to a purchaser resident in Saskatchewan and it contained a Misrepresentation, a purchaser who purchases a security covered by the Offering Memorandum or any amendment to it has, without regard to whether the purchaser relied on the Misrepresentation, a right of action for rescission against the issuer or has a right of action for damages against: (a) the Corporation; (b) every promoter and director of the issuer at the time the Offering Memorandum or any amendment to it was sent or delivered; (c) every person or company whose consent has been filed respecting the Offering, but only with respect to reports, opinions or statements that have been made by them; (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the Offering Memorandum or the amendment to the Offering Memorandum; and (e) every person who or company that sells securities on behalf of the issuer under the Offering Memorandum or amendment to the Offering Memorandum.
 - Such rights of rescission and damages are subject to certain limitations including the following: (a) if the purchaser elects to exercise its rights of rescission against the issuer, it shall have no right of action for damages against that party; (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the Misrepresentation relied on; (c) no person or company, other than the issuer, will be liable for any part of the Offering Memorandum or any amendment thereto not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a Misrepresentation; (d) in no case shall the amount recoverable exceed the price at which the securities were offered; and (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the Misrepresentation.

Rights of Action

- All or any one or more of the persons or companies referred to above are jointly and severally liable, and every person who or company that becomes liable to make any payment pursuant to The Securities Act, 1988 (Saskatchewan), as amended, (the “Saskatchewan Act”) may recover a contribution from any person who or company that, if sued separately, would have been liable to make the same payment. Notwithstanding the foregoing, a court may deny such right to recover contribution where, in the circumstances of the case, it is satisfied that to permit recovery of a contribution would not be just and equitable.
- In addition, no person or company, other than the issuer, will be liable if the person or company proves that: (a) the Offering Memorandum or any amendment to it was sent or delivered without the person’s or company’s knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company immediately gave reasonable general notice that it was so sent or delivered; (b) after the filing of the Offering Memorandum or the amendment to the Offering Memorandum and before the purchase of the securities by the purchaser, on becoming aware of any misrepresentation in the Offering Memorandum or the amendment to the Offering Memorandum, the person or company withdrew the person’s or company’s consent to it and gave reasonable general notice of the person’s or company’s withdrawal and the reason for it; (c) with respect to any part of the Offering Memorandum or any amendment to it purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, a report, an opinion or a statement of an expert, that person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, the part of the Offering Memorandum or any amendment to it did not fairly represent the report, opinion or statement of the expert, or was not a fair copy of, or an extract from, the report, opinion or statement of the expert; or (d) in the case of a person who or company that sells the securities on behalf of the issuer under the Offering Memorandum or amendment thereto, he, she or it cannot reasonably be expected to have had knowledge of any Misrepresentation in the Offering Memorandum or the amendment to the Offering Memorandum.
- Similar rights of action for damages and rescission are provided in respect of a Misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.
- The Saskatchewan Act also provides that where an individual makes a verbal statement to a prospective purchaser that contains a Misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser has, without regard to whether the purchaser relied on the Misrepresentation, a right of action for damages against the individual who made the verbal statement.
- The Saskatchewan Act provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold by a vendor who is trading in Saskatchewan in contravention of the Saskatchewan Act, the regulations to the Saskatchewan Act or a decision of the Financial and Consumer Affairs Authority of Saskatchewan, Securities Division.
- The Saskatchewan Act also provides a right of action for rescission or damages to a purchaser of securities to whom this Offering Memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by the Saskatchewan Act.
- The Saskatchewan Act provides that no action shall be commenced to enforce any of the foregoing rights more than: (a) in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any other action, other than an action for rescission, the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action.
- The Saskatchewan Act also provides a purchaser who has received an amended Offering Memorandum delivered in accordance with the Saskatchewan Act with a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser’s intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended Offering Memorandum.
- The right of action for rescission or damages described herein is conferred by the Saskatchewan Act. These rights are in addition to and without derogation from any other right or remedy which an investors might have at law.

Rights of Action

- ***Rights of Action—Manitoba Purchasers Only***

- If this Offering Memorandum, together with any amendment to it, is delivered to a purchaser resident in Manitoba and contains a misrepresentation that was a misrepresentation at the time of purchase, the purchaser will be deemed to have relied upon the misrepresentation and will have a statutory right of action for damages against the issuer and every director of the issuer at the date of the Canadian Memorandum or, alternatively, while still the owner of the securities, may elect instead to exercise a statutory right of rescission against the issuer. If the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. This right of action is subject to the following limitations: (1) no such action may be commenced to enforce the right of action for rescission or damages more than (a) 180 days after the day of the transaction that gave rise to the cause of action, in the case of an action for rescission, or (b) the earlier of (i) 180 days after the day that the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) two years after the day of the transaction that gave rise to the cause of action, in any other case; (2) no person or company will be liable if it proves that the purchaser had knowledge of the misrepresentation; (3) in the case of an action for damages, the defendant will not be liable for all or any part of the damages that it proves do not represent the depreciation in value of the security as a result of the misrepresentation relied upon; and (4) in no case will the amount recoverable in any action exceed the price at which the securities were offered under this Offering Memorandum.
- All or any one of the persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.
- In addition, a person or company, other than the issuer, will not be liable if that person or company proves that: (a) this Offering Memorandum was sent to the purchaser without the person's or company's knowledge or consent, and that, after becoming aware that it was sent, the person or company promptly gave reasonable notice to the issuer that it was sent without the person's or company's knowledge and consent; (b) after becoming aware of the misrepresentation, the person or company withdrew the person's or company's consent to this Offering Memorandum and gave reasonable notice to the issuer of the withdrawal and the reason for it; (c) with respect to any part of this Offering Memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company proves that the person or company did not have any reasonable grounds to believe and did not believe that (i) there had been a misrepresentation, or (ii) the relevant part of this Offering Memorandum (A) did not fairly represent the expert's report, opinion or statement, or (B) was not a fair copy of, or an extract from, the expert's report, opinion or statement; or (d) with respect to any part of this Offering Memorandum not purporting to be made on an expert's authority and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed there had been a misrepresentation.
- If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, this Canadian Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum.

Rights of Action

- ***Rights of Action—Ontario Purchasers Only***
- Section 130.1 of the Securities Act (Ontario) (the “Ontario Act”) provides that if this Offering Memorandum, together with any amendment to it, is delivered to a purchaser resident in the Province of Ontario and contains a misrepresentation that was a misrepresentation at the time of purchase, the purchaser will be deemed to have relied upon the misrepresentation and will have a statutory right of action against the issuer for damages or, alternatively, while still the owner of the securities for rescission. If the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. The Ontario Act provides a number of limitations and defenses to such actions, including the following: (1) the right of action in the case of rescission will be exercisable by a purchaser only if the purchaser gives notice to the defendant, not more than 180 days after the date of the transaction that gave rise to the cause of action, that the purchaser is exercising this right; or, in the case of any action other than an action for rescission, the earlier of: (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action; (2) no person or company will be liable if it proves that the purchaser acquired the securities with knowledge of the misrepresentation; (3) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and (4) in no case will the amount recoverable in any action exceed the price at which the securities were offered under this Offering Memorandum.
- Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions provides that where this Offering Memorandum is delivered to a purchaser to whom securities are distributed in reliance on the “accredited investor” prospectus exemption in Section 2.3 of NI 45-106, the right of action in Section 130.1 of the Ontario Act is applicable unless the purchaser is: (a) a Canadian financial institution, meaning either: (i) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under Section 473(1) of that Act; or (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada; (b) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada); (c) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or (d) a subsidiary of any person referred to in paragraphs (a), (b) or (c), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of that subsidiary.

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