

Form 45-539F2
Small Business Risk Acknowledgement

WARNING!
This investment is risky.
Don't invest unless you can afford to lose all the money you pay for this investment.

Instructions: The issuer must obtain a copy of this form from all purchasers. The form must be completed entirely by the purchaser, except that the issuer must complete the information in the sections entitled "Commissions or other compensation" and "Additional information" near the end of this form.

Risks and other information	Your Initials	
The purchaser must initial "yes" or "no" for each question. If the purchaser answers "no" to any of the questions, the issuer cannot accept the purchaser's subscription.	Yes	No
<p>Risk of loss – You are buying "securities" (e.g., share, units, notes or debentures) of a start-up or other small business. A high percentage of start-up and small businesses do not survive. You should consider how much of your total assets, your annual income and your other investments is represented by this investment. Consider whether you need this money for your retirement or other purposes.</p> <p>Do you understand that this is a risky investment and that you could lose a significant portion or even all of the money you invest?</p>		
<p>No income – If the securities you are buying are supposed to provide a dividend or other return, you should consider whether the business has a reasonable prospect of making the income necessary to make those payments.</p> <p>Do you understand that you may not receive any income such as dividends or interest on this investment?</p>		
<p>Resale – The securities you are buying cannot be legally resold except in very limited circumstances. Even if you are legally able to sell them there is no established market in which to resell them.</p> <p>Do you understand that even if the value of your investment increases, you may never be able to sell your securities?</p>		
<p>Liquidity – You should consider your "exit strategy" before investing. What is the issuer's plan to allow you to realize any value on your investment (for example, through an initial public offering or an acquisition of the issuer)? You should consider the issuer's timeline for achieving that goal compared to your needs.</p> <p>Do you understand that even if the issuer is eventually successful, it may be many years before you are able to realize on your investment?</p>		

Risks and other information	Your Initials	
	Yes	No
<p>The purchaser must initial “yes” or “no” for each question. If the purchaser answers “no” to any of the questions, the issuer cannot accept the purchaser's subscription.</p> <p>Redemption risk – Unless specified by the terms of the security, the issuer selling these securities to you is not typically obligated to buy them back from you. Even if you have a right of redemption it will be subject to various conditions and limits.</p> <p>Do you understand that even if you have a right of redemption, it may not be possible to redeem your investment?</p>		
<p>Limited Information – The issuer is selling these securities under an exemption from the prospectus requirement. The offering document you should have received likely does not contain the same disclosure that would be required to be provided to you by a prospectus. Further, after making an investment you may receive little or no information about the business or your investment.</p> <p>Do you understand that you will not receive the initial or ongoing disclosure that you could expect if the issuer was filing a prospectus and becoming a reporting issuer (public company)?</p>		
<p>Financial Statements – The issuer selling you these securities may not be required to make financial statements of the business available to you or may have relied upon a regulatory framework which allows it to prepare its financial statements in accordance with private enterprise generally accepted accounting principles and to have its financial statements reviewed, rather than audited, by a public accountant. Financial statements prepared in this manner lack the assurance that they are reasonably free of a material misstatement and contain less detail than those of a reporting issuer (public company).</p> <p>Do you understand that the issuer may not be required to make financial statement available to you or, if financial statements are made available to you, they may have been prepared with accounting principles that do not provide you with all the details and assurance of financial statements of a reporting issuer (public company)?</p>		
<p>No approval – No government or securities regulatory authority has reviewed, evaluated or endorsed the offering document or the merits of these securities or the truthfulness or adequacy of the disclosure in the offering document.</p> <p>Do you understand that the merits of this investment have <u>not</u> been reviewed or approved by any securities regulatory agency or any government body?</p>		
<p>Registered dealer – To determine whether a salesperson is registered prior to making an investment, you can consult the website, http://www.aretheyregistered.ca/. If the salesperson is not registered, no government or securities regulatory authority has assessed the qualifications, integrity or financial circumstances of the salesperson or the existence of any controls regarding the handling of your assets and you will not have the protections associated with purchasing securities from a registered dealer, including an assessment of whether the investment is suitable for you.</p> <p>Do you understand the risks associated with purchasing securities from a salesperson who is not registered?</p>		

Risks and other information	Your Initials	
	Yes	No
The purchaser must initial “yes” or “no” for each question. If the purchaser answers “no” to any of the questions, the issuer cannot accept the purchaser's subscription.		
Total investment – You are investing \$ _____ [Instruction: total consideration] in total; this includes any amount you are obliged to pay in future.		
Commission or other compensation - _____ [Instruction: insert name of issuer] will pay \$ _____ [Instruction: insert amount of fee or commission] of this to _____ [Instruction: insert name of person selling the securities] as a fee or commission.		

Your name and signature

By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.

First and last name (print):

Signature: _____ **Date:** _____

[Instruction: Sign 2 copies of this document. Keep one copy for your records.]

Additional information

The issuer must complete the required information in this section before giving the form to the purchaser.

You have 2 business days to cancel your purchase

To do so, send a notice to [name of issuer] stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by email or deliver it in person to [name of issuer] at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

Email:

You will receive an offering document

Read the offering document carefully because it has important information about the issuer and its securities. Keep the offering document because you have rights based on it. Talk to a lawyer for details about these rights.

**Classification of Purchasers and Investment Limits
under the Small Business Financing Exemption**

How you qualify to buy securities under Alberta Securities Commission Order 45-539 *Small Business Financing* or the Financial and Consumer Affairs Authority of Saskatchewan General Order 45-539 *Small Business Financing* (together, the Order) and/or a Corresponding Exemption as defined in the Order.

Initial the statement under A, B, C, D, E, F or G containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under A, B, C or D you are not required to complete E, F or G.

A. You are a person described in section 2.3 [<i>Accredited investor</i>] of National Instrument 45-106 <i>Prospectus Exemptions</i> (NI 45-106), because:		Your initials
Accredited Investor	Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
	Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)	
	You are currently or were formerly registered under the securities legislation of a jurisdiction of Canada as a representative of an adviser or dealer registered under the securities legislation of a jurisdiction of Canada.	

	B. You are a person described in section 2.5 [Family, friends and business associates] of NI 45-106, because:	Your initials
Family, Friends and Business Associates	<p>You are:</p> <p>1) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a director of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a control person of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a founder of the issuer</p> <p>OR</p> <p>2) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>	
	<p>You are a family member of _____ <i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You are the _____ of that person or that person's spouse. <i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>	
	<p>You are a close personal friend of _____ <i>[Instruction: Insert the name of your close personal friend]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	
	<p>You are a close business associate of _____ <i>[Instruction: Insert the name of your close business associate]</i>, who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>	

C. You are a person or company outside of Canada		Your initials
Foreign Purchaser	You are a not a resident of Canada	

D. You are a person or company defined as a Self-Certified Investor in Order 45-538 Prospectus Exemption for Self-Certified Investors		Your initials
Self-Certified Investor	You are a Self-Certified Investor	

E. You are a minimum income investor (MII) because:		Your initials
MI	Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse's was more than \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	<p>You are</p> <ul style="list-style-type: none"> • a person or company of which a majority of the voting securities are beneficially owned by MIIs or Accredited Investors or a majority of the directors are MIIs or Accredited Investors, • a general partnership of which all of the partners are MIIs or Accredited Investors, • a limited partnership of which a majority of the directors of the general partner are MIIs or Accredited Investors, • a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are MIIs or Accredited Investors; 	

E.1 Investment limits for minimum income investor (MII) described in E		Your initials
MII	If you are a MII, described in E, and the issuer has not included in the offering document its financial statements (as specified in Schedule B of Form 45-539F1 <i>Small Business Offering Document (Form 45-539F1)</i>) you acknowledge that the issuer together with the members of the Issuer Group (e.g., related companies) cannot sell you more than \$10,000 of securities in any 12-month period.	
	If you are a MII, described in E, and the issuer has included in the offering document its financial statements (as specified in Schedule B of Form 45-539F1) you acknowledge that the issuer together with the members of the Issuer Group (e.g., related companies) cannot sell you more than \$20,000 of securities in any 12-month period.	

F. You have received advice from a dealer registered as an exempt market dealer or an investment dealer registered under securities legislation (a Registered Dealer) that the investment is suitable for you (suitability advice)		Your initials
Suitability Advice	You have received suitability advice from a Registered Dealer	

F.1 Investment limits if you have received suitability advice from a Registered Dealer		Your initials
Suitability Advice	<p>If</p> <ul style="list-style-type: none"> - you have received suitability advice from a Registered Dealer, described in F, and - the issuer has not included in the offering document its financial statements (as specified in Schedule B of Form 45-539F1) <p>you acknowledge that the issuer together with the members of the Issuer Group (e.g., related companies) cannot sell you more than \$10,000 of securities in any 12-month period.</p>	
	<p>If</p> <ul style="list-style-type: none"> - you have received suitability advice from a Registered Dealer, described in F, and - the issuer has included in the offering document its financial statements (as specified in Schedule B of Form 45-539F1) <p>you acknowledge that the issuer together with the members of the Issuer Group (e.g., related companies) cannot sell you more than \$20,000 of securities in any 12-month period.</p>	

G. You do not meet any of the prior classifications		Your initials
No Other Categories	You acknowledge that you do not fit within any of the prior categories of purchaser.	

G.1 Investment limits for other purchasers referenced in G		Your initials
No Other Categories	<p>If</p> <ul style="list-style-type: none">- you are a purchaser that is not specified in A, B, C, D, E or F above, and- the issuer has not included in the offering document its financial statements (as specified in Schedule B of Form 45-539F1) <p>you acknowledge that the issuer together with the members of the Issuer Group (i.e., related companies) cannot sell you more than \$2,500 of securities in any 12-month period.</p>	
	<p>If</p> <ul style="list-style-type: none">- you are a purchaser that is not specified in A, B, C, D, E or F above, and- the issuer has included in the offering document its financial statements (as specified in Schedule B of Form 45-539F1) <p>you acknowledge that the issuer together with together with the members of the Issuer Group (e.g., related companies) cannot sell you more than \$5,000 of securities in any 12-month period.</p>	