**Form 45-110F1**

***Offering Document***

## Item 1: Risks of Investing

1.1 **No securities regulatory authority or regulator has assessed, reviewed, or approved the merits of these securities or reviewed this Offering Document. Any representation to the contrary is an offence. This is a risky investment.**

1.2 **The forecasts and predictions of an early-stage business are difficult to objectively analyze or confirm. Forward-looking statements represent the opinion of the issuer only and may not prove to be reasonable.**

## Item 2: The Issuer

2.1 Information about the Issuer:

| | | |
|---|---|---|
| (a) | Full legal name: | Ecologyst Outfitters Inc. |
| (b) | Head office address: | 2110 Store Street, Victoria BC, Canada V8T 4R4 |
| (c) | Telephone: | 250.385.7873 |
| (d) | Email: | info@ecologyst.com |
| (e) | Website URL: | Ecologyst.com |

2.2 Information for a contact person of the Issuer who is able to answer questions from purchasers and the securities regulatory authority or regulator:

| | | |
|---|---|---|
| (a) | Full legal name: | René Gauthier |
| (b) | Position: | CEO |
| (c) | Business address: | 2110 Store Street, Victoria BC, Canada V8T 4R4 |
| (d) | Business telephone: | 250.385.7873 |
| (e) | Business e-mail: | gauthier@ecologyst.com |

## Item 3: Issuer's Business

3.1 Ecologyst Outfitters Inc. (the "**Company**, "**Ecologyst**", or the "**Issuer**") is a Canadian clothing manufacturer with 2 factories servicing 2 in house brands (Ecologyst and Frankie). Ecologyst believes in the following missions: ending fast fashion, ending plastic clothing, ending the perception that clothing is disposable. Ecologyst ethically produces luxury clothing that are backed by a lifetime guarantee and made in Canada and USA using responsible natural and recycled fibres. Ecologyst currently operates out of its headquarters located in Victoria, British Columbia. Rather than manufacturing its goods



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overseas, Ecologyst manufactures its products in-house in Victoria, British Columbia (the "**Made Here Factory**") and with carefully selected partners throughout North America. Products distributed direct to consumer through its website, through its retail outlets or pop-up shops, or through its Bulk Sales Channel "**Bulk Sales Channel**" whereby companies can order multiple units of the same item to be manufactured and delivered by Ecologyst.

Frankie Collective Inc, is a 100% wholly owned subsidiary of Ecologyst Outfitters Inc. Frankie specializes in upcycling end of life clothing. They save garments destined for the landfill and rework them — achieving a 82% reduction in carbon footprint vs. building new. To date Frankie has saved over 500,000 lbs of clothing waste from landfill. Frankie also provides upcycling services to some of the world's largest clothing companies and has done projects with brands such as Nike, Adidas and the NBA. The Frankie factory and HQ is in Vancouver, BC

**Industry**

The clothing Industry is estimated at $3.2T globally and it employs 1 in 6 people on the planet. Most apparel brands have complex supply chains with raw materials and manufacturing occurring abroad before being shipped to local retail locations or warehouses. According to BBC, 2020, fashion accounts for approximately 10% of human greenhouse gas emissions and nearly 20% of wastewater, primarily driven by fast-fashion and complex supply chains. Overconsumption is the norm for the clothing industry. 100 billion garments are produced annually, 13 pieces for every person. ⅗ of these are thrown away within a year. Consumers throw away an average of 70lbs of clothes and shoes per person annually. 203 trillion pounds of waste annually.

Ecologyst left behind the wasteful formula followed by most apparel brands and opted to make fewer products, in smaller collections, out of better materials that were not made of petroleum, and to build them as close to where they are sold as possible. Plus, with the addition of Frankie Collective, Ecologyst has become the market leader of rework a welcomed solution for dealing with the endless amount of waste.

Many fabrics, including polyester and nylon, used in fast fashion are made from petroleum, contributing to emissions, and degrading the environment. The fast fashion clothing lifecycle, including manufacturing, washing, and the disposal contributes to detrimental effects on the environment, according to Business Insider, 2019. Ecologyst believes it can redefine the clothing industry and prove our planet and profits can coexist. McKinsey & Company's "State of Fashion 2021" noted that the COVID-19 pandemic enhanced the industry's need to be more sustainable in all areas of vertical integration. Ecologyst is committed to high-quality, sustainable clothing that is made in Canada. Additionally, Ecologyst offers a range of products that are backed by a lifetime guarantee and are made using responsible natural and recycled fiber, enabling customers to follow a sustainable



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lifestyle and contribute towards the restoration of the environment. Ecologyst also offers a "Second Life" program where customers can list Ecologyst products for sale directly to members of the Ecologyst community. The "Second Life" program helps extend the life of Ecologyst products and reduce the chance of early product recycling.

**Products and Collections**

Ecologyst offers a variety of genderless, men's, and women's ethically produced, purposeful clothing. Some of its products and collections include:

- The ZQ Merino Collection, featuring ethical and sustainable merino wool
- The Quilted collection, featuring jackets and vests made from 100% natural fabrics, as a part of the "Made To Order program"
- The Donegal Collection, made from sustainably sourced Donegal wools
- The 400 Organic Collection, featuring heavy-weight 100% organic cotton, without the use of genetically modified cotton crops or pesticide usage

ZQ Merino is the world's leading ethical wool. It is also durable and soft, offering natural moisture-wicking, antimicrobial, and temperature regulating qualities. Ethical, sustainable ZQ-certified merino wool is the ideal fabric for the Merino collection, as it's warm, durable, and equally as comfortable at the office or in the great outdoors.

The Ecologyst collections are thoughtfully made, with all-natural and sustainably sourced textiles. For instance, the Ecologyst quilted jackets and vests are sourced from 100% wool insulation, Global Organic Textile Standard "**GOTS**" certified organic cotton poplin lining, and light but durable Responsible Wool Standard "**RWS**" certified wool outer - replacing traditionally used nylons and polyester or plastic insulations. All four layers are then combined at a heritage quilting mill in Manitoba, using a vertical wave stitch that decreases offcuts and fabric waste.

The Quilted Collection is made to order ("Made To Order program"- meaning that the items are constructed and finished by the Victoria factory team only once the item has been purchased. That means, when you order it, the Ecologyst factory team cuts, sews, and finishes a garment just for you. This helps reduce overstock and wasted inventory, which is a massive problem in the modern fashion industry. As a slow apparel company with a focus on 'fewer, better' Ecologyst wants to ensure that each piece it creates is as environmentally conscious and low waste as possible.

The Donegal Collection offers warm wool knit sweaters, cardigans, and fisherman toques, each made from Donegal wool, sustainably sourced and then milled in Ireland. The wool is naturally thermoregulating, odour-resistant, antimicrobial, sweat-wicking, and durable, without the need to wash regularly.



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At the Frankie factory and brand, the reworks and selection of vintage products cater to a Gen Z Street wear customer. Frankie sells as is vintage pieces that still have life and predominantly uses products that no longer have any value as vintage for raw materials when creating reworks.

**Milestones per Calendar Year**

| | |
|---|---|
| 2019 | • Launched Ecologyst brand in February 2019<br>• Assembled Advisory Board<br>• Developed online ecommerce presence<br>• Opened the flagship Whistler, BC store location at 4338 Main Street |
| 2020 | • Received strategic investment from EDM Spotlight Inc. to collaborate on short films and media<br>• Further website development |
| 2021 | • Opened the headquarters-factory-shoppable showroom in Victoria, BC at 2110 Store Street<br>• Expanded Advisory Board<br>• "Second Life" Resale platform launched<br>• Produced Documentary 'Before They Fall' |
| 2022 | • Achieved growth through Bulk Sales Channels<br>• United States e-commerce expansion<br>• Acquired a sustainable clothing manufacturer/brand, Frankie Collective<br>• Appoint board of directors<br>• Achieve certified B Corporation status for social and environmental performance |
| 2023 | • North American targeted roll-out of the Made Here Factories through acquisitions<br>• Scaling of existing brands |



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| | |
|---|---|
| | • Research and development through Ecologyst labs |

Ecologyst left behind the wasteful formula followed by most apparel brands and opted to make fewer products, in smaller collections, out of better materials that were not made of petroleum, here in Canada. Ecologyst continuously works with scientists and experts to develop new materials that have a smaller impact on the earth, while still maintaining the high quality the supporters of Ecologyst have come to expect.

In February 2020, EDM Spotlight Inc made a strategic investment of $961,000 in Ecologyst. The collaboration between the two companies has enabled Ecologyst to develop a new revenue stream in 2020 and develop more brand building short films that have raised awareness of the company, its products, and values with the target audience in an authentic and effective way. Ecologyst Films produced 'Before They Fall' which has earned several film fest awards over the past year and parlayed into an agreement with CBC Broadcasting to produce another documentary.

In 2021, Ecologyst opened its first manufacturer-to-consumer location in the Victoria headquarters. The manufacturer-to-consumer location takes direct-to-consumer to a new level of sustainability by removing traditional steps in the supply chain with an intent to reduce carbon emission and restore connection between makers and consumers. This location includes Ecologyst's main factory, warehouse, headquarters and a shoppable showroom.

Ecologyst is raising funds to support the scalability of its business through expanding its manufacturer-to-consumer model throughout North America mostly by acquiring existing manufacturers and high-grading their business to Ecologyst standards of sustainability, ethics and efficiency. Some of the acquired manufacturers will be trained and upgraded to perform upcycling work to meet demand for this specialized work. In order to remain as the world's cleanest supply chain Ecologyst will continue to invest in research and product development.

In August 2022, Ecologyst announced the acquisition of Frankie Collective (the "**Frankie Acquisition**"). Frankie Collective is a Vancouver, BC-based apparel manufacturer and brand that is dedicated to sustainable circular fashion. Frankie Collective believes in extending the product life cycle an adding value by altering existing garments and using existing textiles. Frankie Collective's approach to responsible fashion involves saving unsold clothing from top global clothing lines like Nike, Adidas, and Tommy Hilfiger, redirecting garments from landfills by reworking them into unique, stylish pieces of art that appeal to the modern streetwear community. Frankie Collective has a skilled in-house



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production team that uses unsold clothing to create unique pieces in an attempt to reduce carbon footprint. Ecologyst believes Frankie Collective complements Ecologyst, with both businesses focused on manufacturing clothing that offers apparel for customers who share the same vision of living in harmony with the planet. The Frankie Acquisition closed on August 19, 2022.

In August 2022, Ecologyst and Trail Blazing Ventures Ltd. announced a proposed arm's length qualifying transaction (the "**Qualifying Transaction**"). In November 2022, Trail Blazing Ventures Ltd. and Ecologyst Outfitters Inc. terminated the letter of intent previously announced on August 5, 2022, as the parties have mutually agreed not to enter into a formal agreement.

There was no assurance that the Qualifying Transaction will be completed as proposed or at all, see **Item 9 – Risk Factors.**

**Long-term Objectives**

In the next three years, the Company intends to expand its manufacture-to-consumer factory/showroom presence to targeted areas through potential acquisitions. Since the acquisition of Frankie Collective, Ecologyst sees potential in reducing waste the industry creates through upcycling and acquiring and/or partnering with companies that align with its values. Ecologyst intends to scale its manufacturing-to-consumer locations, enhance its on-demand apparel offering, grow its research capacity, and enhance its content marketing platform, Ecologyst Films. The Company will also seek strategic acquisitions of companies that further the mission of Ecologyst in an effort to sustainably grow the company.

In the long-term, Ecologyst intends to redefine the apparel industry with its offering of a new model that opposes fast fashion and the overconsumption of clothing at large. The Company believes that manufacturing is a key area of the industry requiring change, offering a unique opportunity for the Company to innovate. Ecologyst believes the future of clothing manufacturing blends skilled craftspeople with technology to fulfill a demand-led supply chain situated as close the buyers as possible and must have a focus on circularity.

Ecologyst is challenging the status quo in the industry by going beyond direct-to-consumer to offer manufacturer-to-consumer to provide a solution that works with the environment, rather than against it. Ecologyst understands that manufacturing apparel in-house, combining technology and in-house ethical production to eliminate waste and reduce inventory has a positive impact on the environment by reducing carbon emissions.

**Business Model and Operations**

In-house, Ecologyst produces local, sustainable, and ethically made clothing and accessories for all genders, using natural and biodegradable materials that are built to last a lifetime. Ecologyst's headquarters are in Victoria, British Columbia where it leases its



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building used for manufacturing, showroom, warehouse, studio, and office. Located in Whistler, British Columbia, is Ecologyst's flagship store which offers a retail clothing experience offering locally made, Canadian-designed, all-natural apparel.

Developing the online presence in 2019 enabled the company to continue to supply customers and scale e-commerce operations during COVID-19. The company will continue to develop the online store to reach new markets.

Ecologyst also does research to innovate and further develop its sustainability practices ("Ecologyst labs"). Partnered with the University of British Columbia, Ecologyst worked on a cotton recycling initiative to find a solution to recycling Ecologyst products into new fibre.

Ecologyst Films is an independent film production company based in Victoria, BC, 100% owned by Ecologyst Outfitters Inc. Ecologyst Films produces films about nature and its countless lessons. The Company is here to tell the stories that matter to the Ecologyst community and uplift the voices that will shape our common future. Ecologyst films strives to improve the diversity, intersectionality, and inclusion in key creative roles, content, concepts and stories with every project and story it tells.

**Human Resources**

Ecologyst has approximately 34 employees, ranging from design and manufacturing to retail, marketing, and customer experience. The Issuer intends to expand its operations in the near-term with additional hires in its manufacturing department, finance (M&A) and marketing departments.

René Gauthier, Founder and CEO, René is responsible for setting and communicating vision and strategy, building the culture, teamwork, and alignment, inspiring and empowering, capital allocation, and oversight of operations. René has been with Ecologyst since inception. Prior to Ecologyst, René earned a Bachelor of Commerce, Entrepreneurship/ Entrepreneurial Studies at the University of Victoria and has worked in the clothing industry since 2002.

The team is focused on encouraging everyone to own less—to invest in thoughtful things that stand the test of time (and hold up to frequent encounters with nature). Ecologyst takes pride in crafting apparel that customers can love for decades, instead of trends that are thrown out with the changing seasons.

The intended Board of Directors, to be voted in the next annual general meeting, include the following individuals:

- Francoise Lyon, President & Managing Partner of DGC Capital, President & Managing Partner of Arethusa Capital Inc., Administrateur/Board Member of Fonds de solidarte FTQ, and Board Member of Bopper Music.



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- Deborah Poole, Board Member of Idelic and Drizly, Former Chief Business Officer of WHOOP, and Former Global Head of Talent Acquisition at Wayfair.
- Yolanda Wardowski, Managing Director of Avalon Net Worth, Lead Advisor of Canadian Tech Accelerator at Consulate General of Canada in New York, Former Director of Capital Advisory at Ernst and Young, and Former Senior Vice President of Corporate Mergers & Acquisitions at JP Morgan.
- Marc Bertrand, President of PHAZTOO and Former President & CEO of Mega Brands.
- Asmau Ahmed, Moonshot Leader – X (formerly Google X), Board Member of Quin Street, Former Senior Vice President/Managing Director of Business and Technology Strategy Executive at Bank of America, and Former CEO of Plum Perfect.

Advisors include Allison Johnson, former Vice President of Marketing at Apple, Hap Klopp, Founder and CEO of The North Face, and Shaun Jamieson, former Director of AbeBooks.

3.2 The Issuer is incorporated under the laws of the *Business Corporations Act* (British Columbia) ("the **Act**"); its incorporation number is BC1130175. The Issuer was incorporated August 14, 2017, under its previous name, "Sitka Surfboard (2017) Inc".

3.3 The Issuer's articles of incorporation and voting trust agreement are available upon request to support@frontfundr.com.

3.4 The Issuer's business is most accurately represented as selected below:

☐ Pre-operational.

☒ In the development stage.

☒ Currently conducting operations.

☐ Generated a profit in the last financial year.

3.5 Financial statements are available upon request to support@frontfundr.com.

**Information for purchasers: If you receive financial statements from an Issuer conducting a Start-Up Crowdfunding Distribution, you should know that those financial statements have not been provided to or reviewed by a securities regulatory authority or regulator. They are not part of this Offering Document. You should also consider seeking advice from an accountant or independent financial adviser about the information in the financial statements.**



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3.6 As of the date of this Offering Document, there are the following securities authorized and outstanding:

- 90,982,824 Common Shares
- 2,742,463 options issued to purchase Common Shares pursuant to the employee stock option plan, under a rolling plan where 10% of the issued shares of the Issuer may be available for issuance as stock options
- 6,767,003 warrants to purchase Common Shares at $0.34 per share, expiring March 4, 2023
- 375,000 warrants to purchase Common Shares at $0.40 per share, expiring August 5, 2024
- $53,818 Clear Finance Technology Corporation, "Clearco" facility, with a 12% revenue share on this agreement

**Item 4: Management**

4.1 Information for each founder, director, officer, and control person of the Issuer:

| Full legal name, residence, and position at the Issuer | Principal occupation for the last five years | Expertise, education, and experience that is relevant to the Issuer's business | Number and type of securities of the Issuer owned **(1)** | Date securities acquired and price paid for the securities [1] | Ownership of the Issuer's securities as of the date of this Offering Document**, (2), (3), (4), (5)** |
|---|---|---|---|---|---|
| **René Gauthier**<br><br>Victoria, British Columbia, Canada<br><br>*CEO, Founder and Director* | CEO, Ecologyst | As Founder of Ecologyst, René has been responsible for many functions such as human resources, capital allocation, research and | 28,466,260 Common Shares | 20,000,000 Common Shares acquired on August 14, 2017, for $0.00001/share.<br><br>3,200,000 Common Shares acquired on | Undiluted: 31%<br><br>Fully Diluted: 28% |

[1] All dollar amounts referred to herein are denominated in Canadian currency unless otherwise expressly provided.



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| | | | | | |
|---|---|---|---|---|---|
| | | development, marketing, and brand development.<br><br>Earned a Bachelor of Commerce, Entrepreneurship/Entrepreneurial Studies at the University of Victoria. | | October 1, 2017, for $0.10000/share.<br><br>1,391,868 Common Shares acquired on May 18, 2019, for $0.15214/share<br><br>3,874,392 acquired on March 31, 2021, transferred from Jonathan Mark Gittins. | |
| **Jonathan Mark Gittins**<br><br>Victoria, British Columbia, Canada<br><br>*Director* | Investor, Director, and Entrepreneur | Served as CEO of ANC Group Ltd. where he grew the company and subsequently sold ANC to FedEx for $234 million USD. | 16,125,608 Common Shares | 20,000,000 Common Shares acquired on August 14, 2017, for $0.00001/share.<br><br>3,874,392 Common Shares transferred to René Gauthier on March 31, 2021. | Undiluted: 18%<br><br>Fully Diluted: 16% |

**(1)** The authorized share capital of the Company consists of an unlimited number of Common Shares. 90,982,824 Common Shares, without par value have been issued as of the date of the Offering Document.
**(2)** Based on an undiluted capitalization of 90,982,824 Common Shares.
**(3)** Based on a diluted capitalization of 100,867,290 shares, including 6,767,003 and 375,000 warrants and 2,742,463 outstanding stock options.
**(4)** Per the Stock Option Plan, the Issuer intends to issue an estimated 10% of the outstanding share capital of the Company to certain employees and advisors. There are 2,742,463 options issued and outstanding as of the date of the Offering Document.



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**(5)** See **Item 3.1** for details regarding the potential Newco Common Shares, stock options, and warrants that may be outstanding in the future as a result of the proposed Qualifying Transaction.

4.2 No person listed in Item 4.1 or the Issuer, as the case may be:

**a)** has ever pleaded guilty to or been found guilty of

i. a summary conviction or indictable offence under the Criminal Code,

ii. a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,

iii. a misdemeanor or felony under the criminal legislation of the United States of America, or any state or territory therein, or

iv. an offence under the criminal legislation of any other foreign jurisdiction,

**b)** is or has been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by, or has entered into a settlement agreement with, a government agency, administrative agency, self-regulatory organization, civil court, or administrative court of Canada or a foreign jurisdiction in the last 10 years related to:

i. the person's involvement in any securities, insurance or banking activity, or

ii. a claim based in whole or in part on fraud, theft, deceit, misrepresentation, conspiracy, breach of trust, breach of fiduciary duty, insider trading, unregistered trading, illegal distributions, failure to disclose material facts or changes, or allegations of similar conduct,

**c)** is or has been the subject of an order, judgment, decree, sanction or administrative penalty imposed by a discipline committee, professional order or administrative court of Canada or a foreign jurisdiction in the last ten years related to any professional misconduct,

**d)** is or has ever been the subject of a bankruptcy or insolvency proceeding[1], or

**e)** is a director, officer, founder or control person of a person or company that is or has been subject to a proceeding described in paragraph (a), (b), (c) or (d) above.

**Notes:**

(1) In 2015 the previous iteration of Ecologyst ("Sitka"), Sitka Surfboard Corporation, made a proposal to creditors. A proposal is an offer to unsecured creditors to pay a percentage of what is owed over a specific period of time, or to extend the amount of time to pay off the debt, or a combination of both. Creditors vote to accept or reject the proposal. In this case, the creditors accepted the proposal and the entity never proceeded to bankruptcy.

## Item 5: Crowdfunding Distribution



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5.1 The Company has engaged FrontFundr Financial Services Inc. ("**FrontFundr**") the ("**Agent**"), an exempt market dealer, to conduct this crowdfunding distribution. FrontFundr is a wholly owned subsidiary of Silver Maple Ventures Inc.

5.2 The Issuer intends to raise funds and make this Offering Document available in the following jurisdictions:

| | | |
|---|---|---|
| ☒ British Columbia | ☒ Ontario | ☐ Newfoundland and Labrador |
| ☒ Alberta | ☒ Québec | ☐ Northwest Territories |
| ☒ Saskatchewan | ☒ New Brunswick | ☐ Nunavut |
| ☒ Manitoba | ☒ Nova Scotia | ☐ Yukon |

5.3 Information regarding the crowdfunding distribution

(a) The date by which the Issuer must have raised the minimum offering amount, if any, as provided in **Item 5.7**, and conduct a closing under this crowdfunding distribution, is 90 days after the date this Offering Document is signed per 13.2.

(b) This Offering Document not been previously amended.

5.4 The eligible securities being offered are:

☒ Common shares: Common Shares (the "**Shares**", "**Securities**" or "**Eligible Securities**")
☐ Non-convertible preference shares
☐ Securities convertible into common shares
☐ Securities convertible into non-convertible preference shares
☐ Non-convertible debt linked to a fixed interest rate
☐ Non-convertible debt linked to a floating interest rate
☐ Limited partnership units
☐ Shares in the capital of an association

5.5 The securities offered have the following rights, restrictions, and conditions, subject to the Issuers shareholders agreement and the Canadian Business Corporations Act (*Canada*), as selected:

☒ Voting rights: subject to the Act, the provisions of a Voting Trust Agreement, as defined in **Item 5.6,** and the Articles of Incorporation, Common Shares shall have the right to vote at any meeting of the shareholders of the Company.

☒ dividends, if declared: Subject to the *Business Corporations Act* and Article 22 of the Articles of Incorporation, the directors may from time to time declare and authorize payment of such dividends as they may deem advisable.



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☒ rights on dissolution: subject to the special rights and restrictions to any class or series of shares of the Company, shareholders have a right to receive the remaining property of the corporation after it is dissolved.

☐ conversion rights
☐ tag-along rights
☐ drag-along rights
☐ pre-emptive rights
☒ other rights as described in the Canada Business Corporations Act (*British Columbia*)

5.6 Other material restrictions or conditions:

- At the discretion of the Company, each Subscriber, either directly or indirectly, will enter into a voting trust agreement (the "**Voting Trust Agreement**"). A copy of the agreement is available upon request to the funding portal at support@frontfundr.com. For additional information, see **Item 10.3**.
- No par value, no redemption rights, no retraction rights, no redemption value, as set forth in the articles of the Issuer.
- There are no pre-emptive rights attached to the securities being offered.

Other rights and responsibilities of shareholders per the *Business Corporations Act* (British Columbia).

5.7 Information about the offering ("**The Offering**"):

| | Total amount ($) | Total number of eligible securities issuable |
|---|---|---|
| Minimum Offering Amount | $Nil **(1)** | Nil |
| Maximum Offering Amount | $3,000,000 **(3)** | 15,000,000 |
| Price per eligible security | $0.20 | |

**(1)** While the Issuer is limited to raising $1,500,000 within any 12-month period using National Instrument 45-110 *Start-up Crowdfunding Registration and Prospectus Exemptions*, it may raise more in that period via such other available prospectus exemptions.
**(2)** The Issuer may accept more than the maximum offering amount in its sole discretion.

5.8 The minimum investment amount per subscriber is $500. The Issuer may accept smaller denominations in its sole discretion.



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5.9 **Note: The Minimum Offering Amount stated in this Offering Document may be satisfied with funds that are unconditionally available to Ecologyst Outfitters Inc. that are raised using other prospectus exemptions.**

**Item 6: Use of Funds**

6.1 The funding history of the Issuer **(1)**:

| Date | Amount | How the funds were raised | Prospectus exemption used | Use of funds |
|---|---|---|---|---|
| August to October 2017 | $601,295 | Class A Common Share raise from Founders and Directors | Private Issuer Exemption | Transitioning the business model to direct-to-consumer and onshoring production to Canada. |
| May to November 2018 | $560,660 | Convertible note strategic funding | Raised under the Private Issuer Exemption | Pop-up locations, small product development factory, product development, ecommerce platform, digital marketing spend, and inventory. |
| May to August 2019 | $723,172 | Class A Common Share capital raise | 45-535 Start-up Crowdfunding Prospectus Exemption, ASC Rule 45-517, and National Instrument 45-106 (2.3) Accredited Investor Exemption | Name change from Sitka to Ecologyst , the new Whistler location, Ecologyst .com launch, new product development, a small run factory |



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| | | | | facility, and research and development for “The Impossible Fibre Project”. |
| February 2020 | $961,123 | Strategic Investment from EDM Spotlight Inc. | NA | Scalability of the business through technology and marketing, the new manufacturing facility in Victoria, films, and product development. |
| October to December 2020 | $1,544,382 | Class A Common Share capital raise | 45-535 Start-up Crowdfunding Prospectus Exemption, ASC Rule 45-517, and National Instrument 45-106 (2.3) Accredited Investor Exemption | Factory and warehouse expansion, product development, films, headcount and marketing, inventory, and working capital to support growth. |
| March, 2021 | $2,171,140 | Units issued consisting of one common share and one-half of one warrant, exercisable at $0.34 for a period of two years from the date of issuance | National Instrument 45-106 (2.3) Accredited Investor Exemption | Product development, marketing, working capital to increase inventories for forecasted demand, operations, and opening the headquarters- |



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| | | | | |
|---|---|---|---|---|
| | | | | factory-shoppable showroom in Victoria, BC at 2110 Store Street. |

**1.** The Issuer has closed investments under this $0.20 Common Share offering amounting to $714,423 in November 2021, January , February, May, August, and September 2022 amounts raised under this Offering are pursuant to the National Instrument 45-106 (2.3) Accredited Investor Exemption and the 45-110 Start-Up Crowdfunding Prospectus Exemption. Funds raised under this offering are intended to be used as per **Item 6.2.**

6.2 Use of proceeds from this offering are intended as follows:

| Description of intended use of funds listed in order or priority | Total amount ($) | |
|---|---|---|
| | Assuming minimum offering amount | Assuming maximum offering amount **(1)** |
| Manufacturer-to-Consumer location expansion | - | $2,000,000 |
| Research and product development | - | $200,000 |
| United States launch - ecommerce and Seattle store | - | $500,000 |
| Growth marketing and team | - | $300,000 |
| **Total** | **$Nil** | **$3,000,000** |

**1.** The Issuer may accept more than the maximum offering amount in its sole discretion.

## Item 7: Previous Start-Up Crowdfunding Distributions

7.1 The Issuer, Ecologyst Outfitters Inc., has previously successfully closed crowdfunding distributions in 2019, 2020, and 2022 with FrontFundr Financial Services, as described in **Item 6.1.**

## Item 8: Compensation Paid to the Funding Portal

8.1 Pursuant to an agency agreement dated September 17, 2021, (the "**Agency Agreement**") the Company has engaged FrontFundr to act as its non-exclusive sales, marketing and administrative agent in connection with the offering and to provide certain related services to the Company. In this role, among other things, the Agent will use its best efforts to identify investors to purchase the eligible securities as part of this offering.

Under the Agency Agreement, the following compensation may be due to the Agent: onboarding fee of $2,500 plus applicable taxes, service fee of $5,000 for drafting offering



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materials, a subsequent onboarding fee of $1,000 will apply to any additional Start-up Crowdfunding Offering Documents to be written within the calendar year of an Issuer's Offering, $250 per hour for corporate finance fees as applicable, a trade fee equal to 5.5% of the gross proceeds raised for each subscriber who invests $10,000 or less, a trade fee of 3.5% of the gross proceeds raised from subscribers who invest between $10,001-$100,000, a trade fee of 2% for each subscriber who invests over $100,001, subject to a presidents list of up to 5 prospective investors, the list which must be submitted prior to the launch of this Offering, who are subject to a trade fee of 1% and subject to a shareholders' list whereby each subscriber listed, who invests more than $100,000 through the Agent's online platform results in a 1% trade fee of gross proceeds and for each subscriber listed in the shareholders' list who invests less than $100,000, through the Agent's online platform results in a 2.5% trade fee of gross proceeds, $15 for each eligible business corporation tax credit subscriber, $50 per subscriber that invests through a registered account, and at the option and discretion of the Company, fees for closing services, up to $2,250.

## Item 9: Risk Factors

### 9.1 General Risks

There are certain risks inherent in an investment in the Securities and in the activities of the Issuer, which investors should carefully consider before investing in the Securities. The following is a summary only of some of the risk factors. Prospective purchasers should review the risks relating to an investment in the Securities with their legal and financial advisors.

The Issuer advises that prospective purchasers should consult with their own independent professional legal, tax, investment, and financial advisors before purchasing the Securities in order to determine the appropriateness of this investment in relation to their financial and investment objectives and in relation to the tax consequences of any such investment.

In addition to the factors set forth elsewhere in this Offering Document, prospective purchasers should consider the following risks before purchasing the Securities. Any or all of these risks, or other as yet unidentified risks, may have a material adverse effect on the Issuer's business, and/or the return to the purchasers.

**The risk factors outlined below are not a definitive list of all risk factors associated with an investment in the eligible securities offered hereunder and Investors are cautioned that they may lose their entire investment.**

**Investment Risks**



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***Securities are Speculative*** - The securities offered hereunder must be considered highly speculative and an investment in such securities involves a high degree of risk. A potential Subscriber should carefully consider the following risk factors in addition to the other information contained in this memorandum before purchasing securities. Due to the nature of the business and the present stage of development of its business, the Issuer may be subject to significant risks. The Issuer's actual operating results may be very different from those expected as at the date of this memorandum, in which the event the trading price of the securities could decline, and a Subscriber may lose all or part of his or her investment. The risk factors outlined below are not a definitive list of all risk factors associated with an investment in the securities offered hereunder and investors are cautioned that they may lose their entire investment.

***Restrictions on Transfers; No Public Market*** - There is presently no public market for the securities, and none is expected to develop in the foreseeable future. The securities are subject to substantial restrictions on transfer under securities laws and the Articles of the Issuer. Accordingly, the securities may not be resold or otherwise transferred, except in accordance with the Articles of the Issuer or in accordance with such applicable Canadian securities laws. (See **Item 12 – Resale Restrictions**.)

***Qualifying Transaction may not occur*** – The proposed Qualifying Transaction is a non-binding LOI, as such, it is a proposed letter of intent and only outlines intentions of Ecologyst and Trail Blazing Ventures Ltd. to proceed with the Qualifying Transaction. The completion of the Amalgamation is subject to a number of conditions precedent, certain of which are outside the control of Ecologyst. There can be no certainty, nor can Trail Blazing Ventures Ltd. or Ecologyst provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. As a result, the Qualifying Transaction may not occur at all or may occur with materially different terms.

In the event that the Qualifying Transaction does not occur in the future, as per the LOI, each proposed Subscription Receipt form the potential future Subscription Receipt Private Placement shall be automatically terminated and cancelled, and each subscriber of the Subscription Receipts shall be entitled to receive out of the escrowed funds an amount equal to the aggregate offering price in respect of such subscriber's Subscription Receipts. As a result, Ecologyst would not receive the potential funds raised from the Subscription Receipt Private Placement which may impact Ecologyst's potential future operating needs and business results. Additional terms and conditions regarding escrow release conditions and the subscription receipt agreement relating to the Subscription Receipts will be disclosed in subsequent news releases and the filing statement to be prepared in connection with the Qualifying Transaction.



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***Any valuation of the Company at this stage is difficult to assess -*** The price per security in the future may be determined by management and may not bear any relationship to earnings, book value or other valuation criteria. The common share price for the offering was established by the Company. Unlike listed companies that are valued publicly through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess and you may risk overpaying for your investment.

***Tax Matters*** - The return on a shareholder's investment in his/her or its securities is subject to changes in Canadian Federal and Provincial tax laws, as well as any other tax laws applicable to the shareholders. There can be no assurance that the tax laws will not be changed in a manner which will fundamentally alter the tax consequences to investors of holding or disposing of the securities.

***Dilution*** - After completion of the offering, existing shareholders may have their interests diluted. The exercising of outstanding stock options or warrants shall also have a dilutive effect on the interests of the new purchasers of the securities. Moreover, in the event the Issuer requires additional equity financing pursuant to the Securities offered under the offering, purchasers of the additional securities may experience further dilution to the extent that such securities may be issued for a value less than the price paid for conversion of shares acquired hereunder.

**Issuer Risks**

***No assurance*** - There is no guarantee that the Issuer will achieve its investment objective or earn a positive return.

***Management and Personnel Risks*** - The Issuer's business will be significantly dependent on the Issuer's management team including outside management advisors and consultants. The loss of the Issuer's directors, officers, other employees, advisors or consultants could have a material adverse effect on the Issuer. The Issuer's success depends, in part, on its ability to attract and retain key, technical, management and operating personnel, including consultants and members of the Issuer's board of Directors (the "**Board**"). The Issuer needs to develop sufficient expertise and add skilled employees or retain consultants in areas such as research and development, sales, and marketing in order to successfully execute its business plan. The Issuer may be unable to attract and retain qualified personnel or develop the expertise needed in these areas. If the Issuer fails to attract and retain key personnel, it may be unable to execute its business plan and its business could be adversely affected. As of the date of this offering, the Issuer does not maintain key person insurance on any member of its management.



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***No History of Dividends or Plan to Pay Dividends*** - The Issuer has never paid a dividend nor made a distribution on any of its securities. Further, the Issuer may never achieve a level of profitability that would permit payment of dividends or other forms of distribution to its shareholders. Given the stage of the Issuer's business, it will likely be a long period before the Issuer could be in a position to declare dividends or make distributions to its investors. The payment of any future dividends by the Issuer will be at the sole discretion of the Issuer's Board. Holders of eligible shares will be entitled to receive dividends only when, as, and if, declared by the Issuer's Board.

***History of Losses –*** The Issuer has incurred net losses and projects to further incur losses before it potentially achieves projected future profitabiltiy. The Issuer cannot assure that it can become profitable or avoid net losses in the future or that there will not be any earnings or revenue declines for any future quarterly or other periods. The Issuer expects that its operating expenses will increase as it grows its business, including expending substantial resources for research and development, marketing, and other growth-related expenses. As a result, any decrease or delay in generating revenues could result in material operating losses.

***Inability to Manage the Potential Growth of the Business*** - The Issuer may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Issuer to manage growth effectively will require it to continue to implement and improve its operations and financial systems and to expand, train, and manage its employee base. The inability of the Issuer to deal with potential growth could have a material adverse impact on its business, operating results, financial condition or profitability. Any expansion of operations the Issuer may undertake will entail risks; such actions may involve specific operational activities, which may negatively impact the profitability of the Issuer. Consequently, shareholders must assume the risk that (*i*) such expansion may ultimately involve expenditures of funds beyond the resources available to the Issuer at that time, and (*ii*) management of such expanded operations may divert management's attention and resources away from any other operations, all of which factors may have a material adverse effect on the Issuer's present and prospective business activities.

***Further Need for Debt or Equity Financing*** - The Issuer may have to sell additional securities including, but not limited to, shares or some form of convertible security, the effect of which will result in a dilution of the equity interests of any existing shareholders. The Issuer may also need to raise capital by incurring long term or short-term indebtedness in order to fund its business objectives. This could result in increased interest expense or decreased net income. Security holders are cautioned that there can be no assurance as to the terms of such financing and whether such financing will be available. Moreover, the



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Issuer's articles do not limit the amount of indebtedness that the Issuer may incur. The level of the Issuer's indebtedness could impair its ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

***Financing Risks -*** There is no assurance given by Ecologyst that it will complete the maximum Private Placement, on or before September 2022, or the proposed Subscription Receipt financing prior to the completion of the proposed Qualifying Transaction, or at all. There is no assurance given by Ecologyst that it will be able to secure the financing necessary to develop and grow its business or proceed with the proposed Qualifying Transaction. Ecologyst does not presently have sufficient financial resources or operating cashflow to undertake by itself all of its planned potential future milestones. The growth and sustainability of Ecologyst's business may therefore depend on Ecologyst's ability to obtain additional required or proposed financing. There is no assurance Ecologyst will be successful in obtaining the required financing, or proposed financing as described in the LOI for the proposed Qualifying Transaction on terms acceptable to it, or at all. The proposed Qualifying Transaction is dependent on Ecologyst's ability to raise equity capital financings.

***Possible Failure to Realize Anticipated Benefits of the Proposed Amalgamation -*** Ecologyst and Trail Blazing Ventures are proposing to complete the Amalgamation to, amongst other things: (i) create a stronger and better positioned entity that will have greater financial and business resources than each company on its own; (ii) strengthen the position of the Resulting Issuer in the apparel industry; (iii) provide liquidity for Ecologyst shareholders. There is no certainty that the anticipated benefits of the proposed Amalgamation will be realized by the Resulting Issuer.

***Possible Failure to Realize the Anticipated Benefits of the Proposed Acquisition -*** The Frankie Acquisition closed on August 19, 2022. There can be no assurance that the acquisition'sexpected benefits will be realized.

***The Issuer may be Subject to the Risks Associated with Foreign Operations*** – The Issuer's primary revenues are expected to be achieved in Canada and the US. However, the Issuer may expand to markets outside of North America and become subject to additional risks normally associated with conducting business in other countries. The Issuer cannot predict government positions on such things as foreign investment, intellectual property rights, or taxation. A change in government positions on these issues could adversely affect the Issuer's business.

***Development Stage of Business Risks*** - The Issuer has only a limited history upon which an evaluation of its prospects and future performance can be made. The Issuer's proposed



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operations are subject to all business risks associated with new enterprises. The likelihood of the Issuer's success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry and the development of a customer base. There is a possibility that the Issuer could sustain losses into the future. If the Issuer is unable to generate revenues or profits, investors might not be able to realize returns on their investment or prevent the loss of their investment.

***Forward-Looking Statements and Information May Prove Inaccurate*** - Investors are cautioned not to place undue reliance on forward-looking statements and information. By its nature, forward-looking statements and information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements and information or contribute to the possibility that predictions, forecasts, or projections will prove to be materially inaccurate.

***Failure to retain current customers and/or recruit new customer***s - Ecologyst's success, and Ecologyst's ability to increase revenue and operate profitably, depends in part on the Company's ability to acquire new customers and retain existing customers, so that they continue to purchase the Company's products. The Issuer may fail to acquire or retain customers across its distribution channels due to negative value and quality perceptions, a lack of new and relevant products or failure to deliver customers' orders in a timely manner.

***Competition Risks*** - If the Issuer fails to compete effectively against larger, more established companies with greater resources, then its business may suffer. There can be no assurance that the Issuer's current or future products or services and the results of the Issuer's ongoing research and development efforts will result in products or services that will be viable for any commercial applications and, if viable, that potential customers will utilize the Issuer's products and services for the purposes intended. Increased competition may result in price reductions, reduced gross margins and loss of market share, any of which could materially and adversely affect the Issuer's business. The Issuer may not be able to compete successfully against current and future competitors and the failure to do so would harm the Issuer's business.

***Cyber Security Risk*** - Cyber security risk is the risk of loss and liability to an organization resulting from a failure or breach of the information technology systems used by or on behalf of the organization and its service providers, including incidents resulting in unauthorized access, use or disclosure of sensitive, regulated or protected data. The use of the internet and information technology systems by the Issuer and its service providers may expose the Issuer to potential loss or liability arising from cyber security incidents.



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***Brand Value*** - Ecologyst's success largely depends on its ability to maintain and grow the value of Ecologyst. Maintaining, marketing, and positioning the brands and reputation will depend on, among other factors, the success of the product offerings, food safety, quality assurance, marketing and merchandising efforts and its ability to provide a consistent, high-quality customer experience. Brand value is based on perceptions of subjective qualities, and any incident that erodes the loyalty of customers or suppliers, including adverse publicity or a governmental investigation or litigation, could significantly reduce the value of the Ecologyst brand and adversely affect its business, results of operations and financial condition.

***Reputation Risk*** - Real or perceived quality or food safety concerns or failures to comply with applicable food regulations and requirements, whether or not ultimately based on fact an whether or not involving us or incidents involving Ecologyst's competitors, could cause negative publicity and reduced confidence in us and Ecologyst's products, which could cause harm to the brand, reputation and sales, and could materially adversely affect Ecologyst's business, financial condition and results of operations. The growing use of social and digital media increases the speed and extent that information or misinformation and opinions can be shared. Negative publicity about us, the brand, or products on social or digital media could seriously damage Ecologyst's reputation. Without are favorable perception of the brand and products, Ecologyst's sales and profits could be negatively impacted.

***Litigation Risk*** - The Issuer may be subject to litigation arising out of its operations. Damages claimed under such litigation may be material, and the outcome of such litigation may materially impact the Issuer's respective operations, and the value of the shares. While the Issuer will assess the merits of any lawsuits and defend such lawsuits accordingly, the Issuer may be required to incur significant expense or devote significant financial resources to such defenses. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Issuer's operations.

***Disruption at the Issuer's Facilities*** - Currently, a portion of products are manufactured at the Victoria production facility. A natural disaster, fire, power interruption, work stoppage or other calamity at this facility, or at any future facility at which the Issuer produces it's products, would significantly disrupt the Company's ability to deliver the products and operate the business. If any material amount of the Issuer's machinery or inventory were damaged, the Issuer would be unable to meet its contractual obligations and cannot predict when, if at all, the Issuer could replace or repair such machinery, which could materially adversely affect the business, financial condition, and results of operations.



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***Inability to License Other Intellectual Property Rights*** - The technology of the Issuer may require the use of other existing technologies and processes, which are currently, or in the future, will be, subject to patents, copyrights, trademarks, trade secrets or other intellectual property rights held by other parties, in which case the Issuer will need to obtain one or more licenses to use those other technologies. If the Issuer is unable to obtain licenses, on reasonable commercial terms, from the holders of such other intellectual property rights, it could be required to halt development and manufacturing or redesign its technology, failing which it could bear a substantial risk of litigation for misuse of the other technologies. In any such event, the business and operations of the Issuer could be materially adversely affected.

***Effect of Product Innovation*** - The Issuer's growth in part depends on the Company's ability to develop and market new products and improvements to its existing products that appeal to consumer preferences and environmental sustainability. The success of its innovation and product development efforts is affected by its ability to anticipate changes in consumer preferences, the technical capability of its research and development team in developing and testing product prototypes, including complying with applicable governmental regulations, the success of its management and sales and marketing team in introducing and marketing new products and positive acceptance by consumers. Failure to develop and successfully market and sell new products, including the products the Issuer are currently working to develop, may inhibit its growth, sales and profitability.

***General Economic Conditions*** - The financial success of the Issuer may be sensitive to adverse changes in general economic conditions in Canada and internationally, such as war, terrorist attacks, recession, inflation, labour disputes, demographic changes, weather or climate changes, unemployment, and interest rates. There is no assurance that the Issuer will be successful in marketing any of its products, or that the revenues from the sale of such products will be significant. Consequently, the Issuer's revenues may vary by quarter, and the Issuer's operating results may experience fluctuations.

***Management Discretion as to Application of Proceeds*** - The net proceeds from this offering will be used for the purposes described under **Item 6: Use of Funds**. The Issuer reserves the right to use the funds obtained from this offering for any general business purposes and such other purposes not presently contemplated which it deems to be in the best interests of the Issuer and its shareholders. As a result of the foregoing, the success of the Issuer may be substantially dependent upon the discretion and judgment of the Issuer's management with respect to application and allocation of the net proceeds of the offering. Investors will be entrusting their investment to the Issuer's management, upon whose judgment and discretion, the investors must depend.



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***Anti-Spam Legislation Risk*** - The Issuer may employ a direct marketing strategy using email communication. It may acquire email addresses through consumer sign ups, the purchase of email distribution lists, organic growth, events, or other means. Emails sent by the Issuer are subject to the regulation and law of Canada's anti-spam legislation (CASL) as well as similar legislation in other jurisdictions that it may be operating in. Violation of CASL or other similar legislation may result in legal, regulatory and/or financial action taken against the Issuer that could have an adverse effect in its operations, financial results, or reputation.

***Credit Risk -*** "Credit risk" is the risk that a merchant or other debtor who receives credit from the Issuer will fail to discharge the obligation to repay such advances or loans to the Issuer. The Issuer provides financing to merchants who may not meet financing criteria for conventional lending from institutional lenders. As a result, these advances and loans are generally riskier and carry a higher credit risk than those made by institutional lenders. This higher credit risk means that the Issuer may incur financial losses which would adversely affect the returns of the Issuer. The credit provided by the Issuer are not insured by any insurer in whole or in part. Accordingly, the Issuer solely bears the entire credit risk. In the event that the Issuer or a collection agency on behalf of the Issuer must take legal action against a merchant to recover funds in the event of default, the Issuer may be unable to recover any of these funds. This may adversely affect the returns of the Issuer.

***Interest Rate Risk*** – The Issuer holds or will hold both cash and loans payable with variable interest rates as well as loans receivable, loans payable, or other form of debt securities. These interest-bearing financial instruments pose risks with any changes in market interest rates over the period in which they are held.

***Price of Raw Materials*** - Costs of the raw materials and packaging for Ecologyst's products are volatile and can fluctuate due to conditions that are difficult to predict, including global competition for resources, weather conditions, consumer demand and changes in governmental trade and agricultural programs. Volatility in the prices of raw materials and other supplies the Issuer purchases could increase the Company's cost of sales and reduce the Company's profitability. Moreover, the Issuer may not be able to implement product price increases to cover any increased costs, or any price increases implemented may result in lower sales volumes. If the Issuer is not successful in managing the Company's raw materials and packaging costs, and unable to increase the Company's prices to cover increased costs or if such price increases reduce sales volumes, then such increases in costs will adversely affect the Issuer's business, results of operations and financial condition.



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***Supply Chain Management*** - Insufficient or delayed supply of materials for manufacturing the Issuer's products threatens the Issuer's ability to meet customer demands while over capacity threatens the Issuer's ability to generate profit. The Issuer believes manufacturing in North America may help mitigate this risk partially, however, any failure by us to properly manage the Issuer's supply chain could have a material adverse effect on the Issuer's business, financial condition, and results of operations. Additionally, if trade between the United States and Canada was delayed, restricted, or closed, specific raw materials or supplies may be insufficient or delayed. As a result, any border restriction, delays, or closures may threaten the Issuer's ability to meet customer demands and earn revenues or continue or develop relationships with clients or potential clients.

***Supply chain risk -*** The extent of the impact of natural disasters, climate events, COVID-19, and other potential future health events on future periods will depend on future developments, all which are uncertain and cannot be predicted, including the duration or resurgence of the pandemic, government responses and health and safety measures or directives put in place by public health authorities, and sustained pressure on global supply chains causing supply and demand imbalances. Limited or disrupted supply of the Issuer's products, including key raw materials to make these products could have an adverse effect on the Company's business. There is a risk of the inability to scale production and manage Ecologyst's supply chain. Overall, the ongoing effects of COVID-19 could have a material adverse impact on Ecologyst's business, results of operations, financial condition, and cash flows and may adversely impact the price of the Common Shares.

***Consumer Trends*** - The Issuer's business is focused on the development, manufacturing, marketing, and distribution of branded sustainable apparel. Consumer demand could change based on a number of possible factors, including consumption habits and values, concerns regarding the effects of fast fashion and shifts in preference for the Issuer's various product attributes. If consumer demand for the Issuer's products decreases, the Issuer's business and financial condition would suffer. In addition, sales of the Issuer's products are subject to evolving consumer preferences that the Issuer may not be able to accurately predict or respond to. Consumer trends could change based on a number of possible factors, including economic factors and social trends. A significant shift in consumer demand away from the Issuer's products could reduce sales, which would harm the Issuer's business and financial condition.

**Other Risks**

**COVID-19**



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The global COVID-19 pandemic and containment measures taken in response to it have adversely impacted the Issuer's business, results of operations and financial condition, and may continue to do so depending on future developments, which are uncertain.

Global health concerns relating to the COVID-19 outbreak have impacted the macroeconomic environment, and the outbreak has significantly increased economic uncertainty. The outbreak resulted in governments in countries across the globe implementing measures to try to contain the virus, such as travel restrictions, social distancing, and restrictions on business operations which have impacted consumers and businesses. These measures have adversely impacted and may further impact the Issuer's workforce and operations and the operations of the Issuer's customers, suppliers, and business partners. While some of these measures have eased in certain jurisdictions, others have remained in place. The extent to which current measures are removed or new measures are put in place will depend how the pandemic evolves, as well as the progress of the global roll-out and acceptance of vaccines.

The spread of COVID-19 has caused the Company to modify its business practices and the Issuer may take further actions as required by government authorities or that are in the best interests of the Issuer's employees, customers and business partners. There is no certainty that such measures will be sufficient to mitigate the risks posed by the virus or otherwise be satisfactory to government authorities. The COVID-19 pandemic has adversely impacted the Issuer's business, results of operations and financial condition. There are no comparable recent events which may provide guidance as to the effect of the spread of COVID-19 and a global pandemic, and, as a result, the ultimate impact of COVID-19 or a similar health epidemic is highly uncertain and subject to change. The extent to which COVID-19 further impacts the Issuer's business, results of operations and financial condition will depend on future developments, which are uncertain, including, but not limited to, the duration and spread of the outbreak, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. Even after the COVID-19 pandemic has subsided, the Issuer may continue to experience materially adverse impacts to the Issuer's business and the Issuer's result of operations as a result of its global economic impact, including any recession that has occurred or may occur in the future.

**Additional Note Regarding Forward-Looking Information**

This Offering Document contains "forward-looking information" within the meaning of applicable securities laws in Canada. Forward-looking information may relate to anticipated events or results and may include information regarding the Issuer's financial position, business strategy, growth plans, budgets, operations, financial results, taxes,



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dividend policy, plans and objectives. Particularly, information regarding the Issuer's expectations of future results, performance, achievements, prospects or opportunities or the markets in which the Issuer operates is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans'', "targets'', "expects'' or "does not expect", "is expected'', "an opportunity exists'', "budget'', "scheduled'', "estimates", "outlook", "forecasts'', "projection'', "prospects'', "strategy'', "intends'', "anticipates'', "does not anticipate'', "believes'', or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will'', "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances.

Statements in this Offering Document regarding the Issuer's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as terms and completion of the proposed Qualifying Transaction, terms and completion of the Subscription Receipt Private Placement and completion of the Initial Private Placement, the goal of Ecologyst to disrupt the legacy clothing industry and the belief that Ecologyst's business model can provide solutions to environmental degradation issues. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. Actual results in each case could differ materially from those currently anticipated in such statements. The forward-looking statements and circumstances discussed in this Offering Document, including the completion of the Qualifying Transaction may not occur or could differ materially as a result of known and unknown risk factors and uncertainties affecting the Issuer and Trail Blazing Ventures Ltd., including (without limitation) risks relating to Ecologyst completing the Initial Private Placement and the Subscription Receipt Private Placement, risks relating to the viability of the M2C business model and the scalability of local production practices and risks regarding market conditions, economic factors, and the equity markets generally. No forward-looking statement can be guaranteed. Forward-looking statements speak only as of the date on which they are made and, except as required by applicable securities laws, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to, execution of a binding definitive agreement relating to the Qualifying Transaction, completion of satisfactory due diligence, Exchange acceptance, receipt of



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requisite regulatory approvals, and if applicable pursuant to Exchange requirements, majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approvals, and any ancillary matters thereto, are obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed Transaction.

9.2 **The Issuer does not currently have the financial resources to pay dividends to investors. There is no assurance that the Issuer will ever have the financial resources to do so.**

**Item 10: Reporting Obligations**

10.1 The Company will be required to file a copy of this Offering Document and Form 45-106F1 Report of Exempt Distribution upon any closing under this offering.

Any filings as discussed above would be made to SEDAR.com (System for Electronic Document Analysis and Retrieval), the electronic filing system for the disclosure documents of issuers across Canada, or directly to the British Columbia Securities Commission or Ontario Securities Commission, dependent on the jurisdiction of the Company and the subscriber discussed therein.

10.2 The Issuer is not a "reporting issuer" in any jurisdiction in Canada. As a corporation formed under the Act, the Issuer is required to provide shareholders with financial statements and any further information respecting to the financial position of the corporation and the results of its operations as may be required by the Act.

10.3 Subscribers in the Offering will enter into a Voting Trust Agreement, as described in **Item 5.6**. At the time of this Offering the following shareholders are party to an existing voting trust agreement:

· the number of shareholders party to the agreement: 585 investors



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- the percentage of voting shares of the issuer subject to the agreement: 11%
- the name of the person acting as a trustee: Rene Gauthier
- whether the trustee has been granted any additional powers: Power of Attorney
- whether the agreement is limited to a specified period of time: N/A

Any voting trust of the Issuer will only be formed upon the distribution to a subscriber who has executed a voting trust agreement. A copy of the voting trust agreement discussed in this Offering Document is available for review upon request to the funding portal at support@frontfundr.com or direct to the Issuer.

**Item 11: Resale Restrictions**

11.1 **The securities you are purchasing are subject to a resale restriction. You might never be able to resell the securities.**

**Item 12: Purchasers' Rights**

12.1 **Rights of Action in the Event of a Misrepresentation**

**If there is a misrepresentation in this Offering Document, you have a right**

**i. to cancel your agreement with the Issuer to buy these securities, or**

**ii. to damages against the Issuer and may, in certain jurisdictions, have the statutory right to damages from other persons.**

**These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.**

**If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.**

**Two-day cancellation right:**

**You may cancel your agreement to purchase these securities. To do so, you must send a notice to the funding portal not later than midnight on the second business day after you enter into the agreement. If there is an amendment to this offering document, you can cancel your agreement to purchase these securities by sending a notice to the**



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**funding portal not later than midnight on the second business day after the funding portal provides you notice of the amendment.**

**Item 13: Date and Certificate**

13.1 **This Offering Document does not contain a misrepresentation.**

13.2 Authorized Signatory:

Signature:  Date: November 14, 2022

René Gauthier
Founder & CEO
Ecologyst Outfitters Inc.

13.3 **I acknowledge that I am signing this Offering Document electronically and agree that this is the legal equivalent of my handwritten signature.**



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