



# DISCLAIMER

## GENERAL

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This presentation may constitute an “offering memorandum” under applicable securities laws (including pursuant to the Securities Act (Ontario) and OSC Rule 45-501 Ontario Prospectus and Registration Exemptions). See “Statutory Rights of Rescission – Ontario Investors” at the end of this presentation for further information.

## MARKET AND INDUSTRY DATA

This presentation includes market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. Although we believe it to be reliable, we have not independently verified any of the data from third-party sources referred to in this presentation, or analyzed or verified the underlying studies or surveys relied upon or referred to by such sources, or ascertained the underlying economic assumptions relied upon by such sources.

# DISCLAIMER

## FORWARD-LOOKING STATEMENTS

Certain statements in this presentation are “forward-looking statements”. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always using words or phrases such as “expect”, “seek”, “endeavour”, “anticipate”, “plan”, “estimate”, “believe”, “intend”, or stating that certain actions, events or results may, could, would, might or will occur or be taken, or achieved) are not statements of historical fact and may be “forward-looking statements”. The forward-looking statements in this presentation include the Company’s aim to build the largest psilocybin brand in the world, the Company’s plans to build out the AEM farm in Peterborough, Ontario, and the Company’s plan to begin selling the Wisdom Truffle in summer 2022.

Forward-looking statements are based on expectations, estimates and projections at the time the statements are made and involve significant known and unknown risks, uncertainties and assumptions which would cause actual results or events to differ materially from those presently anticipated, including, but not limited to: the Company’s ability to achieve its aim to build the largest psilocybin brand in the world; the Company’s ability to complete the build out of the AEM farm in Peterborough, Ontario; the Company’s ability to begin selling the Wisdom Truffle in summer 2022; the costs of compliance with and the risk of liability being imposed under the laws of the jurisdictions in which the Company operates, including environmental and health product regulations; negative changes in the political environment or in the regulation of the product offerings of the Company and the Company’s business in one or more jurisdictions, which may include jurisdictions such as the United States, Canada and Europe; negative shifts in public opinion and perception of the industry within which the Company operates; increasing competition in the industry within which the Company operates; risk that purchasers and researchers will not purchase the Company’s products; risks of product liability and other safety related liability as a result of usage of the Company’s product offerings; negative future research regarding safety and efficacy of the Company’s product offerings; risk of shortages of or price increases in key inputs, suppliers and skilled labor; and potential loss of any intellectual property rights.

A number of factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward- looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements could vary materially from those expressed or implied by the forward-looking statements contained in this document. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements are based upon management’s beliefs and assumptions and are made as of the date of this presentation. In light of the significant uncertainties inherent to the forward-looking statements included in this presentation, the inclusion of such information should not be regarded as a representation or warranty by us or any other person that our objectives and plans will be achieved in any specified time frame, if at all.

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# DISCLAIMER

## FUTURE ORIENTED FINANCIAL INFORMATION

To the extent any forward-looking information in this presentation constitutes “future-oriented financial information” or “financial outlooks” within the meaning of applicable Canadian securities laws, such information is being provided to demonstrate the anticipated market penetration and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to the risks set out above under the heading “Forward-Looking Statements”. The Company’s actual financial position and results of operations may differ materially from management’s current expectations and, as a result, the Company’s revenue and expenses may differ materially from the revenue and expenses profiles provided in this presentation. Such information is presented for illustrative purposes only and may not be an indication of the Company’s actual financial position or results of operations.



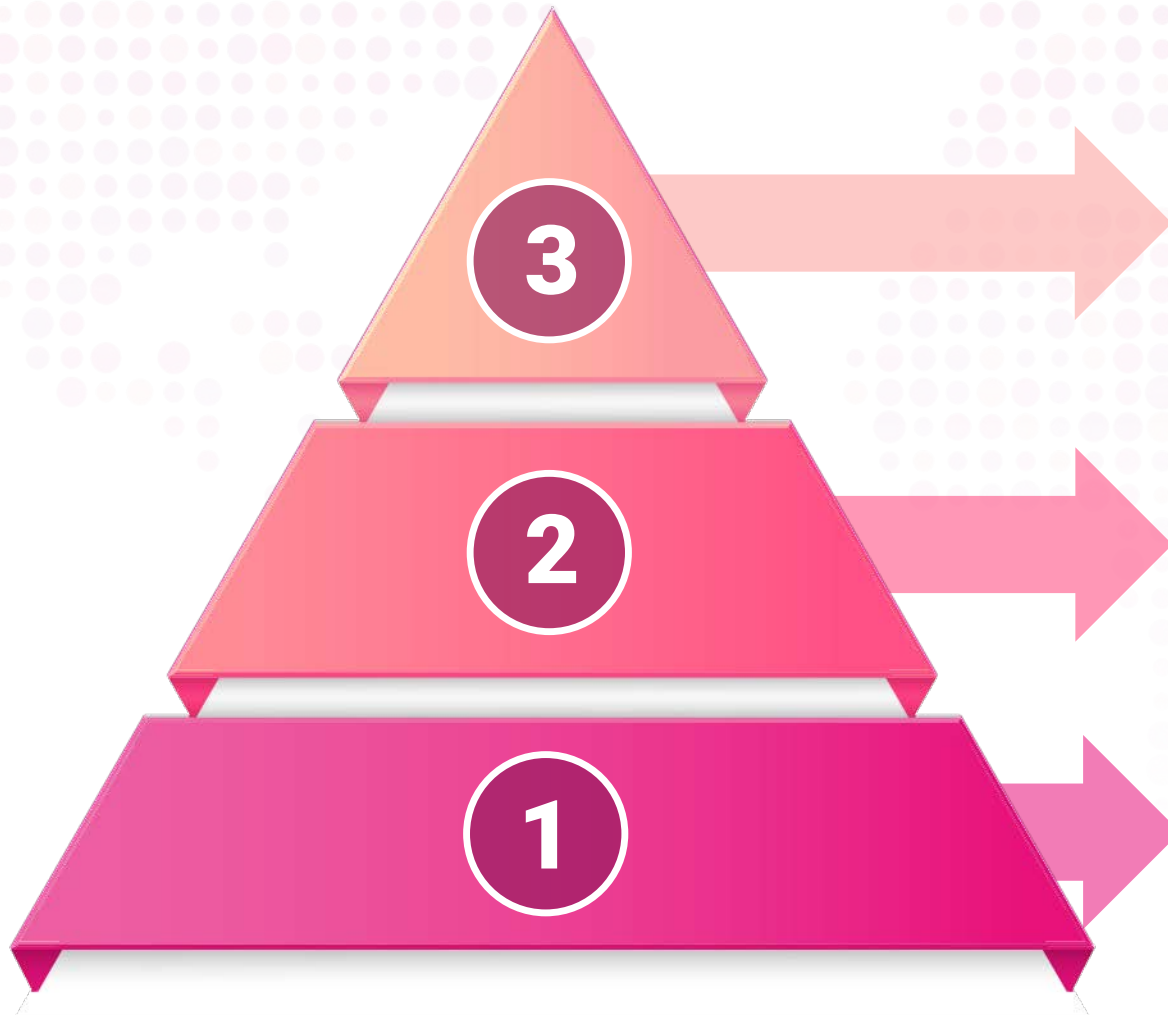


# RED LIGHT HOLLAND

We aim to build the largest psilocybin brand in the world focused on innovative, unique and standardized naturally occurring products which are sustainable, educational and promoting responsible use.



# TRIANGULAR APPROACH TO OUR VISION



## #FreeTheMagic

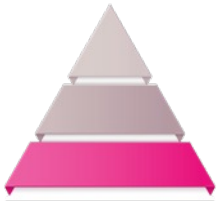
Accessible, affordable and equitable products for all

## Strategy

Data Collection, Advocacy, R&D, Policy and Education

## Foundation

Revenue Generation + technology

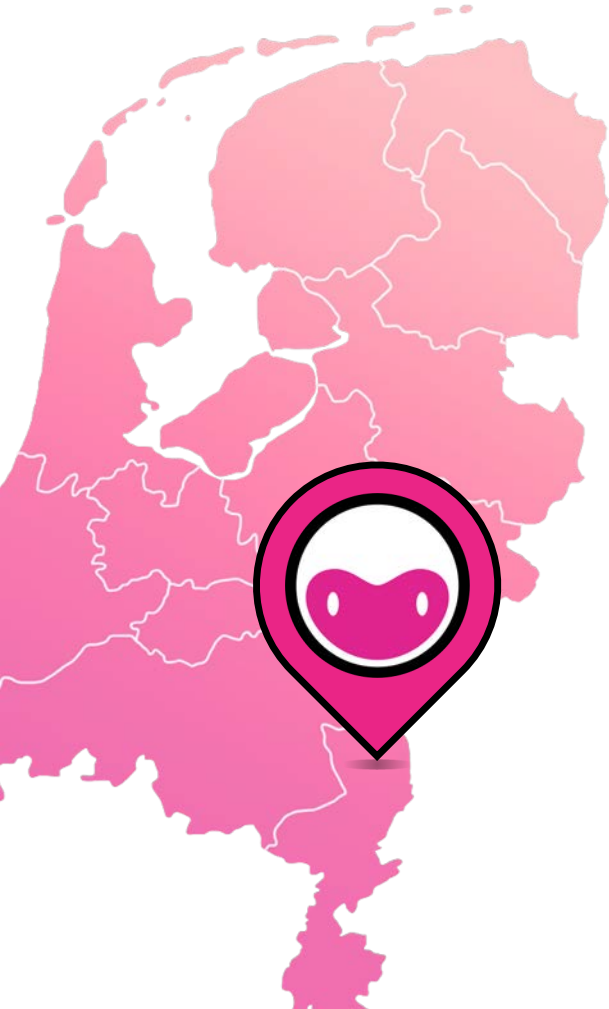


# 1.FOUNDATION

Revenue Generation **Netherlands & European Union**



**FARMING** - **Red Light Farm** in Horst, The Netherlands - producing Truffles for **Red Light Holland** owned **iMicrodose** and **Maka** brands, plus white-labelling for multiple other brands.







Products to over 200 stores in The Netherlands with other 1000 stores across the EU. **SR Wholesale** has trusted distribution companies in the Netherlands.

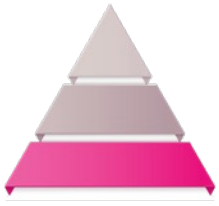
The SR Wholesale logo is displayed on the left, featuring a stylized 'SR' in black and teal, followed by the text 'WHOLE SALE' in black. Below the logo are three circular icons: a truck, an airplane, and a ship, each with a pink arrow pointing to it from the left. To the right of these icons is a pink map of Europe with several pink arrows pointing from a central point in the Netherlands to various countries across the continent, including the UK, Ireland, France, Spain, Portugal, Germany, Poland, Czech Republic, Slovakia, Hungary, Austria, Italy, Greece, and Turkey.



**SR** WHOLE  
SALE







# 1.FOUNDATION

Revenue Generation **Netherlands & European Union**

**Red Light Holland** acquired two wellness shops in the Netherlands: **SmartShop Utrecht** and **SmartShop OSS**.

Fully own and operate a chain of wellness stores with a unique approach to selling truffles, promoting education and responsible use focused on potential benefits and data collection.

Acquisition of SmartShops provide **Red Light Holland** with full vertical integration from production, packaging, distribution and now retail shops sales coupled with online sales

**Red Light Holland** to update and rebrand **SmartShop Utrecht** and **SmartShop Oss** to "**Mushrooms and more**" in Q3 2023





# 1.FOUNDATION

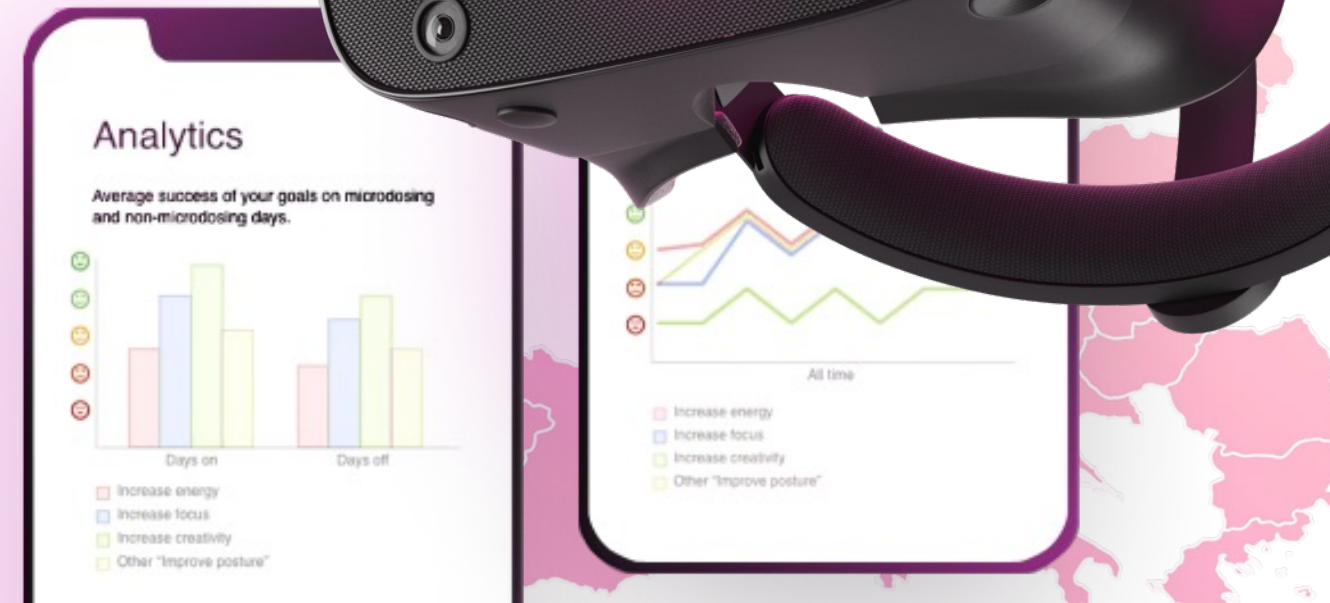
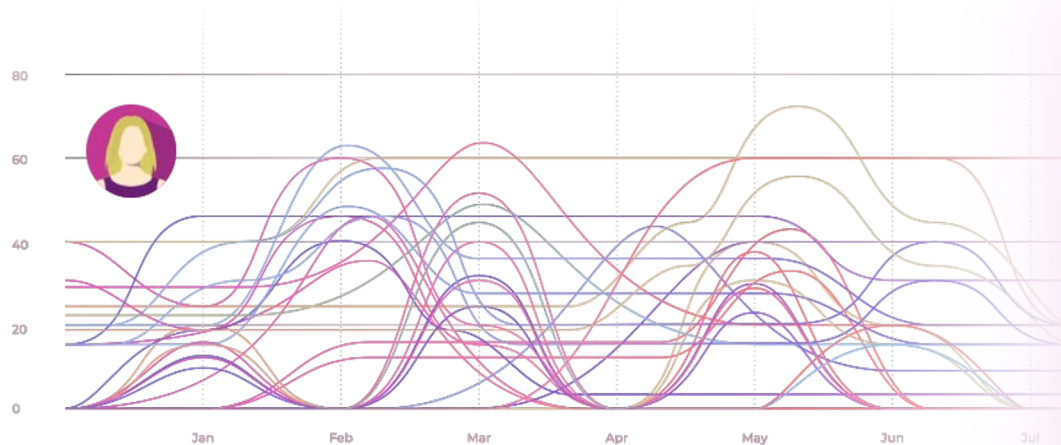
Revenue Generation **North America & Europe**



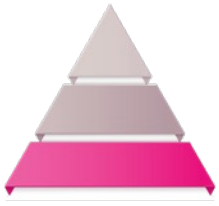
**Rec and Tech initiative** - provide equitable, affordable access while continually learning from end consumers to help with data collection to provide to progressive lawmakers across the world.

**Telecounseling** support in the Netherlands - responsible use

**Virtual reality** - Wisdom is a breakthrough in science education that explains the effects of psychedelics on the brain within the predictive coding neuroscience framework. In Wisdom, you can hold the psilocybin molecule and fit it into the receptor and you can even experience and understand how synesthesia happens.





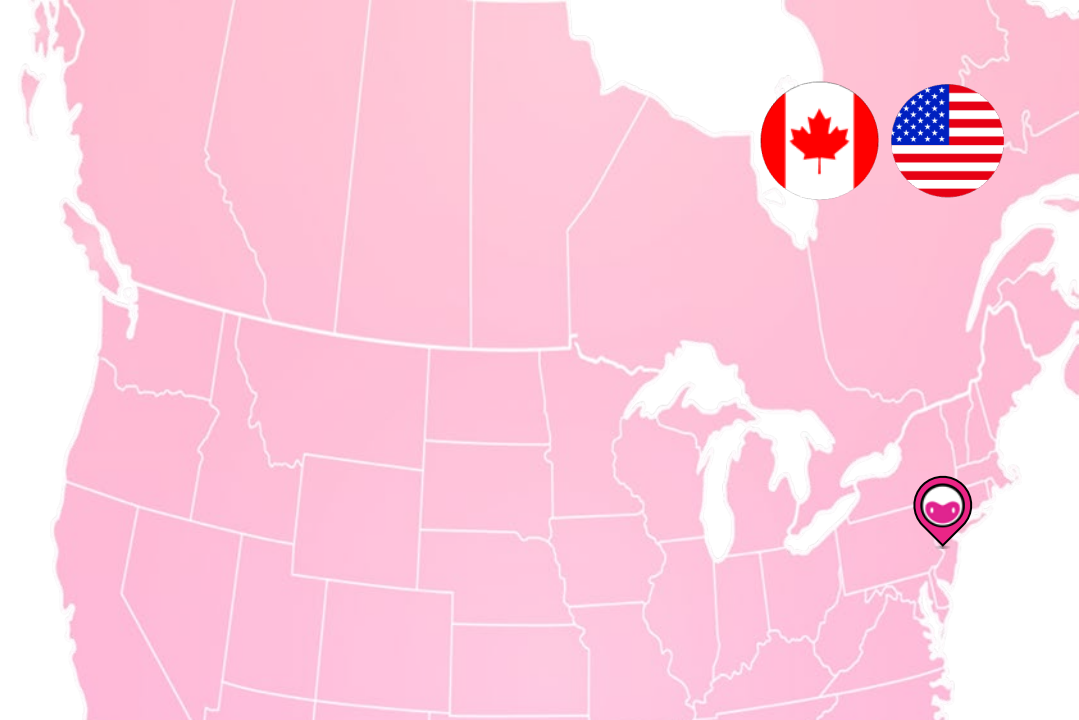


# 1.FOUNDATION

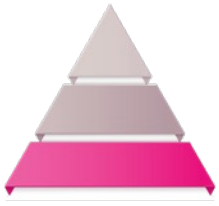
Revenue Generation **North America**

## FARMING

**AEM Farms in New Brunswick, Canada** - in New Brunswick, Canada - is currently at 80-90 percent capacity with the near-term ability to produce 5000 pounds of Shiitake mushrooms per week. They are setting up mushroom infrastructure (growing, producing packaging) for psilocybin if and when regulations permit.







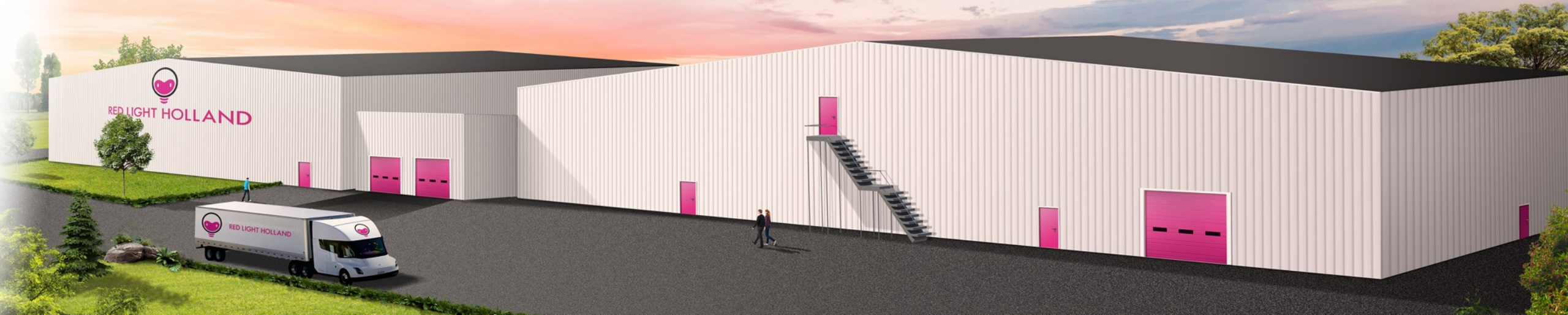
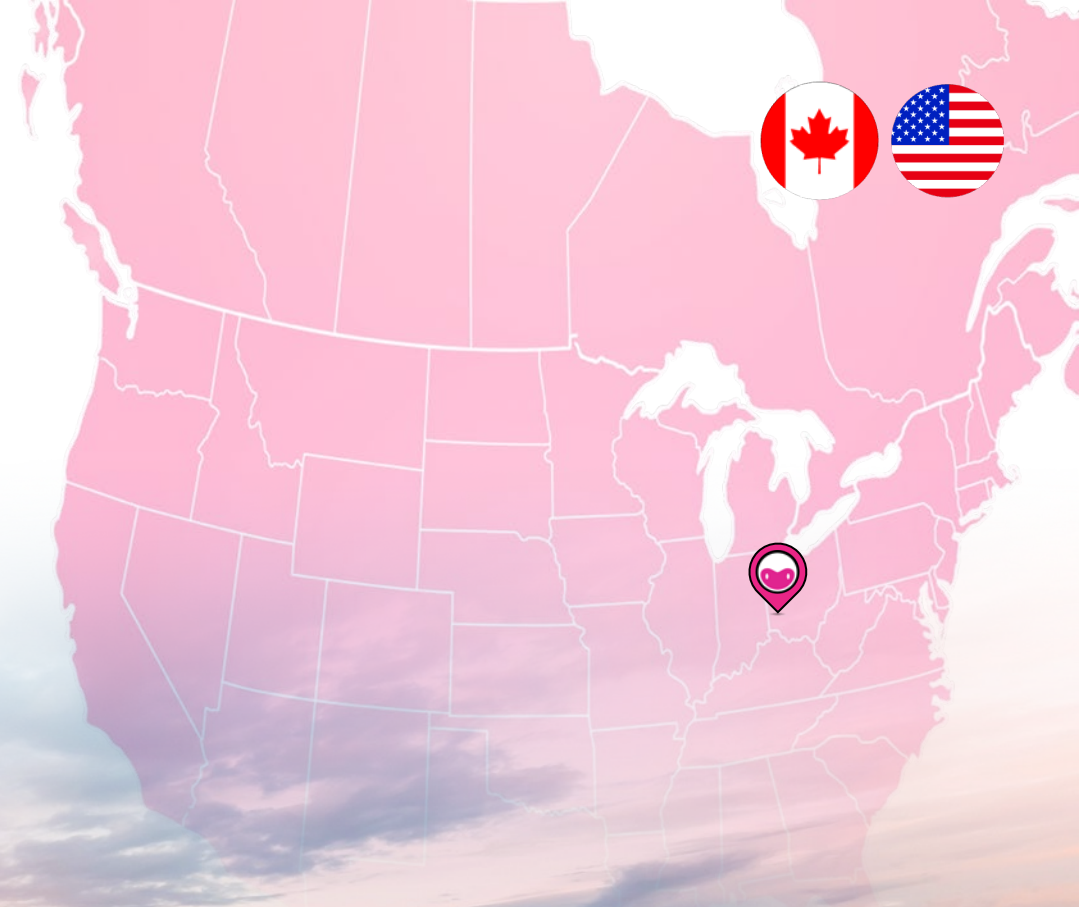
# 1.FOUNDATION

Revenue Generation **North America**

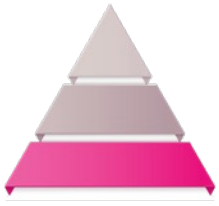
## FARMING

**AEM Farm** expansion in **Peterborough, Canada** - Red Light recently announced the purchase of 100 acres of farmland to construct a **65,000 sq foot facility** for significant mushroom production, setting Red Light up for potential substantial revenues on completion of build-out.

Once completed, the Peterborough Farm is expected to immediately generate revenues of approximately **\$80,000 per week**. As it ramps up to its full production capacity, the Company expects a revenue run rate of approximately **\$16.0 to \$17.0 million** per annum with strong profit margins and cash flows from operations.







# 1. FOUNDATION

Revenue Generation North America

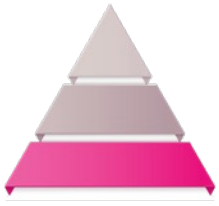
## FARMING

**Happy Caps Mushroom Farm in Halifax, Canada** - Home Grow Kits - selling home grow kits to the masses across North America via [www.happycaps.ca](http://www.happycaps.ca)

**Happy Caps'** Lion's Mane, Shiitake and Oyster mushroom kits sell for \$25-\$30 (MSRP) on Amazon (both USA and Canada), and currently 13 Loblaws' Super Stores, 24 Canadian Tire stores plus trade shows, garden centers, nurseries and seed shops.







# 1.FOUNDATION

Revenue Generation Europe



## FARMING

Acquisition of **MiniChamp BV** home grow mushroom farm will immediately expand **Red Light Holland's** strategy of selling mushroom home grow kits via retail and on-line across Europe.

**Red Light Holland** plans to utilize **MiniChamp's** production farm and mass distribution relationships to over 20 EU countries and over 100 retail shops to help with the launch of **Mistercap** LLC Mushroom Home Grow Kits, who will be receiving marketing advisory services from the multi-platinum-selling, GRAMMY® and Golden Globe® Award-nominated recording artist **Wiz Khalifa** for the new **MISTERCAP** brand and who will leverage his social media presence to promote these legal mushroom products in Q3 2023.

**Red Light Holland** aims to produce and launch a brand-new product: Home Grow Magic Truffles' kits to sell to the adult, responsible use market in The Netherlands with the production to occur at the **MiniChamp** production facility, in The Netherlands.





# 1.FOUNDATION

Revenue Generation North America & European Union

**PRODUCT** - Mistercap

**Red Light Holland** and Superstar **Wiz Khalifa** to Launch Naturally Occurring Psilocybin and Mushrooms Wellness Brand: **Mistercap**.

Wiz Khalifa will utilize his Social Media platforms (Instagram: 38.1 million followers; Twitter: 36.5 million followers; Facebook: 47 million followers) to showcase the **MISTERCAP** brand, produced and distributed by **Red Light Holland**.

**Wiz Khalifa** will help spread an aligned view with **Red Light Holland** on affordable and equitable access for naturally occurring psilocybin with education, information and responsible use messages.

**120+ MILLION FOLLOWERS**

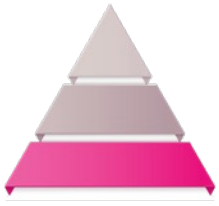
**MISTERCAP'S**



*Wiz Khalifa*







# 1.FOUNDATION

Revenue Generation **North America**



**TECHNOLOGY/PRODUCTS** - the "Rec and Tech" approach

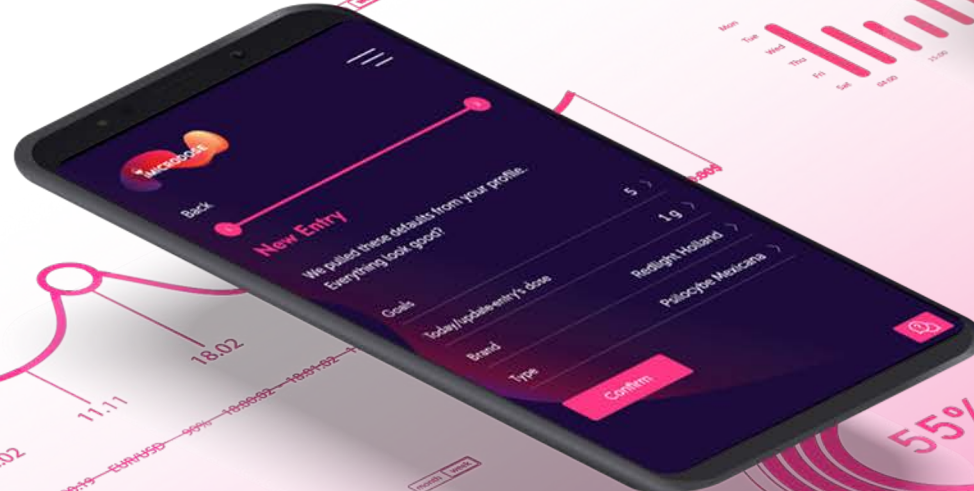
**Red Light Holland** products are supported by **Radix Motion** technology (RLH's wholly-owned Silicon Valley tech company) for consensual data collection, aiding Regulatory Bodies and progressive lawmakers.

**www.iMicroApp.com** - where Red Light consensually collects biometric movement and observational data on psilocybin usage.

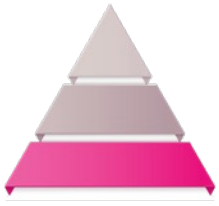
**Patent** - Radix Motion's new technology on the use of real-time analysis of human movement data to identify the position and body movement of a psychedelic facilitator or therapist to detect if a potential violation is occurring and activate real time alerts and safety measures.

**RADIX  
MOTION**

Statistic Graph  
All mentions:







# 1.FOUNDATION

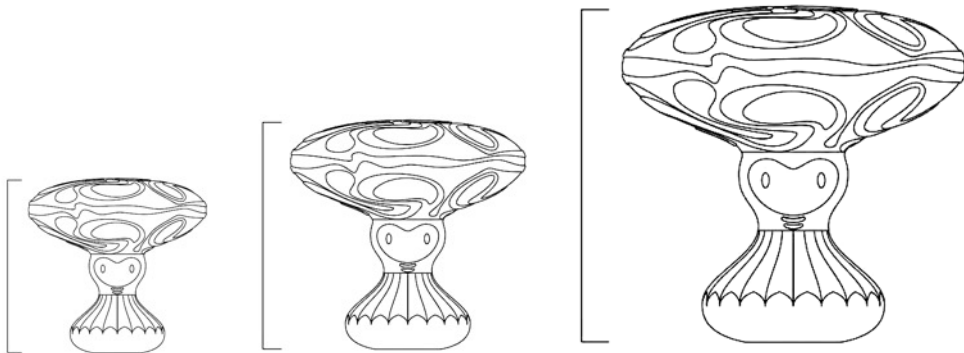
Revenue Generation **North America**



**TECHNOLOGY/PRODUCTS** - the "Rec and Tech" approach

**Wisdom Truffle:** Smart Home device/Meditation Aide designed by World Famous designer Karim Rashid. A reminder for consumers to live in the moment, this brilliant blue-tooth speaker, phone charger, heart rate sensor, and carbon imprint reader smart home device is a first of its kind with the ability to connect to the masses by encouraging disconnection and a healthier lifestyle. For sale summer 2022 - **[www.WisdomTruffle.com](http://www.WisdomTruffle.com)**.

*Karim*





# 1.FOUNDATION

Revenue Generation North America & European Union

## MARKETING - MIA KHALIFA

Conduct social media marketing for **MisterCap's** Legal Homegrow Mushroom products and the **Wisdom Truffle** designed by **Karim Rashid** ([www.BringWisdomHome.com](http://www.BringWisdomHome.com)) to boost sales and visibility.

Support the Corporation in developing strategic social purpose and community engagement initiatives, creating educational content for brand awareness, contributing to ESG strategy, and participating in legal and policy reform efforts.

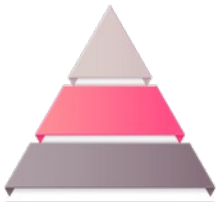
Support Key Advisor **Akwasi Owusu-Bempah** in leading the Corporation's corporate social purpose strategy for social justice, advocacy, and responsible use, showcasing how the Corporation will responsibly and consciously bring magic truffles from the "Underground to Mainstream."

Develop and implement a comprehensive social purpose strategy and long-term roadmap to establish a Female Focused Mushroom Brand for health and wellness, driving the company's vision and ensuring sustained growth.

# 75+ MILLION FOLLOWERS







## 2.STRATEGY

The Foundation and current cash position of the company provide the cash flow through these strategic channels, which leads to the ultimate vision of Free the Magic.

**Data Collection, Advocacy, R&D, Policy and Education.**

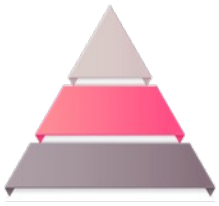


**Advocacy** in working with the group **PMAW** in Washington State and supporting **TheraPsil**'s charter challenge aimed at legalizing access to natural psilocybin for therapeutic use in Canada.



**Data collection** from the Netherlands plus market research is shared with Measure 109 in Oregon and Bill 5660 in Washington State Regulatory bodies to help assist in regulations written around microdosing for affordable and equitable access.





## 2.STRATEGY



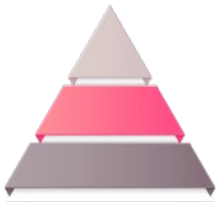
**Red Light Holland** has made a major breakthrough in the world of psychedelics with the successful arrival of their psilocybin truffles in Canada. This was made possible through a Health Canada approved psilocybin import permit to **CCrest Labs**, who will be developing microdosing capsules. **Red Light Holland** aims to become a leading provider of these therapeutic products in emerging markets. As well, **Red Light Holland** has recently announced a distribution agreement with New Zealand based **NUBU Pharmaceuticals** to explore legal import and distribution of psilocybin microdosing capsules to Australasia.



**Educational events** in The Netherlands via Live Concerts and Celebrity Influence (Russell Peters event) to help collect data on microdosing and help educate and end the stigma around psychedelics - making it mainstream.







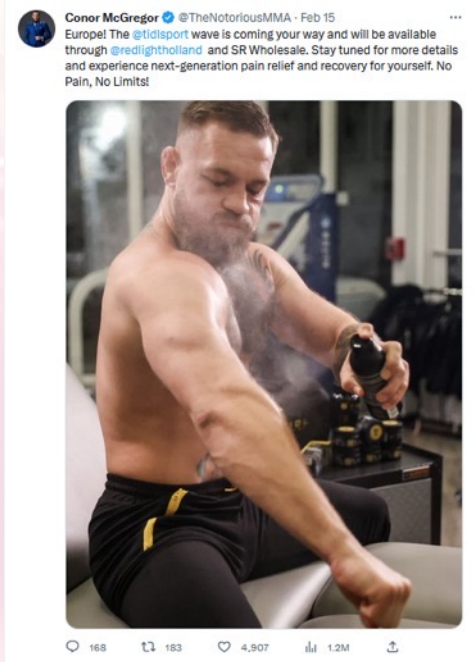
## 2.STRATEGY

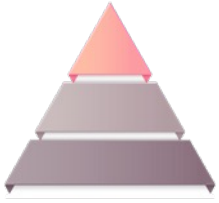


**Content Creation-** Get ready to dive deep into the world of psychedelics with **Red Light Radio**, the podcast that explores the intersection of business, wellness, and consciousness. Join our host, a CEO who's getting back to his roots and back in front of the microphone, as he chats with industry leaders, celebrities, and experts about the latest developments in the psychedelic space. From the potential therapeutic benefits of psychedelics to their impact on creativity and productivity.



**Celeb partnerships** - Partnering with celebrities is a powerful way to promote health and wellness. From endorsing products to sharing personal stories, celebrity partnerships can help spread awareness and encourage positive behavior change. By working together, celebrities and health organizations can inspire millions of people to make positive changes and lead healthier, happier lives.





# 3.#FREETHEMAGIC

Dream Box - Vision



Help people and give back.



Disrupt Big Pharma.



Continually collecting consensual biometric movement and observation data to help prove positive benefits for all demographics.







### 3. #FREETHEMAGIC

Dream Box - **Vision**

We aim to build the largest psilocybin brand in the world focused on innovative, unique and standardized naturally occurring products which are sustainable, educational and promoting responsible use.



**RED LIGHT HOLLAND**

# COMMON SHARES OUTSTANDING AND CASH POSITION

## RED LIGHT HOLLAND CORP.

**Common Shares Outstanding**  
(As at Mar 31st, 2023)

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**Total Common Shares Outstanding**

# of shares

387,892,187

**Market cap approx**  
(As at Aug 21<sup>st</sup>, 2023)

\$26,600,000

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**As at March 31st, 2023 the Company had a cash position of**

\$18,486,644

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**As at March 31st, 2023 Total Assets**

\$30,143,283

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# Red Light Holland's Team

## CORPORATE LEADERSHIP



**Todd Shapiro**  
Co-Founder, CEO & Director



**Sarah Hashkes**  
Chief Technology  
Innovation Officer



**David Ascott**  
CFO



**Hans Derix**  
President



**Shai Ramsahai**  
Vice-President



**Ridley Doolittle**  
CMO



**Russell Peters**  
Chief Creative Officer

## BOARD OF DIRECTORS



**Drad J. Lamb**  
Chief Technology  
Innovation Officer



**Ann Barnes**  
Director



**Binyomin Posen**  
Director



**Todd Shapiro**  
Co-Founder, CEO & Director



**Karim Rashid**  
Head of Design



**Mingjing Huang**  
Engineering Consultant



**Bliss Francis**  
Creative Consultant

## ADVISORY BOARD.



**Bruce Linton**  
Chairman of Advisory Board



**Tony Clement**  
Senior Advisor



**Graham Pechenik**  
Senior Advisor



**Glenn Cowan**  
Advisor



**Akwasi Owusu-Bempah**  
Advisor



**DJ Saul**  
Advisor

# STATUTORY RIGHTS OF RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with rights of rescission or damages, or both, where an offering memorandum or any amendment to it contains a misrepresentation. A “misrepresentation” is an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading or false in the light of the circumstances in which it was made.

These remedies must be commenced by the purchaser within the time limits prescribed and are subject to the defences contained in the applicable securities legislation. Each purchaser should refer to the provisions of the applicable securities laws for the particulars of these rights or consult with a legal advisor.

The following rights are in addition to and without derogation from any other right or remedy which purchasers may have at law and are intended to correspond to the provisions of the relevant securities laws and are subject to the defences contained therein. The following summaries are subject to the express provisions of the applicable securities statutes and instruments in the below-referenced provinces and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions.

## ONTARIO INVESTORS

Under Ontario securities legislation, certain purchasers who purchase securities offered by an offering memorandum during the period of distribution will have a statutory right of action for damages, or while still the owner of the securities, for rescission against the issuer or any selling security holder if the offering memorandum contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the purchaser first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the securities. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the securities. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the issuer or any selling security holder. In no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the issuer and any selling security holder will have no liability. In the case of an action for damages, the issuer and any selling security holder will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the securities as a result of the misrepresentation relied upon.

These rights are not available for a purchaser that is (a) a Canadian financial institution or a Schedule III Bank (each as defined in National Instrument 45-106 – Prospectus Exemptions), (b) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada), or (c) a subsidiary of any person referred to in paragraphs (a) and (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario purchaser. The foregoing is a summary of the rights available to an Ontario purchaser. Not all defences upon which an issuer, selling security holder or others may rely are described herein. Ontario purchasers should refer to the complete text of the relevant statutory provisions.



## ALBERTA, BRITISH COLUMBIA AND QUEBEC

By purchasing securities offered in connection with this presentation, purchasers in Alberta, British Columbia and Quebec are not entitled to the statutory rights described above. In consideration of their purchase of the securities offered in connection with this presentation and upon accepting a purchase confirmation in respect thereof, these purchasers are hereby granted a contractual right of action for damages or rescission that is substantially the same as the statutory right of action provided to residents of Ontario who purchase the securities offered in connection with this presentation.

## SASKATCHEWAN INVESTORS

Under Saskatchewan securities legislation, certain purchasers who purchase securities offered by an offering memorandum during the period of distribution will have a statutory right of action for damages against the issuer, every director and promoter of the issuer or any selling security holder as of the date of the offering memorandum, every person or company whose consent has been filed under the offering memorandum, every person or company that signed the offering memorandum or the amendment to the offering memorandum and every person or company who sells the securities on behalf of the issuer or selling security holder under the offering memorandum, or while still the owner of the securities, for rescission against the issuer or selling security holder if the offering memorandum contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of one year from the date the purchaser first had knowledge of the facts giving rise to the cause of action and six years from the date on which payment is made for the securities. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the securities. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the issuer or the others listed above. In no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the issuer and the others listed above will have no liability. In the case of an action for damages, the issuer and the others listed above will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the securities as a result of the misrepresentation relied upon.

Other defences in Saskatchewan legislation include that 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, or (b) 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.

No person or company, other than the issuer, is liable for any part of the offering memorandum or the amendment to the offering memorandum 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 (a) failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (b) believed there had been a misrepresentation.

## SASKATCHEWAN INVESTORS CONTINUED

Similar rights of action for damages and rescission are provided in Saskatchewan legislation in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Saskatchewan legislation 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.

No person or company, other than the issuer, is liable for any part of the offering memorandum or the amendment to the offering memorandum 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 (a) failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (b) believed there had been a misrepresentation.

Similar rights of action for damages and rescission are provided in Saskatchewan legislation in respect of a misrepresentation in advertising and sales literature disseminated in connection with an offering of securities.

Saskatchewan legislation 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.

In addition, Saskatchewan legislation 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 Saskatchewan securities legislation, regulations or a decision of the Financial and Consumer Affairs Authority of Saskatchewan.

The Saskatchewan legislation also provides a right of action for rescission or damages to a purchaser of securities to whom an 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 legislation.

A purchaser who receives an amended offering memorandum has the right to withdraw from the agreement to purchase the securities by delivering a notice to the issuer or selling security holder within two business days of receiving the amended offering memorandum.

These rights are in addition to, and without derogation from, any other rights or remedies available at law to a Saskatchewan purchaser. The foregoing is a summary of the rights available to a Saskatchewan purchaser. Not all defences upon which an issuer or others may rely are described herein. Saskatchewan purchasers should refer to the complete text of the relevant statutory provisions.



## MANITOBA INVESTORS

If an offering memorandum or any amendment thereto, sent or delivered to a purchaser contains a misrepresentation, the purchaser who purchases the security is deemed to have relied on the misrepresentation if it was a misrepresentation at the time of the purchase and has a statutory right of action for damages against the issuer, every director of the issuer at the date of the offering memorandum, and every person or company who signed the offering memorandum. Alternatively, the purchaser may elect to exercise a statutory right of rescission against the issuer, in which case the purchaser will have no right of action for damages against any of the aforementioned persons.

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 from the date of the transaction that gave rise to the cause of action, or (b) in the case of an action for damages, the earlier of (i) 180 days after the purchaser first had knowledge of the facts giving rise to the cause of action, or (ii) two years after the date of the transaction that gave rise to the cause of action.

Securities legislation in Manitoba provides a number of limitations and defences to such actions, including:

1. in an action for rescission or damages, no person or company will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;
2. in an action for damages, no person or company will 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
3. in no case will the amount recoverable under the right of action described above exceed the price at which the securities were offered under the offering memorandum.

## NEW BRUNSWICK INVESTORS

Under New Brunswick securities legislation, certain purchasers who purchase securities offered by an offering memorandum during the period of distribution will have a statutory right of action for damages, or while still the owner of the securities, for rescission against the issuer and any selling security holder in the event that the offering memorandum, or a document incorporated by reference in or deemed incorporated into the offering memorandum, contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of one year from the date the purchaser first had knowledge of the facts giving rise to the cause of action and six years from the date on which payment is made for the securities. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the securities. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the issuer or any selling security holder. In no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the issuer and any selling security holder will have no liability. In the case of an action for damages, the issuer and any selling security holder will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the securities as a result of the misrepresentation relied upon.

These rights are in addition to, and without derogation from, any other rights or remedies available at law to a New Brunswick purchaser. The foregoing is a summary of the rights available to a New Brunswick purchaser. Not all defences upon which an issuer, selling security holder or others may rely are described herein. New Brunswick purchasers should refer to the complete text of the relevant statutory provisions.

## NOVA SCOTIA INVESTORS

Under Nova Scotia securities legislation, certain purchasers who purchase securities offered by an offering memorandum during the period of distribution will have a statutory right of action for damages against the issuer or other seller and the directors of the issuer as of the date the offering memorandum, or while still the owner of the securities, for rescission against the issuer or other seller if the offering memorandum, or a document incorporated by reference in or deemed incorporated into the offering memorandum, contains a misrepresentation without regard to whether the purchasers relied on the misrepresentation. The right of action for damages or rescission is exercisable not later than 120 days from the date on which payment is made for the securities or after the date on which the initial payment for the securities was made where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the issuer or other seller or the directors of the issuer. In no case will the amount recoverable in any action exceed the price at which the securities were offered to the purchaser and if the purchaser is shown to have purchased the securities with knowledge of the misrepresentation, the issuer or other seller and the directors of the issuer will have no liability. In the case of an action for damages, the issuer or other seller and the directors of the issuer will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the securities as a result of the misrepresentation relied upon.

In addition, a person or company, other than the issuer, is not liable with respect to any part of the offering memorandum or any amendment to the offering memorandum not purporting (a) to be made on the authority of an expert or (b) to be a copy of, or an extract from, a report, opinion or statement of an expert, unless the person or company (i) failed to conduct a reasonable investigation to provide reasonable grounds for a belief that there had been no misrepresentation or (ii) believed that there had been a misrepresentation.

A person or company, other than the issuer, will not be liable if that person or company proves that (a) the offering memorandum or any amendment to the offering memorandum was sent or delivered to the purchaser without the person's or company's knowledge or consent and that, on becoming aware of its delivery, the person or company gave reasonable general notice that it was delivered without the person's or company's knowledge or consent, (b) after delivery of the offering memorandum or any 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 any amendment to the offering memorandum, the person or company withdrew the person's or company's consent to the offering memorandum or any amendment to the offering memorandum, and gave reasonable general notice of the withdrawal and the reason for it, or (c) with respect to any part of the offering memorandum or any amendment to the offering memorandum purporting (i) to be made on the authority of an expert, or (ii) to be a copy of, or an extract from, a report, an opinion or a statement of an expert, the person or company had no reasonable grounds to believe and did not believe that (A) there had been a misrepresentation, or (B) the relevant part of the offering memorandum or any amendment to the offering memorandum 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.

These rights are in addition to, and without derogation from, any other rights or remedies available at law to a Nova Scotia purchaser. The foregoing is a summary of the rights available to a Nova Scotia purchaser. Not all defences upon which an issuer or other seller or others may rely are described herein. Nova Scotia purchasers should refer to the complete text of the relevant statutory provisions.



## PRINCE EDWARD ISLAND INVESTORS

If an offering memorandum, together with any amendment thereto, is delivered to a purchaser and the offering memorandum, or any amendment thereto, contains a misrepresentation, a purchaser has, without regard to whether the purchaser relied on the misrepresentation, a statutory right of action for damages against (a) the issuer, (b) subject to certain additional defences, against every director of the issuer at the date of the offering memorandum and (c) every person or company who signed the offering memorandum, but may elect to exercise the right of rescission against the issuer (in which case the purchaser shall have no right of action for damages against the aforementioned persons or company).

No action shall be commenced to enforce the right of action discussed above 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 action for damages, the earlier of: (i) 180 days after the purchaser 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.

Securities legislation in Prince Edward Island provides a number of limitations and defences to such actions, including:

1. no person or company will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;
2. in an action for damages, the defendant is not liable for all or any portion of the damages that it proves does not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and
3. in no case shall the amount recoverable under the right of action described herein exceed the price at which the securities were offered under the offering memorandum, or any amendment thereto.

## NEWFOUNDLAND AND LABRADOR PURCHASERS

If an offering memorandum, together with any amendment thereto, contains a misrepresentation, a purchaser has, without regard to whether the purchaser relied on the misrepresentation, a statutory right of action for damages against (a) the issuer, (b) subject to certain additional defences, against every director of the issuer at the date of the offering memorandum and (c) every person who signed the offering memorandum, but may elect to exercise the right of rescission against the issuer (in which case the purchaser shall have no right of action for damages against the aforementioned persons).

No action shall be commenced to enforce the right of action discussed above 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 action for damages, the earlier of: (i) 180 days after the purchaser 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. Securities legislation in Newfoundland and Labrador provides a number of limitations and defences to such actions, including:

1. no person will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation;
2. in an action for damages, the defendant is not liable for all or any portion of the damages that it proves does not represent the depreciation in value of the securities as a result of the misrepresentation relied upon; and
3. in no case shall the amount recoverable under the right of action described herein exceed the price at which the securities were offered under the offering memorandum, or any amendment thereto.



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