

## Offering Document under the Listed Issuer Financing Exemption

November 2, 2023

Nextech3D.AI Corporation  
("Nextech", the "Company" or the "issuer")

### PART 1 SUMMARY OF OFFERING

#### What are we offering?

<b>Offering:</b>	The offering (the "Offering") will consist of up to 19,500,000 units of the Company ("Units") at a price of C\$0.12 per Unit to raise aggregate gross proceeds of up to C\$2,340,000. Each Unit shall consist of one common share of the Company and one share purchase warrant (a "Warrant") with each Warrant entitling the holder thereof to acquire one additional common share of the Company at an exercise price of C\$0.17 for a period of 36 months from the date of issuance.
<b>Offering Price:</b>	\$0.12 per Unit
<b>Offering Amount:</b>	Up to C\$2,340,000
<b>Closing Date:</b>	On or about November 22, 2023, in one or more tranches (each, a "Closing Date").
<b>Exchange:</b>	The common shares of the Company ("Common Shares") are listed on the Canadian Securities Exchange (the "CSE") under the trading symbol NTAR.
<b>Last Closing Price:</b>	The last closing price of the Common Shares on the CSE on November 1, 2023, was \$0.17.

***No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.***

Nextech is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions*. In connection with this Offering, the issuer represents the following is true:

- The issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this offering document, will not exceed \$5,000,000.
- The issuer will not close this Offering unless the issuer reasonably believes it has raised

**sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**

- **The issuer will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.**

#### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION**

This offering document contains “forward-looking information” within the meaning of applicable Canadian and United States securities laws, which is based upon the Company’s current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this offering document are made only as of the date of this offering document. Such forward-looking statements and forward-looking information include, but are not limited to, statements concerning future operations; the Company’s expectations with respect to the use of proceeds and the use of the available funds following completion of the Offering; the gross proceeds to be raised pursuant to the Offering; and completion of the Offering and the date thereof. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Such forward- looking statements and forward-looking information often, but not always, can be identified by the use of words such as “plans”, “expects”, “potential”, “is expected”, “anticipated”, “is targeted”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements or forward-looking information, including, without limitation, risks and uncertainties relating to: general business and economic conditions; regulatory approval; completion of the Offering; changes in commodity prices; changes in project parameters as plans continue to be refined; operating costs including labour and equipment costs; risks and uncertainties related to the ability to obtain or maintain necessary licenses, permits or intellectual property rights; the ability to procure equipment and supplies in sufficient quantities and on a timely basis; the availability of qualified employees and contractors; market competition; future results not being consistent with the Company’s expectations; termination of customer or distributor contracts; changes in regulation; and other risks of the industry in which the Company operates. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company’s annual filings that are available at [www.sedar.com](http://www.sedar.com). Readers are cautioned that this list of risk factors should not be construed as

exhaustive.

The Company provides no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements and information. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, changing circumstances, or otherwise.

## **PART 2 SUMMARY DESCRIPTION OF BUSINESS**

### **What is our business?**

NexTech is a diversified technology company that is both a provider of a broad array of in market augmented reality ("AR") solutions. NexTech's AR solutions provide global customers with critical functionality needed for 3D AR immersive experiences. These AR solutions can be used across many verticals and are currently being utilized in e-commerce, Virtual Events, higher ed learning, corporate training, digital advertising and entertainment. NexTech's AR solutions are able to scale the production of 3D models by using artificial intelligence ("AI") algorithms and computer vision technology. The resulting product and service offerings allow its customers to deliver photo-realistic, volumetric 3D AR at scale for mass adoption. The majority of the Company's technology is available over the internet however the Company also has multiple AR applications on iOS/Android including ARitize360, ARitize, and HoloX allowing for 3D visualization across all platforms and available for all AR use cases creating a one stop shop for AR. The Company is also a significant shareholder of Arway Corporation (CSE: ARWY) and Toggle3D.ai Inc. (CSE: TGGL) ("Toggle3D").

### **Recent developments**

On May 4, 2023, the Company announced the launch of breakthrough generative AI technology that facilitates the generation of 3D materials from text prompts. In the text-to-3D Material Pipeline, users can input a text prompt into the AI generator, and the system creates multiple image variations of that prompt. The generated images are then layered with texture maps to create a 3D material. The end result is a series of seamless materials that can be draped over a 3D object. This allows users to assess the results and swap between different variations. Moreover, users can add descriptive words to their original text prompt to further tweak the texture to their desired state. This feature provides users with a high degree of customization, allowing them to create unique textures that are tailored to their needs.

On June 13, 2023, the Company successfully completed the spinout of its subsidiary Toggle3D pursuant to a plan of arrangement which received final court approval on June 9, 2023 (the "Arrangement"). Pursuant to the Arrangement, an aggregate of 4,000,000 common shares of Toggle3D were distributed to shareholders of the Company on a pro rata basis, and Nextech retained 13,000,000 common shares of Toggle3D (representing approximately 50% of the issued and outstanding common shares of Toggle3D). In connection with the Arrangement, Toggle3D raised \$2,158,118 pursuant to the issuance of 8,632,473 common shares and 8,632,473 warrants. The common shares of Toggle3D commenced trading on the CSE on June 14, 2023 under the symbol "TGGL".

On June 29, 2023, the Company announced the appointment of Nidhi Kumra, CA, CPA, to the Board of

Directors and as Audit Committee Chair.

On July 11, 2023, the Company announced it had recently submitted a draft registration statement on Form F-1 to the U.S. Securities and Exchange Commission for purposes of a potential future offering of its securities in the United States. The Company plans to retain its Canadian listing on the CSE and become dual-listed in the USA and Canada.

On July 25, 2023, the Company announced that it closed its previously announced marketed public offering of units at a price of \$0.42 each for aggregate gross proceeds of approximately \$2,546,203. The offering was led by Research Capital Corporation as the sole agent and sole bookrunner. Each unit as comprised of one common share of the Company and one share purchase warrant shall entitling the holder to purchase one additional common share at an exercise price of \$0.52 for a period of 36 months.

On August 1, 2023, the Company announced the appointment of Anthony Pizzonia, CPA, to the Board of Directors and as a member of the Audit Committee.

On September 28, 2023, the Company announced that it changed its legal name from "Nextech AR Solutions Corp" to "Nextech3D.AI Corporation".

On October 31, 2023, the Company announced the grand opening of its office space in Hyderabad, India.

### **Material facts**

There are no material facts about the securities being distributed that have not been disclosed in this offering document or in any other document filed by the Company in the 12 months preceding the date of this offering document.

### **What are the business objectives that we expect to accomplish using the available funds?**

The Company intends to use the net proceeds from the Offering for general corporate and working capital purposes. With the anticipated minimum funding, the Company's priorities are to:

- Strengthen its working capital and enhance sales and marketing efforts
- Fund short term expenditures as the Company proposes to expand its relationship with Amazon over the ensuing months including operations expansion in India to reduce operating costs by replacing North American labour with more cost effective Indian labour, over the next two quarters (Q4 2023 and Q1 2024)
- Further develop its generative AI technology to scale the 3D model production business by finishing its parts-based library allowing AI to recognize 3D model parts that have been previously produced to shorten the 3D model creation cycle and roll out the process in production to lower our cost delivery over the next two quarters (Q4 2023 and Q1 2024).

The Company intends to use the net proceeds from the sale of Units for working capital and general corporate purposes including in furtherance of the above-noted priorities over a period of 12 months following closing of the Offering.

### PART 3 USE OF AVAILABLE FUNDS

#### What will our available funds be upon the closing of the offering?

The expected availability of funds is set forth below.

		Maximum offering
A.	Amount to be raised by this offering	\$2,340,000
B.	Maximum selling commissions and fees	\$187,200
C.	Estimated offering costs (e.g., legal, accounting, audit)	\$50,000
D.	Net proceeds of offering: $D = A - (B+C)$	\$2,102,800
E.	Working capital as at most recent month end	(\$600,000)
F.	Additional sources of funding <sup>(1)</sup>	\$1,260,000
G.	<b>Total available funds: <math>G = D+E+F</math></b>	<b>\$2,762,800</b>

(1) The Company is completing a concurrent offering to accredited investors to raise additional gross proceeds of up to 1,260,000.

#### How will we use the available funds?

Description of intended use of available funds listed in order of priority	Maximum offering
Sales and Marketing	\$1,000,000
General and administrative expenses including expansion of operations in India	\$1,450,000
Development of generative AI technology	\$250,000
Unallocated working capital	\$62,800
<b>Total</b>	<b>\$2,762,800</b>

The above noted allocation and anticipated timing represents the Company's current intentions with respect to its use of proceeds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to

execute on its business plan.

The most recent audited annual financial statements and interim financial report of the Company included a going-concern note. The Company incurred operating, net and comprehensive losses, and generated negative cash flows from operating activities from continuing operations for each of the fiscal years ended December 31, 2022 and December 31, 2021, which may cast doubt on the Company's ability to continue as a going concern. The Offering is intended to permit the Company to continue its operations as currently conducted, and is not expected to affect the decision to include a going concern note in the next annual financial statements of the Company.

**How have we used the other funds we have raised in the past 12 months?**

<b>Previous financing activity</b>	<b>Intended Use of Funds</b>	<b>Use of Funds to Date</b>
\$3.0 million Brokered Public Offering on January 31, 2023	Working capital and general corporate purposes	\$3,000,000 <sup>(1)</sup>
\$2.546 million Brokered Private Placement on July 25, 2023	Working capital and general corporate purposes	\$1,000,000

(1) The Company has allocated the funds to date towards working capital and general corporate purposes. There are no variances between the previously disclosed use of funds and the use of such funds to date

## PART 4 FEES AND COMMISSIONS

**Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?**

<b>Agent:</b>	Research Capital Corporation and other registrants to be determined
<b>Cash Commission:</b>	Cash commission equal to up to 8.0% of the gross proceeds of the Offering.
<b>Broker Warrants:</b>	Such number of broker warrants as is equal to up to 8.0% of the number of Units sold pursuant to the Offering. Each broker warrant shall be exercisable to acquire one common share of the Company an exercise price of \$0.12 for a period of 36 months following the Closing Date.
<b>Corporate Finance Fee:</b>	Corporate finance fee of C\$35,000, which shall be satisfied by the issuance of an aggregate of 291,666 Units at a deemed price of C\$0.12 per Unit.

**Does the Agent have a conflict of interest?**

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of or to any registrant assisting in the offering, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

## PART 5 PURCHASERS' RIGHTS

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

**If there is a misrepresentation in this offering document, you have a right**

- (a) to rescind your purchase of these securities with Nextech, or**
- (b) to damages against Nextech and may, in certain jurisdictions, have a 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.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

## PART 6 ADDITIONAL INFORMATION

**Where can you find more information about us?**

Security holders can access Nextech's continuous disclosure filings on SEDAR at [www.sedar.com](http://www.sedar.com) under Nextech's profile. For further information regarding Nextech, visit our website at: [www.nextechar.com](http://www.nextechar.com). Unless otherwise noted, all currency amounts are expressed in Canadian dollars.

***Investors should read this offering document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment of Units.***

**PART 7 DATE AND CERTIFICATE**

**This offering document, together with any document filed under Canadian securities legislation on or after November 2, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.**

**November 2, 2023**

By: “Evan Gappelberg”  
Name: Evan Gappelberg  
Title: Chief Executive Officer and Director

By: “Andrew Chan”  
Name: Andrew Chan  
Title: Chief Financial Officer