

# *Electra Meccanica*



January 2017

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Some of the statements contained in the following material are "forward-looking statements". All statements in this presentation, other than statements of historical facts, are forward-looking and include statements. Statements that are not historical facts, including statements that are preceded by, followed by, or that include such words as "estimate," "anticipate," "believe," "plan", "intend", "expect", "may" or "should" or similar statements are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statement or information. regarding beliefs, plans, expectations or intentions regarding the future. Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, the risks associated with the impact of general economic conditions in countries in which the Company conducts business, the impact of competitive products and pricing, product demand and market acceptance, new product development, the continuation and development of key customer and supplier relationships, and the availability of high quality, qualified personnel and management. Other risks include, but are not limited to, factors affecting development and expansion activities generally including access to capital to meet all of the Company's financial requirements, and the Company's ability to control costs. There can be no assurance that the Company's efforts will succeed and the Company will ultimately achieve sustained commercial success. The Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required under applicable securities legislation.

# ADDITIONAL LEGAL DISCLAIMERS & CAUTIONARY STATEMENTS

## Rights of Action for Purchasers

### **Ontario, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Manitoba and Saskatchewan:**

Securities legislation in Ontario, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Manitoba and Saskatchewan provides investors in securities of the Company with certain rights of action where an offering memorandum and any amendment to it contains a misrepresentation. These remedies, or notice with respect thereto, must be exercised or delivered, as the case may be, by the investor within the time limits prescribed by the applicable securities legislation.

The following are summaries of these rights. Such summaries are subject to the express provisions of applicable securities legislation, and the rules, regulations and other instruments thereunder, and reference is made to the complete text of such provisions contained therein. Such provisions may contain certain limitations and statutory defences on which the Company and others may rely. These rights are in addition to, and without derogation from, any other right the investor may have at law. **Investors should refer to the applicable provisions of the securities legislation of their province for the particulars of these rights or consult with a legal adviser.**

For purposes of the following summaries, "Misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is necessary in order to make a statement not misleading in light of the circumstances in which it was made.

**Ontario.** If this presentation, together with any amendment to this presentation, contains a Misrepresentation, an investor in the Province of Ontario will have, without regard to whether the Misrepresentation was relied upon by the investor, a statutory right of action against the Company for damages or, at the election of the investor, against the Company, for rescission (in which case the investor will cease to have a right of action for damages), provided that:

1. no action may be commenced to enforce a right of action:
  - (a) for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or
  - (b) for damages, more than the earlier of (i) 180 days after the investor first had knowledge of the facts giving rise to the cause of action, and (ii) three years after the date of the transaction that gave rise to the cause of action;
2. the Company will not be liable if it proves that the investor purchased the securities of the Company with knowledge of the Misrepresentation;
3. in an action for damages, the Company will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities of the Company as a result of the Misrepresentation relied upon; and
4. in no case shall the amount recoverable exceed the price at which the securities of the Company were offered to the investor.

The foregoing rights do not apply if the investor purchasing in reliance upon the "accredited investor" prospectus exemption in Section 2.3 of National Instrument 45-106 Prospectus and Registration Exemptions ("NI 45-106") is:

- (a) a Canadian financial institution (as defined in NI 45-106) or a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (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.

# Rights of Action for Purchasers – Nova Scotia

**Nova Scotia.** If this presentation, together with any amendment to this presentation or any advertising or sales literature (as defined in the *Securities Act* (Nova Scotia) (the “Nova Scotia Act”)), contains a Misrepresentation and it was a Misrepresentation at the time of purchase, the investor resident in Nova Scotia will be deemed to have relied upon the Misrepresentation and will have a right of action against the Company and, subject to certain additional defences, every director of the Company at the date of this presentation for damages or, alternatively, while still the owner of the purchased securities, for rescission against the Company (in which case the investor shall have no right of action for damages against the Company or its directors), provided that:

1. no action may be commenced to enforce a right of action more than 120 days:
  - (a) after the date on which payment was made for the securities of the Company; or
  - (b) after the date on which the initial payment 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;
2. no person or company is liable if the person or company proves that the investor purchased the securities of the Company with knowledge of the Misrepresentation;
3. no person or company (other than the Company) is liable if the person or company proves that (i) the presentation was sent or delivered to the investor 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, (ii) after delivery of the presentation and before the purchase of the securities of the Company by the investor, on becoming aware of any Misrepresentation in the presentation, the person or company withdrew the person’s or company’s consent to the presentation and gave reasonable general notice of the withdrawal and the reason for it, or (iii) with respect to any part of the presentation purporting to be made on the authority of an expert or 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 presentation 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;
4. no person or company (other than the Company) is liable with respect to any part of the presentation not purporting to be made on the authority of an expert, or to be a copy, 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;
5. in an action for damages, no person or company is liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities of the Company as a result of the Misrepresentation;
6. in no case will the amount recoverable in any action exceed the price at which the securities of the Company were offered to the investor; and
7. if a Misrepresentation is contained in a record incorporated by reference into, or deemed incorporated by reference into, this presentation, the Misrepresentation is deemed to be contained in this presentation.

## Rights of Action for Purchasers – New Brunswick

***New Brunswick.*** If this presentation, together with any amendment to this presentation, delivered to an investor resident in New Brunswick contains a Misrepresentation that was a Misrepresentation at the time of purchase, the investor will be deemed to have relied on the Misrepresentation and will have a right of action against the Company for damages or, alternatively, while still the owner of the purchased securities, for rescission, provided that:

1. no action may be commenced to enforce a right of action:
  - (a) for rescission more than 180 days after the date of the transaction that gave rise to the cause of action; or
  - (b) for damages more than the earlier of (i) one year after the investor first had knowledge of the facts giving rise to the cause of action, and (ii) six years after the date of the transaction that gave rise to the cause of action;
2. the Company is not liable if it proves that the investor purchased the securities of the Company with knowledge of the Misrepresentation;
3. in an action for damages, the Company will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities of the Company as a result of the Misrepresentation relied upon; and
4. in no case shall the amount recoverable exceed the price at which the securities of the Company were offered to the investor.

# Rights of Action for Purchasers – Newfoundland and Labrador

**Newfoundland and Labrador.** If this presentation, together with any amendment to this presentation or any record incorporated by reference in, or considered to be incorporated into this presentation contains a Misrepresentation and it was a Misrepresentation at the time of purchase, an investor in the Province of Newfoundland and Labrador has, in addition to any other right that the investor may have under law and without regard to whether the investor relied on the Misrepresentation, a right of action for damages against the Company and, subject to certain additional defences, every director of the Company at the date of this presentation for damages or, alternatively, while still the owner of the purchased securities, for rescission against the Company (in which case the investor will cease to have a right of action for damages against any other person), provided that:

1. no action shall be commenced to enforce the foregoing rights:
  - (a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or
  - (b) in the case of any action, other than an action for rescission, the earlier of: (i) 180 days after the investor first had knowledge of the facts giving rise to the cause of the action; or (ii) three years after the date of the transaction that gave rise to the cause of the action;
2. no person or company is liable if the person or company proves that the investor purchased the securities of the Company with knowledge of the Misrepresentation;
3. no person or company (other than the Company) will be liable if it proves that:
  - (a) this presentation was sent to the investor without the person's or company's knowledge or consent and that, on becoming aware of its being sent, the person or company promptly gave reasonable notice to the Company that it was sent without the knowledge and consent of the person or company;
  - (b) the person or company, on becoming aware of any Misrepresentation in this presentation, withdrew the person's or company's consent to this presentation and gave reasonable notice of the withdrawal to the Company and the reason for it;
  - (c) with respect to any part of this presentation purporting to be made on the authority of an expert or to be a copy of, or an extract from, a report, statement or opinion of an expert, the person or company had no reasonable grounds to believe and did not believe that: (i) there had been a Misrepresentation; or (ii) the relevant part of this presentation did not fairly represent the report, statement or opinion of the expert, or was not a fair copy of, or an extract from, the report, statement or opinion of the expert; or
  - (d) with respect to any part of this presentation 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, statement or opinion 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;
4. in an action for damages, the defendant is not liable for any damages that it proves do not represent the depreciation in value of the securities of the Company as a result of the Misrepresentation; and
5. in no case shall the amount recoverable exceed the price at which the securities of the Company were offered to the investor under this presentation.

# Rights of Action for Purchasers – Prince Edward Island

**Prince Edward Island.** A “Misrepresentation” for purposes of the *Securities Act* (Prince Edward Island) also includes an omission to state a material fact that is required to be stated by the *Securities Act* (Prince Edward Island). If this presentation, together with any amendment to this presentation, delivered to an investor resident in Prince Edward Island contains a Misrepresentation and it was a Misrepresentation at the time of purchase, the investor will, without regard to whether the investor relied on the Misrepresentation, have a right of action against the Company and, subject to certain additional defences, every director of the Company at the date of this presentation for damages or, alternatively, while still the owner of the purchased securities, for rescission against the Company (in which case the investor shall have no right of action for damages against the persons described above), provided that:

1. no action shall be commenced to enforce the foregoing rights:
  - (a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or
  - (b) in the case of any action, other than an action for rescission, more than the earlier of (i) 180 days after the date the investor first had knowledge of the facts giving rise to the cause of the action, or (ii) three years after the date of the transaction that gave rise to the cause of the action;
2. no person or company is liable if the person or company proves that the investor purchased the securities of the Company with knowledge of the Misrepresentation;
3. no person or company (other than the Company) is liable if it proves that (i) the presentation was sent to the investor without the person’s or company’s knowledge or consent and that, on becoming aware of its being sent, the person or company had promptly given reasonable notice to the Company that it was sent without the person’s or company’s knowledge and consent (ii) on becoming aware of any Misrepresentation in the presentation, the person or company withdrew the person’s or company’s consent to the presentation and gave reasonable notice to the Company of the withdrawal and the reason for it, or (iii) with respect to any part of the presentation 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, the person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, or the relevant part of the presentation 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;
4. no person or company (other than the Company) will be liable with respect to any part of the presentation not purporting to be made on the authority of an expert or to be a copy of, or an extract from, report an opinion or a 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;
5. no person or company is liable with respect to a Misrepresentation in forward looking information if (i) the presentation containing the forward looking information also contains, proximate to the forward looking information, reasonable cautionary language identifying the forward looking information as such and identifying material factors that could cause actual results to differ materially from a conclusion, forecast or projection in the forward looking information, and a statement of the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward looking information; and (ii) the person or company had a reasonable basis for drawing the conclusions or making the forecast or projections set out in the forward looking information. This paragraph does not relieve a person of liability respecting forward looking information in a financial statement required to be filed under Prince Edward Island securities laws;
6. in an action for damages, the defendant is not liable for any damages that is proves do not represent the depreciation in value of the securities of the Company resulting from the Misrepresentation; and
7. in no case shall the amount recoverable exceed the price at which the securities of the Company purchased by the investor were offered.

# Rights of Action for Purchasers - Manitoba

**Manitoba.** If this presentation or any amendment hereto contains a Misrepresentation, an investor is deemed to have relied on the Misrepresentation and has a right of action for damages against the Company and, subject to certain additional defences, every director of the Company at the date of the presentation, or alternatively, while still the owner of the purchased securities, a right of rescission against the Company (in which case, the investor shall have no right of action for damages against the persons described above), provided that:

1. no action may be commenced to enforce a right of action:
  - (a) for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or
  - (b) for damages, more than the earlier of (i) 180 days after the day that the investor 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;
2. no person or company is liable if the person or company proves that the investor purchased the securities of the Company with knowledge of the Misrepresentation;
3. no person or company (other than the Company) will be liable if the person or company proves that (i) the presentation was sent to the investor without the person's or company's knowledge or consent, and that, after becoming aware of its delivery, the person or company promptly gave reasonable notice to the Company that it was sent without the person's or company's knowledge and consent, (ii) on becoming aware of the Misrepresentation, the person or company withdrew their respective consent to the presentation and gave reasonable notice to the Company of the withdrawal and the reason for it, or (iii) with respect to any part of the presentation purporting to be made on the authority of an expert or to be a copy of, or an extract from, an expert's report, opinion or statement, the person or company did not have any reasonable grounds to believe and did not believe that there had been a Misrepresentation, or the relevant part of the presentation did not fairly represent the expert's report, opinion or statement, or was not a fair copy of, or an extract from, the expert's report or statement;
4. no person or company (other than the Company) will be liable with respect to any part of the presentation not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, an expert's report, opinion or statement, unless the person or company (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation or (ii) believed that there had been a Misrepresentation;
5. in the case of an action for damages, the defendant is not liable for all or any part of the damages that the defendant proves do not represent the depreciation in value of the securities of the Company as a result of the Misrepresentation; and
6. in no case shall the amount recoverable exceed the price at which the securities of the Company were offered to the Investor under this presentation.



# Rights of Action for Purchasers - Saskatchewan

**Saskatchewan.** If this presentation, together with any amendment to this presentation, is sent or delivered to an investor resident in Saskatchewan and contains a Misrepresentation at the time of purchase, the investor is deemed to have relied upon that Misrepresentation and will have a right for damages against the Company, every promoter and director of the Company, every person or Company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them, and every person or company who sells securities on behalf of the Company under the presentation, or alternatively, while still the owner of the purchased securities, for rescission against the Company (in which case the investor shall have no right of action for damages against the persons described above), provided that:

1. no person or company will be liable if the person or company proves that the investor purchased the securities of the Company with knowledge of the Misrepresentation;
2. no person or company (other than the Company) will be liable if the person or company proves that (i) the presentation or amendment 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, the person or company gave reasonable general notice that it was sent or delivered without the person's or company's knowledge, or (ii) with respect to any part of the presentation 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, the person or company had no reasonable grounds to believe and did not believe that there had been a Misrepresentation, or the relevant part of the presentation did not fairly represent the report, opinion or statement of the expert, or was not a fair copy or extract from the report, opinion or statement of the expert;
3. no person or company (other than the Company) will be liable with respect to any part of the presentation not purporting to be made on authority of an expert, or 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 sufficient to provide reasonable grounds for a belief that there had been no Misrepresentation or (ii) believed there had been a Misrepresentation;
4. in the case of 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 of the Company as a result of the Misrepresentation; and
5. in no case shall the amount recoverable exceed the price at which the securities of the Company were offered to the investor.

## Rights of Action for Purchasers (continued)

Not all defences upon which the Company or others may rely are described herein. Please refer to the full text of the *Securities Act* (Saskatchewan) for a complete listing.

Similar rights of action for damages and rescission are provided to residents in Saskatchewan in respect of a Misrepresentation in advertising and sales literature disseminated in connection with an offering of securities of the Company.

Where an individual makes a verbal statement to a prospective purchaser resident in Saskatchewan that contains a Misrepresentation relating to the securities of the Company purchased and the verbal statement is made either before or contemporaneously with the purchase of such securities of the Company, the purchaser has a right of action for damages against the individual who made the verbal statement if it was a Misrepresentation at the time of purchase, regardless of whether the purchaser relied on the Misrepresentation.

An investor resident in Saskatchewan to whom this presentation or any amendment hereto was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities of the Company has a right of action for rescission or damages.

No action shall be commenced to enforce the foregoing rights:

(a) in the case of action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or

(b) in the case of any action, other than action for rescission, more than the earlier of (i) one year after the investor first had knowledge of the facts giving rise to the cause of action, or (ii) six years after the date of the transaction that gave rise to the cause of the action;

An investor resident in Saskatchewan who has entered into an agreement for the purchase of securities, which has not yet been completed, and who receives an amendment to the presentation that discloses (i) a material change in the affairs of the Company, (ii) a change in the terms or conditions of the offering as described in this presentation or (iii) securities to be distributed that are in addition to the securities of the Company described in this presentation, that occurred or arose before the investor entered into the agreement for the purchase of the securities of the Company, may within two business days of receiving the amendment deliver a notice to the Company or the agent from whom the securities of the Company are being purchased indicating the investor's intention not to be bound by the purchase agreement.

If the securities of the Company are sold in Saskatchewan in contravention of Saskatchewan securities legislation or a decision of Saskatchewan Financial Services Commission, a purchaser resident in Saskatchewan may elect to void the purchase agreement, and if the purchaser so elects, the purchaser is entitled to recover all money and other consideration paid by such purchaser for the securities of the Company.

### Rights for Purchasers in Alberta, British Columbia and Quebec

By purchasing the securities of the Company hereunder, purchasers in the provinces of Alberta, British Columbia and Quebec who are not entitled to the statutory rights described above, in consideration of their purchase of securities of the Company and upon accepting a purchase confirmation in respect thereof, are hereby granted a contractual right of action from damages or rescission that is substantially the same as the statutory right of action, if any, provided to residents of Ontario who purchase securities of the Company.

### General

The foregoing summaries are subject to the express provisions of the applicable securities law of each jurisdiction, and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions.