

*No securities regulatory authority has assessed the merits of these securities or reviewed this offering memorandum (“Offering Memorandum”). Any representation to the contrary is an offence. The information on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the offering. This is a risky investment. You could lose all the money you invest. See ITEM 8.*

*This is a risky investment. The financial statements and financial information in this offering memorandum are not audited. They have been prepared using Canadian GAAP for private enterprises and are not comparable to financial statements prepared using Canadian GAAP for publicly accountable enterprises.*

*Particular conditions apply to this offering. When relying on those particular conditions, the issuer together with issuers related to it cannot raise more than \$500,000. You may choose to invest less but when relying on those particular conditions the issuer, together with the issuers related to it, must not sell you more than \$2,000 worth of securities in a 12-month period.*

**THIS OFFERING IS AVAILABLE TO RESIDENTS OF THE FOLLOWING JURISDICTIONS ONLY: ALBERTA, SASKATCHEWAN AND MANITOBA, AND DOES NOT CONSTITUTE AN OFFERING OR SOLICITATION TO ANY PERSON RESIDENT OUTSIDE OF SUCH JURISDICTIONS.**

***The securities offered hereby have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws. The securities may not be offered or sold in the United States or to U.S. persons, as defined in Regulation S under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY OF THE SECURITIES OFFERED HEREBY WITHIN THE UNITED STATES.***

Form 45-106F2

## **CONFIDENTIAL OFFERING MEMORANDUM**

Date: **February 22, 2015**

The Issuer: **JUMP ON INC. (the “Issuer” or “Jump On”)**

Head Office Address: **Suite #2, 522-18<sup>th</sup> Avenue SW Calgary, AB T2S 0C5**

Telephone: **(403) 650-7718**

E-mail: **roger.jewett@gojumpOn.com**

Currently Listed or Quoted: **These securities do not trade on any exchange or market. The Issuer is not a reporting issuer in any jurisdiction and it is not a SEDAR filer.**

### **THE OFFERING:**

Securities Offered: **Class “A” Common Shares (“Class A Shares”). See Item 4.1.**

Price per Security: **\$0.25 per Class A Share**

Maximum Offering: **Maximum Offering of 1,000,000 Class A Shares for aggregate gross proceeds of \$250,000. **There is no minimum. You may be the only purchaser. Funds available under this offering may not be sufficient to accomplish our proposed objectives.****

Minimum Subscription: **The minimum purchase per Subscriber is \$1,000.00**

Maximum Subscription: **The maximum purchase per Subscriber is \$2,000.00**

Subscription Reward: **Subscribers investing \$2,000.00 under the Offering will receive flight credits equal to \$500.00, which will be put towards a future Jump On flight or flights of the Subscriber’s choosing. See Item 5.2 - *Subscription Reward***

- Payment Terms: The Class A Shares are being offered through the services of Waverley Corporate Financial Services Ltd. (“Waverley”), agent of the Issuer under the Offering, through its website portal, www.SeedUps.ca (the “Platform”). The Subscription Price is payable by electronically authorizing an automatic bank debit in the amount of the investment as presented on the Platform. Alternatively, Subscribers who prefer not to subscribe electronically and who prefer to subscribe using a paper subscription may pay the Subscription Price by way of a cheque, bank draft or money order payable to “Jump On Inc.” delivered to Waverley at its office located at The Tribune Building, 200, 118 - 8th Avenue SW, Calgary, Alberta Canada, T2P 1B3. See Item 5.2 - *Subscription Procedure*.
- Proposed Closing Date: Initial closing scheduled for April 30, 2015 or such later or earlier date as may be determined by the Issuer. Subsequent closings may take place at later dates as may be determined by the Issuer.
- Selling Agents: The Issuer has engaged Waverley as its exclusive selling agent under the Offering and has agreed to pay Waverley commissions equal to 5% of the aggregate subscriptions under the Offering that are sourced through their website portal, www.SeedUps.ca (see ITEM 2.7 - *Material Agreements*).
- RESALE RESTRICTIONS:** You will be restricted from selling your securities for an indefinite period. See ITEM 10.
- SUBSCRIBER’S RIGHTS:** You have two business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have the right either to sue for damages or to cancel the agreement. See ITEM 11.

#### **GENERAL DISCLAIMERS**

The information contained in this Offering Memorandum is intended only for the persons to whom it is transmitted for the purposes of evaluating the securities offered hereby. Prospective Purchasers should only rely on the information in this Offering Memorandum. No persons are authorized to give any information or make any representation in respect of the Issuer or the securities offered herein and any such information or representation must not be relied upon.

This Offering is a private placement and is not, and under no circumstances is to be construed as, a public offering of the securities described herein. The securities are being offered in reliance upon exemptions from the registration and prospectus requirements set forth in applicable securities legislation.

**THIS IS A SPECULATIVE OFFERING. An investment in the securities described in this Offering Memorandum must be regarded as highly speculative due to the nature of the Issuer’s business and its relatively early stage of development.** Purchasers must rely on the ability, expertise, judgment, discretion, integrity and good faith of the management of the Issuer. The securities are suitable only for Purchasers who are able to accept the risks inherent in the Issuer’s business. In addition, there are a number of other risk factors that should be considered by persons proposing to make an investment in the securities. **Purchasers should consult their own professional advisors to assess the income tax, legal and other aspects of the investment. See ITEM 8 - Risk Factors.**

#### **FORWARD LOOKING STATEMENTS**

Certain statements contained in this Offering Memorandum constitute forward-looking statements. These statements relate to future events or our future performance. All statements other than statements of historical fact are forward-looking statements. The use of any of the words “anticipate”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “should”, “believe”, “budget”, “plan”, “forecast”, “potential”, “intend” and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Although management of the Issuer believes that the expectations reflected in such forward-looking statements are reasonable and represent the Issuer’s expectations and belief at this time, such statements

involve known and unknown risks and uncertainties which may cause the Issuer's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, including interest rates, business competition, changes in government regulations or in tax laws, in addition to those factors discussed or referenced in Item 8. These factors should not be considered exhaustive. Many of these risk factors are beyond the Issuer's control and each contributes to the possibility that the forward-looking statements will not occur or that actual results, performance or achievements may differ materially from those expressed or implied by such statements. The impact of any one risk, uncertainty or factor on a particular forward-looking statement is not determinable with certainty as these risks, uncertainties and factors are interdependent, and management's future course of action depends upon our assessment of all information available at that time.

The forward-looking statements made herein relate only to events or information as of the date of this Offering Memorandum and are expressly qualified by this cautionary statement. Except as required by law, the Issuer undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

### **CURRENCY**

All dollar amounts stated in this Offering Memorandum are expressed in Canadian currency, except where otherwise indicated.

### **SCHEDULES**

The following Schedules are attached to and form part of this Offering Memorandum:

Exhibit "1" - Subscription Agreement

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## ITEM 1- USE OF AVAILABLE FUNDS

### 1.1 *Funds*

The following table discloses the net proceeds of this Offering after deduction of the costs associated with the Offering:

		<b>Assuming Maximum Offering</b>
A	Amount to be raised by this Offering	\$250,000
B	Selling referral and finder's fees <sup>(1)</sup>	\$12,500
C	Estimated Offering costs (e.g. legal, accounting, audit and marketing)	\$1,500
D	Net proceeds: $D = A - (B + C)$	\$236,000
E	Additional sources of Equity <sup>(2)</sup>	0
F	Working capital deficiency <sup>(3)</sup>	0
G	Total: $G = (D+E) - F$	\$236,000

**Notes:**

- (1) Assumes an average finder's fee of 5.0% is paid on all subscription proceeds. Actual finder's fees are expected to range from nil to 5%. The Issuer has engaged Waverley as its exclusive selling agent under the Offering and has agreed to pay Waverley commissions equal to 5% of the aggregate subscriptions under the Offering that are sourced through their website portal, [www.SeedUps.ca](http://www.SeedUps.ca). See ITEM 2.7 - Material Agreements and ITEM 7 - Compensation Paid to Sellers and Finders for further information.
- (2) The Issuer proposes to raise additional financing outside of this Offering through sales of additional Class A Shares to eligible investors under prospectus exemptions including, but not limited to, the Accredited Investor Exemption.
- (3) As at the date of this Offering Memorandum, the Issuer did not have a working capital deficiency.

### 1.2 *Use of Available Funds*

The following table provides a detailed breakdown of how the Issuer will use the available funds:

<b>Description of intended use of available funds listed in order of priority</b>	<b>Assuming Maximum Offering</b>
Wages and contractors	\$50,000
Software and website development	\$75,000
Deposits	\$36,000
Marketing and General and Administrative Expenses	\$75,000
Costs of this financing	\$14,000
<b>TOTAL:</b>	<b>\$250,000</b>

The Issuer intends to use any proceeds raised under the Offering as noted above to hire employees and contractors, continue to enhance its proprietary booking software and website, fund security deposits when required and for marketing and general and administrative expenses. Funds raised in this regard are for the purposes of ongoing working capital, operational, management, and administration costs.

### 1.3 **Reallocation**

The Issuer intends to use the net proceeds for the purposes stated above. The Issuer will reallocate funds only for sound business reasons.

## **ITEM 2- THE BUSINESS OF JUMP ON INC.**

### 2.1 **Structure**

Jump On is a corporation formed and organized on October 17, 2012 under the laws of the Province of Alberta pursuant to the *Business Corporations Act* (Alberta) under the name “Jump On Inc.”. The principal place of business of Jump On is located at Suite #2,522 - 18<sup>th</sup> Avenue SW, Calgary, Alberta T2S 0C5 and the registered office is located at 1250, 639 - 5<sup>th</sup> Avenue SW, Calgary, Alberta, T2P 0M9.

### 2.2 **Our Business**

Jump On participates in the sharing economy with a Calgary based airplane sharing service that has created a unique way for Canadians to access low cost flights. Jump On contracts idle aircraft from charter airlines at discounted rates, schedules convenient one-way and return flights and promotes the flights through social media to minimize advertising costs. Savings are passed on to consumers, with fares from 30% to 60% off typical scheduled airline prices. To ensure fares remain as low as possible, flights only depart if a minimum number of seats are sold.

Jump On also licenses its proprietary flight booking software to charter airlines and provides turnkey marketing services to promote the flights under the Jump On brand. Jump On maintains ownership of the customer database.

#### **How Jump On works**

Jump On has relationships with several Alberta based charter airlines that allow Jump On access to underutilized aircraft including corporate jets, Dash 8s, Bombardier Q400s and Boeing 737s to deliver weekday point to point and weekend getaway flights. As these aircraft are often idle on evenings (after 5:00 pm) and weekends (Friday to Sunday), the airlines have agreed to provide the flights at rates far less than their usual charter rates. All planes are chartered, include all flight costs (fuel, crew, airport fees, etc.) and all rates are negotiated with the airlines on a flight-by-flight basis.

Upon reaching an agreement with a charter airline for a particular flight, Jump On posts the flight onto its website and notifies the public and its subscribers of the availability of the flight.

Once a proposed flight is offered for sale, an interested customer reserves a seat on the Jump On website and provides their credit card information. The flight is not confirmed, nor are the credit cards charged, however, until a minimum number of bookings/revenues are achieved (called the “**Jumping Point**”). Once the Jumping Point is reached, the flight is confirmed and customers with reservations are notified that the flight is a “Go”. Ticket costs are only then charged onto the credit cards provided.

#### **Proprietary Booking Engine**

Jump On has built a proprietary booking engine and communications platform that:

- allows for easy flight booking;
- provides full transparency of individual flight booking status;
- manages the unique requirements for booking a Jump On flight; and
- automates customer communications regarding their booking.

Management is currently working to complement its booking software with a module that allows users to initiate (or “Jump Start”) and promote their own flights to their social networks. Members will be able to use the software as follows:

- Log into the “Jump Start a flight” area of the website
- Choose a departure city, destination city and date(s)
- Confirm that an aircraft is available for the desired date(s)
- Jump Start the flight
- Share with their network to help build interest in the flight
- Other members are able to see all flights that are Jump Started and “Back” flights that are of interest
- Jump On will promote all Jump Started flights to its database
- Once a flight achieves a certain level of interest, the aircraft will be booked and the flight offered for sale
- Members that Jump Started or Backed the flight will get first opportunity to book a seat and will receive a small discount
- Then the flight will be offered for sale to the public

Management expects that Jump Started flights with a high level of interest will fill up rapidly and have a higher “Go” success rate once offered for sale.

### **Government grant**

In November 2014, Jump On confirmed a government grant of up to \$88,840 to assist with financing the cost of the software development. The funding will be received monthly based on submitted cost claims and will reimburse 80% of salary costs related to the software development project.

### **Marketing and Social Media Sharing**

Jump On’s business model includes a natural incentive to share. Once a customer books a flight, they are motivated to share the flight details with their network to help fill it up and ensure that it is a “Go”. Jump On works to build trust with its members and foster this motivation by offering pricing transparency (one low fare) as well as transparency with respect to seat inventory.

Jump On creates incentives and contests to further encourage its members to share. Jump On has also initiated guerrilla marketing, search engine marketing, social media marketing and a public relations program

The Issuer regularly issues press releases to update media outlets and customers on new flights, current events and new initiatives. These press releases are issued over the news wire and are posted on the Issuer’s website at [www.gojumpOn.com](http://www.gojumpOn.com) under the tab, “About Jump On”, subheading, “Press and Media”.

### **Destinations**

From April 2013 to November 2014 Jump On completed 10 flights from Calgary to Las Vegas, Kelowna and Vancouver. As demand grows, Jump On intends to add additional Canadian departure cities (starting with Edmonton, Kelowna and Vancouver) and additional destinations such as Toronto, Los Angeles, San Francisco, Phoenix, Palm Springs, New Orleans and New York.

### **Market Growth**

Historically, Canadian airline traffic growth has exceeded GDP and population growth and recently Transport Canada has forecast that this trend will continue. According to Scotiabank’s January 8, 2015 Global Forecast Update, Canada is expected to experience a 2.2% and 2.1% increase in GDP in 2015 and 2016 respectively. Alberta’s growth is expected to be consistent with Canada’s growth rate with projected GDP growth of 2.3% and 2.2% in 2015 and 2016 respectively. In addition, An Alberta Treasury Board and Finance report dated July 15, 2014 projected that Alberta population growth would average 2% from 2013 through 2023.

### **Value Proposition**

Canada’s two national airlines, WestJet and Air Canada, routinely sell airfares at a substantial premium over fares charged in the US, Europe or Asia. They use sophisticated revenue management systems to maximize revenues at

peak travel times, meaning customers pay more at busy times, such as Thursdays, Fridays, Sundays and holidays. Management's opinion is that Canadians are tired of paying high airfares and that the availability of a lower-cost air travel option will stimulate demand.

Jump On flights are low cost weekday point to point travel (e.g. Wednesday evening Calgary to Kelowna) or fun weekends away with friends to shop, golf, ski, attend concerts, sporting and other special events or simply enjoy food and wine. Management plans to expand its offerings to include future flights for premium themed travel for singles, groups, clubs, sport fans and associations, and flight networking events for entrepreneurs and corporations.

The Jump On point-to-point and weekend getaway model is predicated on three significant value propositions:

- Direct flights with no long layovers or switching planes
- Best departure times (e.g. weeknight evenings and Fridays, and Sundays at 6:00 pm)
- All travellers enjoy the same low fare

Management believes that direct flights, peak departure times and lower prices up to 30% to 60% off of scheduled airline fares will attract customers from the scheduled airlines as well as stimulate pent-up demand for low cost air travel.

### **Competition and Competitive Advantage**

While Jump On is not an airline, its primary competition lies with Air Canada and WestJet, which are the two national scheduled airlines in Canada and which operate on the majority of routes Jump On intends to develop. Air Canada is Canada's largest airline serving more than 180 destinations with more than 1500 departures daily. Air Canada offers economy and business on most of its core domestic and international flights. WestJet has had solid profitability and consistent market share growth since its Western Canada launch in 1995.

Key 2013 statistics for Air Canada and WestJet follows:

	<u><b>Air Canada</b></u>	<u><b>WestJet</b></u>
<b>Revenue:</b>	\$12.38 billion	\$3.66 billion
<b>Net Income:</b>	\$10 million	\$269 million
<b>Passengers:</b>	35.8 million	18.5 million
<b>Load factor:</b>	82.8%	81.7%
<b>Aircraft:</b>	315	113
<b>Employees:</b>	24,500	8,000

Both airlines are well funded and established. Air Canada has higher operating costs, irregular profitability and frequent labour issues. WestJet has recently added Encore to focus on regional service, and has added several code share partnerships with international airlines to expand its reach. WestJet no longer offers low fares consistent with a low cost carrier model and most often matches Air Canada's prices on core routes.

Jump On's competitive advantages include:

- a proprietary booking engine that allows flexibility for marketing purposes
- an experienced and talented development, online marketing, financial and public relations team
- a lean start up environment with very low overheads
- a product designed such that it includes a natural incentive to share to reduce marketing costs
- low aircraft charter rates from multiple motivated airline partners
- use and customer acceptance of the "Jumping Point" model where flights only go if they are profitable
- a viral business - attracted 294,000 site visits since launch in February 2013 with minimal marketing budget



- the business is easily scalable by just adding flights
- Jump On is nimble and can react quickly to competitive factors.

Jump On has positioned itself as a company offering value and convenience, which has been captured in its tag line: Direct Flights, Peak Times, One Low Fare. On scheduled airlines, customers typically need to make transfers, leave at inconvenient times or stay an extra day to get the best fare. Scheduled airlines fare structures are also unpredictable compared to Jump On's one low fare.

## Growth Plan

Jump On has identified six significant phases to its growth plan, each of which involves the introduction of additional flight products:

- **Phase 1 – Offer weekend getaways:** To prove the viability of the Jump On business model, Jump On utilized the aircraft of several charter airlines to offer low cost weekend getaways from Calgary. Jump On's business model can scale easily by adding additional weekend getaway flights and promoting the low fares to Jump On's growing database as well as to its partner databases. Hotel and tour packages may also be offered at a future date.
- **Phase 2 – Offer point-to-point flights:** Phase 2 of Jump On's growth plan involves offering one-way seats on point-to-point flights. For example, a one-way flight from Calgary to Vancouver plus a one-way flight from Vancouver to Calgary (i.e. the aircraft flies Calgary to Vancouver and back). The one-way seats would be offered at an even greater discount than the weekend getaways (as crew, hotel and other costs are reduced compared to a weekend getaway). The point-to-point flights open up even greater access to charter aircraft that are idle mid-week evenings.
- **Phase 3 – Add charter airline partners:** Management is aware of over one hundred charter airlines (flying corporate jets to 737s) in Canada and the US with significant idle capacity, particularly evenings and weekends. Negotiations have commenced with several of these airlines to access their fleets at rates much lower than their standard charter rates.
- **Phase 4 – Offer Jump On In Style flights:** Jump On also has access to numerous corporate jets with that are idle on weekends and has created the "Jump On In Style" brand to market corporate jet Jump On flights at a substantial discount to typical corporate jet travel. A separate database must be established to promote these flights.
- **Phase 5 - Sell charter airline empty leg flights:** Many of the charter airlines fly empty aircraft to position for a flight. For example, an airline may fly empty from Calgary to Toronto to move a group from Toronto to Calgary. Jump On's growth plan includes offering these one-way flights at deep discounts.
- **Phase 6 - Sell empty seats on scheduled airline flights:** The final phase of Jump On's growth plan is to access excess seat inventory of scheduled airlines and offer last-minute deals on seats that would have otherwise been empty.

### 2.3 *Development of Business*

The following highlights the key dates in the development of the Issuer's business on a chronological basis:

November 2012	Developed agreement with first charter airline / commenced website build
February 2013	Launched website and proprietary booking engine
April 2013	Sold first flight / database reached 1,600
May 2013	Sold second flight
October 2013	Won Small Business Week Innovation Award from the Calgary Chamber of Commerce
November 2014	Sold out 10 <sup>th</sup> successful flight
November 2014	Completed flight with fourth airline partner

November 2014      Awarded government funding for flight crowdsourcing software / commenced development  
 January 2015      Site visits reached 294,000 / database reached 15,000

#### 2.4 *Long Term Objectives*

- (a) The Issuer's long-term objectives are to utilize charter aircraft to establish a national air service that offers Canadians the opportunity to access low cost flights. The Issuer will seek to achieve these objectives by (1) creating several partnerships with charter airlines to charter aircraft at discounted rates; (2) scheduling frequent, convenient and low cost flights; (3) building a large database of customers that desire low cost, convenient flight opportunities; (4) using social media and distribution partnerships to promote the flights; and (5) building a software platform that enables users to crowd source charter flights.
- (b) The following outlines the costs associated with the achievement of the Issuer's long-term objectives:

<b>What we must do and how we will do it</b>	<b>Target completion date</b>	<b>Our Maximum Cost to Complete</b>
Sign two or more national distribution partners. This will be achieved by researching and negotiating with possible distribution partners while growing the business and creating a national airplane sharing service by adding additional charter airline partners.	December 2016	\$10,000
Grow to a level of 2 flights per week. Adding mid-week flights will take advantage of additional idle aircraft time. Adding additional airline partners will increase the number of aircraft available for weekend flights. With additional available aircraft, Jump On intends to increase the number of flights offered until a level of 2 per week is achieved.	June 2016	\$46,000
Build a database exceeding 100,000. This will be achieved by regular promotion of flight deals, increasing the number of available flight opportunities and signing a national distribution partnership.	December 2016	\$60,000

#### 2.5 *Short Term Objectives and How We Intend to Achieve Them*

- (a) The Issuer's goal for the next 12 months is to complete its equity financing requirements through this Offering so as to continue with negotiations with charter airline partners and promotion of Jump On flights.
- (b) The following outlines the costs associated with the achievement of the Issuer's short-term objectives:

<b>What we must do and how we will do it</b>	<b>Target completion date</b>	<b>Our Maximum Cost to Complete</b>
Finalize negotiations with a charter airline partner to license the Jump On flight booking software and retain Jump On for a marketing services agreement. Negotiations have commenced and a final agreement is expected in Q1/15.	February 2015	\$5,000
Launch a series of mid-week point-to-point flights between several cities in Western Canada.	April 2015	\$15,000
Launch a series of weekend getaway flights with two charter airline partners.	May 2015	\$5,000

<b>What we must do and how we will do it</b>	<b>Target completion date</b>	<b>Our Maximum Cost to Complete</b>
Offer and promote several “Jump On In Style” flights. Negotiations with a corporate jet partner are in progress and are expected to be finalized in Q2 2015.	June 2015	\$10,000
Build charter flight crowd sourcing platform. Design of the system has commenced and is expected to be completed in Q3/15. Developers, designers and User Interface experts were hired in Q4/14 to complete work by Q3/15.	July 2015	\$75,000
Secure 6 regional distribution partners to promote / resell Jump On flights.	September 2015	\$10,000

## 2.6 *Insufficient Proceeds*

The proceeds of the Offering, in addition to funds available from a concurrent offering to accredited investors for Class A Shares, are anticipated to be sufficient to accomplish all of the Issuer’s proposed objectives barring unforeseen events. If unforeseen events take place, there is no assurance that alternative financing will be available or, if available, may be obtained by the Issuer on reasonable terms.

## 2.7 *Material Agreements*

The Issuer has entered into the following contract, which can be regarded as presently being material to the Issuer or a prospective purchaser of a Class A Share.

- (a) Letter Agreement dated February 22, 2015 with Waverley Corporate Financial Services Ltd. pursuant to which Waverley has agreed to act as exclusive advisor and selling agent under the Offering. In exchange for their advisory and agency services, Waverley will be reimbursed for its expenses and will be paid commissions equal to 5% of the gross proceeds under the Offering sourced from their website portal, www.SeedUps.ca.

The Issuer has entered into no material contracts other than the above. All planes are chartered on a flight-by-flight basis. The Issuer has no existing material contracts with any consultants or management. Consultants are retained on an *ad hoc* basis and all services are invoiced to the Issuer.

## **ITEM 3-INTERESTS OF DIRECTORS, MANAGEMENT, PROMOTERS AND PRINCIPAL HOLDERS**

### 3.1 *Compensation and Securities Held*

The following table provides the specified information about the directors and officers of the Issuer who directly or indirectly beneficially owns or controls, or who will own or control following the maximum Offering, 10% or more of any class of voting securities of the Issuer. See Item 4 for a description of the share capital.

<b>Name and Municipality of principal residence</b>	<b>Positions held and the date of obtaining that position</b>	<b>Compensation paid by Issuer in the most recently completed financial year<sup>(1)</sup></b>	<b>Compensation to be paid by Issuer in the current financial year<sup>(2)</sup></b>	<b>Number, type and percentage of securities of the Issuer held after completion of Maximum Offering</b>
Roger Jewett, CA <i>Calgary, Alberta</i>	CEO, President, Secretary/Treasurer and Sole Director since October 17, 2012	\$59,721 <sup>(3)</sup>	\$71,644 <sup>(4)</sup>	7,100,000 Class A Shares [79.87%]

**Notes:**

- (1) For the year ended June 30, 2014.
- (2) For the 6 months ended December 31, 2014.
- (3) As of the date of this Offering Memorandum, Mr. Jewett had not received any cash compensation; however, for the year ended June 30, 2014 Mr. Jewett was granted 700,000 stock options at a price of \$0.001 per share in lieu of cash compensation. The value above represents the estimated fair value of options received by Mr. Jewett for the year ended June 30, 2014 calculated based on the fair value of stock options on the date of the grant using the Black Scholes option pricing model based on the following weighted average assumptions: risk free interest rate: 1.05%; expected volatility: 10%; expected life: 1 year; forfeiture rate: 0%.
- (4) For the six months ended December 31, 2014, Mr. Jewett was granted an additional 360,000 stock options at a price of \$0.001 per share in lieu of cash compensation. The value above represents the estimated fair value of such options calculated based on the fair value of stock options on the date of the grant using the Black Scholes option pricing model based on the following weighted average assumptions: risk free interest rate: 1.13%; expected volatility: 10%; expected life: 1 year; forfeiture rate: 0%. **Depending on the success of the Offering and other considerations, the Issuer also intends to pay Mr. Jewett remuneration consisting of stock options and cash compensation, such cash compensation not to exceed \$10,000 per month.**

The Issuer's current policy is to pay employees primarily in cash plus a percentage of their wages in low cost stock options. Part-time contractors receive the majority of their compensation through the issuance of low-cost options in lieu of cash compensation. The Issuer considers such grants to be incentives intended to align the interests of the service providers to those of the Issuer in the long term. The Issuer's sole director determines all grants of stock options and ensures that all such grants are commensurate with the value of the services provided. Stock option grants will be managed closely to ensure shareholders are not unduly diluted.

### 3.2 *Management Experience*

Management of the Issuer consists of Roger Jewett, CA, who is the sole director and officer. Mr. Jewett is assisted by two full-time employees and a team of marketing and administrative professionals who provide services on an ad hoc consulting basis.

Shelley Kuipers, an accomplished entrepreneur and crowdsourcing expert, also assists Jump On as an advisor.

It is the intention of the Issuer to add additional directors and management members over time as part of the growth plan of the Issuer.

The name and principal occupation of the directors and officers of the Issuer over the past five years are as follows:

Name	Principal Occupation
Roger Jewett, CA	Independent financial consultant since April 2013; CEO of Jump On Inc. since October 2012; Chief Financial Officer of Enerjet, a Boeing 737 charter airline, from August 2010 to July 2013; CEO of Twist Inc., a private marketing company, from January 2009 to January 2013.

#### ***Roger Jewett, CA - CEO, President, Secretary/Treasurer and Sole Director***

An unconventional Chartered Accountant, Roger brings a unique combination of entrepreneurial, leadership and financial skills to Jump On along with a passion for developing and implementing innovative marketing and PR strategies. For the past 20 years, Roger has used these skills to spearheaded successful, fast growing and profitable companies.

From August 2010 to July 2013, as CFO of Enerjet, a Boeing 737 charter operator, Roger led a restructuring effort that took the company from significant annual losses to profitability in fiscal 2012 and 2013. As CEO of Twist Inc., a private marketing company, Roger helped double revenues in four years and led the sale of the company to a competitor in January 2013. As President of Rare Method, a publicly traded interactive marketing firm, Roger helped found the company in 2000 and grew revenue ten-fold over a five-year span; an average annual growth rate of 50 percent. Rare Method was one of Alberta's fastest growing companies in 2005, 2006 and 2007 and one of

Canada's fastest growing companies in 2007 and 2008. Rare Method was also named one of Canada's best small and medium sized employers in 2007.

Prior to Rare Method, Roger was the CFO of Resorts of the Canadian Rockies ("RCR"). While at RCR, Roger helped lead the company from financial difficulty in 1993 to one of National Post's 1997 and 1998 50 best-managed companies in Canada. Before that, Roger was a Manager in Coopers & Lybrand's receivership/restructuring group.

### ***Shelley Kuipers - Advisor***

Shelley loves all things marketing, innovation, technology and entrepreneurship, with a successful track record of early-stage startups and ventures. After years of pioneering work in the emerging field of crowdsourcing, she founded Chaordix in 2009, helping clients such as LEGO, P&G, University of Oxford, American Airlines, Orange Telecom and HTC to gain a new level of market intelligence through crowdsourcing.

Her first startup experience was with Merak Projects, who provided valuation and management software for the energy industry. In 1999, Merak was acquired by the world's largest energy services and technology firm, Schlumberger.

In 2000, she co-founded Stormworks, a software development and digital marketing company. Stormworks was acquired by Solium Capital, a publicly traded financial services company ranked among the Deloitte Technology Fast 50, and recognized as the world's largest independent provider of stock plan administration software and services.

She also co-founded Adventure Capital, an early stage venture capital firm, and Material Insight, a consultancy of growth agents that help to grow tech startups.

Shelley travels extensively to grow and serve the global Chaordix clientele and the wider crowdsourcing community. She is constantly on the lookout for better ways to solve some of the biggest challenges facing business and society. Shelley divides her time between Calgary, Canada and London, UK.

### ***3.3 Penalties, Sanctions and Bankruptcy***

There are no penalties or sanctions that have been in effect during the last ten (10) years or any cease trade order that has been in effect for a period of more than 30 consecutive days during the last ten years against a director, senior officer or control person of the Issuer or against a company of which any of the foregoing was a director, senior officer or control person at the time.

No declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets, has been in effect during the last ten (10) years with regard to those individuals or any companies of which any of those individuals was a director, officer or control person.

### ***3.4 Loans***

As at the date of this Offering Memorandum, the Issuer has a short-term loan payable to a director of the Issuer in the amount of \$20,213 and a short-term loan payable to a company controlled by a director of the Issuer in the amount of \$88,061. No other amounts are due to or from any other directors, management, promoters or principal holders of the Issuer.

### ***3.5 Conflicts of Interest***

The Issuer and its respective associates, affiliates, directors and officers may be, and are permitted to be, engaged in and continue in other businesses in which the Issuer will not have an interest and which may be competitive with the activities of the Issuer and, without limitation, the Issuer's associates, affiliates and their respective directors and officers (including the directors and officers of the Issuer) may be and are permitted to act as a partner, shareholder, director, officer, joint venturer, advisor or in any other capacity or role whatsoever of, with or to other entities, including limited partnerships, which may be engaged in all or some of the aspects of the affairs of the Issuer and may be in competition with the Issuer. Some or all of the directors and/or officers of the Issuer: (i) may acquire

Class A Shares or Class B Common Shares in the Issuer, (ii) may act as agents under the Offering and receive commissions and fees therefrom; (iii) are also directors and/or officers of other affiliates of the Issuer; and (iii) may be directors, officers and/or trustees of other entities that may acquire Class A Shares under the Offering, which number of shares so acquired may be significant.

#### ITEM 4– CAPITAL STRUCTURE

##### 4.1 *Share Capital*

Description of Security	Number of authorized to be issued	Number outstanding as at February 22, 2015	Number outstanding assuming completion of Maximum Offering
Class A Shares	Unlimited	7,889,845	8,889,845
Class A Shares issuable		670,150 <sup>(1)</sup>	670,150 <sup>(1)</sup>
Class B Common Shares	Unlimited	Nil	Nil
Preferred Shares	Unlimited	Nil	Nil
Stock options	Unlimited	516,350 <sup>(2)</sup>	516,350 <sup>(2)</sup>

**Note:**

- (1) Subscription proceeds received by the Issuer but share certificates not yet issued.  
(2) Each stock option entitles the holder thereof to purchase one Class A Share at a price of \$0.001 per share until expiry.

##### 4.2 *Long-Term Debt*

As at the date of this Offering Memorandum, the Issuer has no long-term debt.

##### 4.3 *Prior Sales*

Over the past 12 months, the Issuer has issued a total of 899,845 Class A Shares as set out in the following table:

Date of Issue	Type of Security	Purpose of Issuance	Number of Securities Issued	Price Per Security	Total Amount and Nature of Consideration Received
April 8, 2014	Class A Shares	Compensation <sup>(1)</sup>	150,000	\$0.001	\$150.00 Cash
April 8, 2014	Class A Shares	Private placement	85,000	\$0.20	\$17,000.00 Cash
June 20, 2014	Class A Shares	Private placement	210,000	\$0.20	\$42,000.00 Cash
June 20, 2014	Class A Shares	Compensation <sup>(1)</sup>	419,845	\$0.001	\$419.85 Cash
October 27, 2014	Class A Shares	Private placement	35,000	\$0.20	\$7,000 Cash
Total:			899,845		\$66,569.85 Cash

**Note:**

- (1) Reflects the issuance of shares pursuant to the exercise of incentive stock options. Please see Item 3.1 - Compensation and Securities Held for further details regarding the Issuer's policy to issue options to its directors, officers and services providers in lieu of cash compensation.

## ITEM 5- SECURITIES OFFERED

### 5.1 *Terms of Class A Shares*

The holders of Class A Shares are: (i) entitled to receive notice of meetings of or vote at any meeting of shareholders of the Issuer and are entitled to one vote per Class A Share; (ii) entitled to receive dividends out of any or all profits or surplus available as and when declared by the Issuer; and (iii) upon liquidation or dissolution of the Issuer, shall be entitled to share equally in the equity of the Issuer.

### 5.2 *Subscription Reward*

Subscribers subscribing for \$2,000.00 of Class A Shares under the Offering will receive a flight credit of \$500.00, which will be credited towards a future Jump On flight, or flights of the Subscriber's choosing.

Flight credits shall be applicable towards any Jump On flight, unless otherwise advised by Jump On, but will only be deducted if the flight reaches the Jumping Point. Flight credits are valid against air transportation charges only and shall not be applicable against taxes, fees and charges. Subscribers will be responsible for payment of all taxes, fees and charges. Flight credits will be subject to such additional terms and conditions as may be posted from time to time on Jump On's website, [www.gojumpon.com](http://www.gojumpon.com).

### 5.3 *Subscription Procedure*

#### (a) **Subscription Documents**

Subscribers who wish to purchase Class A Shares will be required to enter into a Subscription Agreement with the Issuer by completing and delivering the Subscription Agreement and related documentation to the Issuer. The Subscription Agreement contains, among other things, representations and warranties require to be made by the Subscriber that it is duly authorized to purchase the Class A Shares, that it is purchasing the Class A Shares for investment and not with a view for resale and as to its corporate status or other qualifications to purchase the Class A Shares on a "private placement" basis. Reference is made to the Subscription Agreement and related documentation, copies of which are attached hereto as Exhibit "1", for the specific terms of these representations, warranties and conditions.

The Class A Shares are being offered through the services of Waverley, agent of the Issuer under the Offering, through its Platform at [www.SeedUps.ca](http://www.SeedUps.ca) using the following procedure:

- (i) log in to the Platform at [www.SeedUps.ca](http://www.SeedUps.ca);
- (ii) complete a Waverley Client Application and provide evidence of the Subscriber's identity and investor qualifications through an online process on the Platform;
- (iii) electronically execute the electronic version of the Subscription Agreement found under the "offering documents" section of the Jump On offering on the Platform;
- (iv) electronically execute the electronic version of the Risk Acknowledgement (Form 45-103F3) *found under the "offering documents" section of the Jump On offering on the Platform*; and
- (v) pay the Subscription Price in respect of the Class A Shares subscribed for by electronically authorizing an automatic bank debit in the amount of the investment as presented on the Platform.

Alternatively, Subscribers who prefer not to subscribe electronically and who prefer to subscribe using a paper subscription may subscribe using the following procedure:

- (i) execute a Subscription Agreement, a copy of which is attached hereto as Exhibit "1";
- (ii) execute the Risk Acknowledgement (Form 45-103F3), which is an attachment to the Subscription Agreement;

- (iii) pay the Subscription Price in respect of the Class A Shares subscribed for, by way of a cheque, bank draft or money order payable to “Jump On Inc.”; and
- (iv) deliver all of the foregoing to the Waverley at its office located at The Tribune Building, 200, 118 - 8<sup>th</sup> Avenue SW, Calgary, Alberta Canada, T2P 1B3.

The Subscription Price will be held in trust until midnight on the second business day after the day on which Waverley receives your executed documents (i), (ii) and (iii) as detailed above, or the closing date, whichever is later. You can cancel your agreement to purchase these securities (see Item 11.1 - *Two Day Cancellation Right*). To do so, you must send a notice to Waverley by midnight on the second business day after you sign the Subscription Agreement to buy the Class A Shares.

The initial closing of this Offering is expected to occur on or about April 30, 2015 or such later or earlier date as may be determined by the Issuer. Other closings will occur subsequent to that date.

Subscriptions for Class A Shares will be received subject to rejection or allotment in whole or in part by the Issuer and Waverley and the Issuer and Waverley reserve the right to close the subscription books at any time without notice. A subscription for Class A Shares hereunder is subject to acceptance of a Subscription Agreement by the Issuer and compliance with applicable securities laws. The Subscription Agreement referred to herein contains representations and warranties of the Subscriber, which the Issuer will be relying upon in order to determine the eligibility of the Subscriber.

You should carefully review the terms of the Subscription Agreement attached hereto for more detailed information concerning the rights and obligations applicable to you and the Issuer. Execution and delivery of the Subscription Agreement will bind you to the terms thereof, whether executed by you or by an agent on your behalf. **You should consult with your own professional advisors.**

(b) **Distribution**

Subscriptions are being solicited under exemptions from prospectus requirements of the applicable securities legislation.

The securities offered hereunder have not been qualified for distribution in Canada by the filing of a prospectus with any securities commission or other securities regulatory authority. The securities are being offered pursuant to certain exemptions from registration and prospectus requirements contained in the securities legislation of the Provinces of Alberta, Saskatchewan and Manitoba. Such exemptions relieve the Issuer from provisions under applicable securities legislation requiring the Issuer to file a prospectus and therefore Subscribers do not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by a securities commission or similar authority.

(c) **Other Jurisdictions**

The sale of Class A Shares pursuant to this Offering Memorandum may also be made in other jurisdictions provided that the Subscriber provides to the Issuer the full particulars of the exemption from the registration and prospectus requirements under applicable securities legislation being relied on and evidence of the Subscriber’s qualifications thereunder.

**Each Subscriber is urged to consult with his own legal adviser as to the details of the statutory exemption being relied upon and the consequences of purchasing securities pursuant to such exemption.**

At the discretion of the Issuer, subscriptions that comply with other available exemptions from prospectus requirements under applicable securities legislation may be accepted.

(d) **Release of Subscription Proceeds**

Release of the subscription proceeds to the Issuer is not conditional upon any occurrence.



## ITEM 6- INCOME TAX CONSEQUENCES

### 6.1 *Tax Advice*

You should consult your own professional advisers to obtain advice on the tax consequences that apply to you.

### 6.2 *RRSP Eligibility*

Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.

## ITEM 7- COMPENSATION PAID TO SELLERS AND FINDERS

### 7.1 *Finder's Fee or Referral Fee*

The Issuer has engaged Waverley Corporate Financial Services Ltd. to act as the exclusive advisor and selling agent under the Offering pursuant to an Engagement Agreement dated February 22, 2015 (see ITEM 2.7 - Material Agreements). Under the Waverley agreement, Waverley will be reimbursed for its expenses and will be paid commissions equal to 5% of the gross proceeds under the Offering sourced from their website portal, [www.SeedUps.ca](http://www.SeedUps.ca).

## ITEM 8- RISK FACTORS

### 8.1 *Risk Factors*

Investment in the Class A Shares should only be made after consulting with independent and qualified sources of investment and tax advice. Investment in the Class A Shares at this time is highly speculative due to the stage of the Issuer's development and requirement to raise additional financing to carry out the long-term business plan of the Issuer. Investors must rely on management of the Issuer. Any investment in the Issuer at this stage involves a high degree of risk.

Among the risks of investing in the Issuer are the following:

- (a) **Highly Speculative** - The purchase of the Class A Shares is highly speculative. A potential Subscriber should buy them only if it is able to bear the risk of the entire loss of its investment and has no need for immediate liquidity. An investment in the Class A Shares should not constitute a major portion of the Subscriber's portfolio.
- (b) **Investment not Liquid** - There is currently no market for the Issuer's securities. Any Class A Shares purchased by Subscribers will be subject to restrictions on resale, or any resale would have to be conducted by the Purchaser on its own.
- (c) **Competition** - The Issuer competes with scheduled and charter airlines in Canada and the US as well as online travel agents such as Expedia. Certain of these competitors may have greater financial and other resources and greater operating flexibility than the Issuer. The existence of competing airlines and online travel agents could have a material adverse effect on the ability of the Issuer to grow its business and achieve profitability and could adversely affect the returns of the Issuer and its ability to meet its debt obligations.
- (d) **Potential for Conflict of Interest** - All decision to be made by such directors and officers involving the Issuer are required to be made in accordance with their duties and obligations to act honestly and in good faith with a view to the best interests of the Issuer. In addition, such directors and officers are required to declare their interests in, and such directors are required to refrain from voting on, any matter in which they may have a material conflict of interest.
- (e) **Financing** - The Issuer will make substantial investments in hiring employees, software development and marketing. Any funding required for such, in excess of the proceeds of the offering, will be obtained through additional financing, which may or may not be provided by a party related to the Issuer. The

Issuer's ability to access additional capital will depend on its success in its business and the status of the capital markets at the time such capital is sought. Accordingly, there can be no assurance that capital will be available from any source or that, if available, it will be at prices or on terms acceptable to the Issuer.

- (f) **Operating History** - The Issuer has been incorporated for only two years. The operations are subject to all the risks inherent in the establishment of a start-up enterprise, including a lack of operating history or liquidity problems. The Issuer cannot be certain that its management or marketing strategy will be successful. The likelihood of success of the Issuer must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the travel and tourism industry. If the Issuer fails to address any of these risks or difficulties adequately, its business will likely suffer. Future revenues and profits, if any, will depend upon various factors, including the success of its ability to secure charter aircraft agreements, its ability to secure adequate distribution to promote its flight opportunities, government regulations and enforcement and general economic conditions. There is no assurance that the Issuer can operate profitably or that the Issuer will successfully implement its plans.
- (g) **Reliance on Management** - Decisions regarding the management of the Issuer's affairs will be made exclusively by the officers and directors of the Issuer and not by the holders of Class A Shares. Accordingly, investors must carefully evaluate the personal experience and business performance of the officers and directors of the Issuer. The Issuer may retain independent contractors to provide services to the Issuer. Generally, these contractors have no fiduciary duty to the holders of Class A Shares or the Issuer.
- (h) **Taxes** - Canadian federal and provincial tax issues should be taken into consideration prior to investing in the Class A Shares. The return on a Subscriber's investment is subject to taxes and to changes in Canadian tax laws. There can be no assurance that tax laws, regulations or judicial or administrative interpretations of these laws and regulations will change in a manner that fundamentally alters the tax consequences to investors holding or disposing of Class A Shares.
- (i) **Unknown Value of Securities** - the value of the securities being sold pursuant to this Offering is subject to the ability of the Issuer to build equity in the enterprise. If insufficient proceeds are raised and alternative financing is not available, the completion of the Issuer's business plan may not be fulfilled. There can be no assurance *that a profitable business will be achieved* by the Issuer.
- (j) **Requirement for Additional Capital** - The business plan of the Issuer is based on the Issuer raising sufficient funding for the achievement of its short-term objectives. In the event that insufficient financing is raised hereunder, the Issuer will require substantial additional financing from other sources. This may prove difficult or even impossible (See ITEM 2.6). The ability of the Issuer to arrange its financing in the future may well depend in part upon the prevailing market conditions as well as the business performance of the Issuer. In the event the additional financing is raised by the issuance of securities from the treasury of the Issuer, control of the Issuer may change.

Additionally, an investment in the Issuer is subject to risks applicable to its specific area of business. These risks include the following:

- (k) **Business Concept Risk** - Jump On's business model includes at least three components that are outside of its control:
  - i. Charter airline partners are required to reserve aircraft and crew with no penalty to Jump On if a flight does not go. There is a risk that airline partners will not agree to this condition, resulting in increased costs for hold fees or cancellation penalties.
  - ii. Charter airline partners are required to provide below market pricing for Jump On flights. There is a risk that airline partners secure a higher value customer for their aircraft, resulting in reduced inventory for Jump On to sell.

- iii. Jump On flights depart only if a sufficient number of seats are sold. There is a risk that consumers are not comfortable with this principle and do not book tickets, resulting in lower than expected revenue.
- (l) **Price Matching** – Scheduled Canadian and US airlines operate on routes that Jump On has operated on or is considering. These competitors are in a position to react to the introduction of low airfares by Jump On by matching or beating Jump On’s fares. If this behavior continued for an extended period, Jump On may be unable to reach its revenue and profitability targets.
- (m) **Service Levels and Benefits** – Scheduled airline competitors have an advantage of frequency, the ability to offer connecting flights and loyalty programs. These benefits may reduce the attractiveness of the Jump On product offering resulting in lower than expected revenues.
- (n) **Revenue Shortfalls** - Revenue shortfalls from budget may result from lower than expected load factor and/or average ticket price. Load factors may be less than forecasted due to inadequate marketing or lower than expected market stimulation. Average ticket prices may be less than budgeted due to aggressive competitor pricing below Jump On’s prices.
- (o) **Fuel Cost Increases** – Fuel is one of the major input costs for an airline operation and, as a commodity, is subject to potential volatile price increases. A significant increase in fuel cost would require a consumer price increase that may decrease ticket sales and revenue.
- (p) **Access to Aircraft and Crew** – Jump On’s ability to schedule flights is dependent on the availability of suitable aircraft and available crew to deliver the flight. There is a risk that one or more of Jump On’s airline partners has an increase in its core business, resulting in inadequate aircraft or crew availability for Jump On flights. This may result in Jump On not meeting its revenue targets.

The foregoing risk factors do not purport to be a complete explanation of all risks involved in purchasing the Class A Shares. Potential investors should read this entire Confidential Offering Memorandum and the attached Subscription Agreement and consult with their legal and other professional advisors before determining to invest in the Class A Shares.

## ITEM 9- REPORTING OBLIGATIONS

### 9.1 *Reporting Obligations*

The Issuer is not subject to continuous reporting and disclosure obligations which the securities legislation in any province would require of a “reporting issuer” as defined in such legislation and there is, therefore, no requirement that the Issuer make disclosure of its affairs, including, without limitation, the prompt notification of material changes by way of press releases and formal filings or the preparation of quarterly unaudited financial statements and annual audited financial statements in accordance with generally accepted accounting principles. The Issuer is required under the *Business Corporations Act* (Alberta) to send a copy of its annual financial statements to its shareholders.

## ITEM 10- RESALE RESTRICTIONS

### 10.1 *General Statement*

These securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

### 10.2 *Restricted Period*

Unless permitted under applicable securities legislation, you cannot trade the securities before the date that is four months and a day after the date the Issuer becomes a reporting issuer in any province or territory of Canada.

### **For trades in Alberta and Saskatchewan:**

Unless permitted under securities legislation, you cannot trade the securities before the earlier of the date that is four (4) months and a day after the date the Issuer becomes a reporting issuer in any Canadian province or territory.

The Issuer will not become a reporting issuer upon completion of this Offering and does not currently anticipate ever becoming a reporting issuer. **The resale restriction on the securities may therefore never expire.**

### **For trades in Manitoba:**

Unless permitted under securities legislation, you must not trade the securities without the prior written consent of the regulator in Manitoba unless:

- a. the Issuer has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus; or
- b. you have held the securities for at least 12 months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

The foregoing is a summary of resale restrictions relevant to Subscribers. The foregoing is not intended to be exhaustive and all Subscribers under this Offering should consult with their own professional advisers to determine the resale restrictions, availability of further exemptions or the possibility of obtaining a discretionary order with respect to the securities offered hereunder.

## **ITEM 11 - PURCHASER'S RIGHTS**

If you purchase these securities, you will have certain rights, some of which are described below. For information about your rights, you should consult a lawyer.

The securities laws in your jurisdiction may provide you with the right, in certain circumstances, to seek damages or to cancel your agreement to buy Class A Shares. Most often, these rights are available if we make a misrepresentation in this Offering Memorandum or any amendment hereto, but in some jurisdictions, you may have these rights in other circumstances including if the Issuer fails to deliver the Offering Memorandum to you within the required time or if we make a misrepresentation in any advertisements or literature regarding Class A Shares. Generally, a "misrepresentation" means an untrue statement about a material fact or the failure to disclose a material fact that is required to be stated or that is necessary in order to make a statement not misleading in light of the circumstances in which it was made. The meaning of misrepresentation may differ slightly depending on the law in your jurisdiction. In most jurisdictions, there are defenses available to the persons or companies that you may have a right to sue. In particular, in many jurisdictions, the person or company that you sue will not be liable if you knew of the misrepresentation when you purchased the Class A Shares.

**The following summaries are subject to any express provisions of the securities legislation of each selling jurisdiction and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions.**

The rights of action described herein are in addition to and without derogation from any other right or remedy that a purchaser may have at law.

### **11.1 *Two Day Cancellation Right***

You can cancel your agreement to purchase these securities. To do so, you must send a notice to Waverley by midnight on the second business day after you sign the Subscription Agreement to buy the Class A Shares.

**11.2 *Statutory Rights of Action in the Event of a Misrepresentation (purchasers resident in Alberta and Saskatchewan)***

If there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (b) the Issuer to cancel your agreement to buy the Class A Shares; or
- (c) for damages against:
  - a. if you are resident in Alberta or Manitoba:
    - i. the Issuer;
    - ii. every director of the Issuer at the date of this Offering Memorandum; and
    - iii. every person or company who signed this Offering Memorandum; and
  - b. if you are resident in Saskatchewan:
    - i. the Issuer;
    - ii. every promoter of the Issuer at the time this Offering Memorandum or any amendment was sent or delivered;
    - iii. every director of the Issuer at the time this Offering Memorandum or any amendment was sent or delivered;
    - iv. every person or company whose consent has been filed respecting this offering, but only with respect to reports, opinions or statements that have been made by them;
    - v. every person who or company that, in addition to the persons or companies mentioned in paragraphs (b)(c)(i) to (iv), signed this Offering Memorandum or any amendment; and
    - vi. every person who or company that sells Class A Shares on behalf of the Issuer under this Offering Memorandum or any amendment.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defenses available to the persons or companies that you have a right to sue. In particular, they have a defense if you knew of the misrepresentation when you purchased Class A Shares.

**11.3 *Time limitations***

If you intend to rely on the rights described above, you must do so within strict time limitations.

If you are resident in Alberta, Saskatchewan or Manitoba, you must commence an action to cancel the agreement within 180 days from the date of the transaction that gave rise to the cause of action as follows:

- (d) if you are resident in Alberta, you must commence an action for damages within the earlier of:
  - a. 180 days from the date that you first had knowledge of the facts giving rise to the cause of action; or
  - b. three years from the day of the transaction that gave rise to the cause of action.
- (e) if you are resident in Saskatchewan, you must commence an action for damages within the earlier of:
  - a. one year after you first had knowledge of the facts giving rise to the cause of action; or
  - b. six years after the date of the transaction that gave rise to the cause of action.

- (f) if you are resident in Manitoba, you must commence an action for damages within the earlier of:
  - a. 180 days after the date you first had knowledge of the facts giving rise to the cause of action; or
  - b. two years after the date of the transaction that gave rise to the cause of action.

#### 11.4 *General*

The securities laws of the provinces of Alberta, Saskatchewan and Manitoba are complex. Reference should be made to the full text of the provisions summarized above relating to statutory rights of action. **Purchasers should consult their own legal advisers with respect to their rights and the remedies available to them. The rights discussed above are in addition to and without derogation from any other rights or remedies that Purchasers may have at law.**

### ITEM 12 - FINANCIAL STATEMENTS

The unaudited financial statements for the Issuer for the year ended June 30, 2014 and the six months ended December 31, 2014 are set forth below.

In reliance upon Blanket Order 45-512 of the Alberta Securities Commission and corresponding instruments in the provinces of Saskatchewan and Manitoba, the financial statements and financial information in this offering memorandum are not audited. They have been prepared using Canadian GAAP for private enterprises and are not comparable to financial statements prepared using Canadian GAAP for publicly accountable enterprises.

**JUMP ON INC.  
CONDENSED FINANCIAL STATEMENTS  
AS AT JUNE 30, 2014 AND YEAR ENDED  
JUNE 30, 2014 AND EIGHT MONTHS ENDED JUNE 30, 2013**

**UNAUDITED**

**JUMP ON INC.**  
**Condensed Statement of Financial Position**  
**As At June 30, 2014**  
**(Unaudited)**

	Note	2014	2013
<b>Assets</b>			
<b>Current</b>			
Cash		36,684	4,677
Goods and services tax receivable		3,524	4,571
Prepaid expenses and deposits		4,000	4,000
		44,208	13,248
Property and equipment	4	1,244	1,777
Intangible assets, net of amortization	5	41,501	30,328
		<b>86,953</b>	<b>45,353</b>
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accruals		5,997	28,050
Government remittances payable		1,552	-
Wages payable		1,309	-
		8,858	28,050
Due to related party	10	76,061	19,061
Due to shareholder	10	26,213	24,500
Total liabilities		111,132	71,611
<b>Shareholders' Deficiency</b>			
Share capital	6	249,561	55,575
Deficit		(333,242)	(81,840)
Contributed surplus	8	59,502	7
		(24,179)	(26,258)
		<b>86,953</b>	<b>45,353</b>

Approved on behalf of the board of directors



Roger Jewett, CA, Director

The accompanying notes are an integral part of these condensed financial statements.



**JUMP ON INC.****Condensed Statement of Loss and Comprehensive Loss****Year ended June 30, 2014 and eight months ended June 30, 2013****(Unaudited)**

	Note	2014	2013
<b>Revenue</b>		194,788	111,164
<b>Direct costs</b>		182,038	100,936
<b>Gross margin</b>		12,750	10,228
<b>Expenses</b>			
Wages, benefits and consultants		73,846	58,228
Marketing		19,562	17,251
General and administrative		24,372	11,774
Amortization		11,251	4,784
Stock-based compensation	9	135,121	31
		264,152	92,068
<b>Net loss and comprehensive loss</b>		<b>(251,402)</b>	<b>(81,840)</b>
Deficit, beginning of year		(81,840)	-
Deficit, end of year		<b>(333,242)</b>	<b>(81,840)</b>

The accompanying notes are an integral part of these condensed financial statements.

**JUMP ON INC.****Condensed Statement of Changes in Shareholders' Equity****Year ended June 30, 2014 and eight months ended June 30, 2013****(Unaudited)**

	<b>Common Shares</b>	<b>Share Capital \$</b>	<b>Contributed Surplus \$</b>	<b>Deficit \$</b>	<b>Total Equity \$</b>
Opening balance	-	-	-	-	-
Common shares issued	6,050,000	55,575			<b>55,575</b>
Stock options			7		<b>7</b>
Loss for the eight months ended June 30, 2013				(81,840)	<b>(81,840)</b>
Balance at June 30, 2013	6,050,000	55,575	7	(81,840)	(26,258)
Common shares issued	1,804,845	193,986			<b>193,986</b>
Stock options			59,495		<b>59,495</b>
Loss for the year ended June 30, 2014				(251,402)	<b>(251,402)</b>
<b>Balance at June 30, 2014</b>	<b>7,854,845</b>	<b>249,561</b>	<b>59,502</b>	<b>(333,242)</b>	<b>(24,179)</b>

The accompanying notes are an integral part of these condensed financial statements.

**JUMP ON INC.****Condensed Statement of Cash Flows****Year ended June 30, 2014 and eight months ended June 30, 2013****(Unaudited)**

	<b>2014</b>	<b>2013</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Net loss and comprehensive loss	(251,402)	(81,840)
Items not involving cash		
Amortization	11,251	4,784
Stock-based compensation	135,121	31
Change in working capital accounts		
Goods and services tax receivable	1,047	(4,571)
Prepaid expenses and deposits	-	(4,000)
Accounts payable and accruals	(22,053)	28,050
Government remittances payable	1,552	-
Wages payable	1,309	-
	<b>(123,175)</b>	<b>(57,546)</b>
<b>Financing activities</b>		
Issuance of common shares	118,359	55,550
Advances from related party	57,000	19,061
Advances from shareholder	1,713	24,500
	<b>177,072</b>	<b>99,111</b>
<b>Investing activities</b>		
Purchase of property and equipment	-	(2,090)
Purchase of intangible assets	(21,890)	(34,798)
	<b>(21,890)</b>	<b>(36,888)</b>
<b>Increase in cash</b>	<b>32,007</b>	<b>4,677</b>
<b>Cash, beginning of period</b>	<b>4,677</b>	<b>-</b>
<b>Cash, end of period</b>	<b>36,684</b>	<b>4,677</b>

The accompanying notes are an integral part of these condensed financial statements.

# JUMP ON INC.

## Notes to the Condensed Financial Statements

For the year ended June 30, 2014

(Unaudited)

### 1. Incorporation and operations

Jump On Inc. ("the Company") was incorporated under the laws of the Province of Alberta on October 17, 2012, with operations commencing January 2013. The Company sells air transportation tickets to consumers in Canada.

### 2. Going concern

These financial statements have been prepared on a going concern basis which presumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of its operations.

To date the Company has experienced losses giving rise to an accumulated deficit of \$333,242. In order to continue operations, the Company must rely on financing from shareholders or increasing sales and profit from operations. Should the Company not receive the required financing or achieve a profitable level of sales, adjustments to the carrying value of assets and liabilities would be necessary.

Management believes that the going concern assumption is appropriate for these financial statements because the majority shareholder has agreed to continue to fund the Company as required. The Company is also in the process of raising financing pursuant to an Offering Memorandum.

The accompanying financial statements do not include any adjustments that might ensue if the Company is unable to continue as a going concern.

### 3. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"), and include the following significant accounting policies:

#### **Cash**

Cash includes balances with banks and short-term investments with maturities of three months or less.

#### **Property and equipment**

Property and equipment are initially recorded at cost. Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives as follows:

	Rate
Website and software development costs	30%
Computer equipment and software	30%
Office equipment	20%
Furniture and fixtures	20%

## **JUMP ON INC.**

### **Notes to the Condensed Financial Statements**

**For the year ended June 30, 2014**

**(Unaudited)**

#### **3. Significant accounting policies *(continued)***

##### ***Income taxes***

The Company accounts for income taxes using the taxes payable method. Under this method, only current income tax assets and liabilities are recorded to the extent they are unpaid or recoverable. In addition, the benefit relating to a tax loss incurred in the current period and carried back to prior periods is recognized as a current asset. Current income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

##### **Revenue recognition**

Ticket sales and other revenues are recognized when the air transportation services are provided. Ticket sales collected in advance of a flight date are recorded as unearned revenue on the balance sheet and taken into income as the services are provided.

##### ***Measurement uncertainty***

The preparation of financial statements in conformity with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of property and equipment.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the years in which they become known.

##### **Long-lived assets**

Long-lived assets held for use consist of property and equipment and intangible assets with indefinite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in earnings for the year. Prices for similar items are used to measure fair value of long-lived assets.

## **JUMP ON INC.**

### **Notes to the Condensed Financial Statements**

**For the year ended June 30, 2014**

**(Unaudited)**

#### **3. Significant accounting policies *(continued)***

##### **Intangible assets**

Intangible assets recognized separately from goodwill and not subject to amortization are recorded at cost, less any provision for permanent impairment. Impairment is tested annually, or more frequently, if events or changes in circumstances indicate that the asset may be impaired. The impairment test consists of a comparison of the carrying value of the Company's intangible assets with their fair value, and any excess is recorded as a charge to net earnings. Fair value of the Company's intangible assets is determined through discounted cash flow analysis.

##### ***Financial Instruments***

The Company recognizes its financial instruments when the Company becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CICA 3840 *Related Party Transactions* (refer to Note 10). At initial recognition, the Company may irrevocably elect to subsequently measure any financial instrument at fair value. The Company has not made such an election during the year. Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

##### ***Stock options***

The Company uses a fair value-based method to account for stock options granted to employees, consultants and directors. Compensation cost is measured at fair value at the date of grant and is expensed on a systematic basis over the vesting period. The fair value of the option granted by the Company is reported as contributed surplus until the option is exercised, at which time the amount is recorded as share capital.

##### **Comprehensive income (loss)**

Comprehensive income (loss) includes all changes in equity of the Company, except those resulting from investments by owners and distributions to owners. Comprehensive income (loss) is the total of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) comprises revenues, expenses, gains and losses that, in accordance with Canadian generally accepted accounting principles, require recognition, but are excluded from net income (loss). The Company does not have any items giving rise to other comprehensive income, nor is there any accumulated balance of other comprehensive income.

All gains and losses, including those arising from measurement of all financial instruments have been recognized in net income for the period.

## JUMP ON INC.

Notes to the Condensed Financial Statements  
For the year ended June 30, 2014  
(Unaudited)

### 4. Property and equipment

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>2014 Net book value</i>	<i>2013 Net book value</i>
Computer equipment	<b>2,090</b>	<b>846</b>	<b>1,244</b>	<b>1,777</b>

During the year, the Company recorded amortization expense of \$533.

### 5. Intangible assets

	<i>2014</i>	<i>2013</i>
<b>Intangible assets having indefinite lives</b>		
Trademarks and incorporation costs	<b>6,098</b>	<b>4,998</b>
<b>Intangible assets having definite lives</b>		
Website and software development costs	<b>35,403</b>	<b>25,330</b>
	<b>41,501</b>	<b>30,328</b>

During the year, the Company incurred costs of \$20,790 (2013 - \$29,800) relating to website and software development.

Amortization of \$10,705 (2013 - \$4070) related to intangible assets having definite lives, is included in the current year earnings.

### 6. Share capital

	<i>2014</i>	<i>2013</i>
Authorized		
Common shares		
Unlimited Class "A" voting shares without par value		
Unlimited Class "B" voting shares without par value		
Preferred shares		
Unlimited preferred shares issuable in series		
Issued		
7,854,845 Class A common shares (2013 – 6,050,000)	<b>249,561</b>	<b>55,575</b>

## JUMP ON INC.

### Notes to the Condensed Financial Statements

For the year ended June 30, 2014

(Unaudited)

#### 7. Stock options

The Board of Directors may grant options to directors, officers, employees and key consultants. Options have a maximum term of one year and terminate 30 days following the termination of the optionee's employment or service to the Company.

The following table is a continuity of the Company's options:

	<i>Number of Options</i>	<i>Weighted Average Exercise Price</i>	<i>Year of Expiry</i>
Opening balance	-	-	-
Granted	700,000	\$0.001	2014
Exercised	(550,000)	\$0.001	2014
Options outstanding, June 30, 2013	150,000	\$0.001	2014
Granted	1,435,462	\$0.001	2014/15
Forfeited	(36,667)	\$0.001	2014
Exercised	(1,109,845)	\$0.001	2014/15
Options outstanding, June 30, 2014	438,950	\$0.001	2015

As at June 30, 2014, options outstanding have a weighted average life remaining of 0.82 years and 438,950 options were exercisable.

#### 8. Contributed surplus

Changes in contributed surplus were as follows:

	<b>Amount</b>
Opening balance	-
Stock-based compensation	31
Stock options exercised	(24)
Balance, June 30, 2013	<b>7</b>
Stock-based compensation	135,121
Stock options exercised	(75,626)
Balance, June 30, 2014	59,502

#### 9. Stock-based compensation

The Company has recorded stock-based compensation for all stock options granted. The compensation expense is calculated based on the fair value of stock options on the date of the grant using the Black Scholes option pricing model based on the following weighted average assumptions:



## **JUMP ON INC.**

### **Notes to the Condensed Financial Statements**

**For the year ended June 30, 2014**

**(Unaudited)**

Risk Free Interest Rate	1.05%
Expected Volatility	10%
Expected Life	1 year
Forfeiture Rate	0%

The total fair value of options granted during the year was \$135,121 (2013 - \$31). The fair value of such granted and vested options recorded as expense was \$135,121 (2013 - \$31) during the year.

#### **10. Related party transactions**

During the year, the Company received the following advances from related parties:

Advances of \$1,713 were received from a shareholder (2013 - \$24,500) of which all remains payable by the Company. The advance is unsecured, non interest bearing and has no specific terms of repayment.

Advances of \$57,000 (2013 - \$19,061) were received from a related party of which all remains payable by the Company. The advance is unsecured, non interest bearing and has no specific terms of repayment.

#### **11. Capital management**

The Company sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets. The Company is not subject to any externally imposed capital requirements.

#### **12. Financial instruments**

The Company, as part of its operations, carries a number of financial instruments. It is management's opinion that the Company is not exposed to significant interest rate, currency, credit, liquidity or other price risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted due to the short term nature of the financial instruments.

**JUMP ON INC.  
CONDENSED FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2014 AND SIX MONTHS ENDED  
DECEMBER 31, 2014 AND DECEMBER 31, 2013**

**UNAUDITED**

**JUMP ON INC.**  
**Condensed Statement of Financial Position**  
**As At December 31, 2014**  
**(Unaudited)**

	Note	Dec 31 2014	June 30 2014
<b>Assets</b>			
<b>Current</b>			
Cash		16,565	36,684
Accounts receivable		14,306	-
Goods and services tax receivable		5,552	3,524
Prepaid expenses and deposits		1,980	4,000
		<b>38,403</b>	<b>44,208</b>
Property and equipment	4	1,057	1,244
Intangible assets, net of amortization	5	36,190	41,501
		<b>75,650</b>	<b>86,953</b>
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accruals		6,912	5,997
Government remittances payable		3,046	1,552
Wages payable		-	1,309
Unearned revenue		17,226	-
		<b>27,184</b>	<b>8,858</b>
Due to related party	10	88,061	76,061
Due to shareholder	10	20,213	26,213
Total liabilities		<b>135,458</b>	<b>111,132</b>
<b>Shareholders' Deficiency</b>			
Share capital	6	256,211	249,561
Issuable common shares		106,182	
Deficit		(524,962)	(333,242)
Contributed surplus	8	102,761	59,502
		<b>(59,808)</b>	<b>(24,179)</b>
		<b>75,650</b>	<b>86,953</b>

Approved on behalf of the board of directors



Roger Jewett, CA, Director

The accompanying notes are an integral part of these condensed financial statements.

**JUMP ON INC.**  
**Condensed Statement of Loss and Comprehensive Loss**  
**For the six months ended December 31, 2014**  
**(Unaudited)**

	Note	2014	2013
<b>Revenue</b>		86,813	152,269
<b>Direct costs</b>		82,263	144,478
<b>Gross margin</b>		4,550	7,791
<b>Expenses</b>			
Wages, benefits and consultants		43,031	47,775
Marketing		9,806	9,146
General and administrative		13,405	14,232
Amortization		5,497	
Stock-based compensation	9	148,771	34
		220,510	71,187
<b>Earnings from operations</b>		<b>(215,960)</b>	<b>(63,396)</b>
<b>Other income</b>			
Government funding		24,240	-
<b>Net loss and comprehensive loss</b>		<b>(191,720)</b>	<b>(63,396)</b>
Deficit, beginning of period		(333,242)	(81,840)
Deficit, end of period		<b>(524,962)</b>	<b>(145,236)</b>

The accompanying notes are an integral part of these condensed financial statements.

**JUMP ON INC.****Condensed Statement of Changes in Shareholders' Equity****Six months ended December 31, 2014****(Unaudited)**

	<b>Common Shares</b>	<b>Share Capital \$</b>	<b>Contributed Surplus \$</b>	<b>Deficit \$</b>	<b>Total Equity \$</b>
Balance at June 30, 2014	7,854,845	249,561	59,502	(333,242)	<b>(24,179)</b>
Common shares issued	35,000	6,650			<b>6,650</b>
Common shares issuable	670,150	106,182			<b>106,182</b>
Stock options			43,259		<b>43,259</b>
Loss for the six months ended Dec 31, 2014				(191,720)	<b>(191,720)</b>
<b>Balance at December 31, 2014</b>	<b>8,559,995</b>	<b>362,393</b>	<b>102,761</b>	<b>(524,962)</b>	<b>(59,808)</b>

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The accompanying notes are an integral part of these condensed financial statements.

**JUMP ON INC.**  
**Condensed Statement of Cash Flows**  
**For the six months ended December 31, 2014**  
**(Unaudited)**

	<b>2014</b>	<b>2013</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Net loss and comprehensive loss	(191,720)	(63,396)
Items not involving cash		
Amortization	5,497	-
Stock-based compensation	148,771	34
Change in working capital accounts		
Accounts receivable	(14,306)	(7,394)
Goods and services tax receivable	(2,028)	(3,932)
Prepaid expenses and deposits	2,020	1,642
Accounts payable and accruals	915	(15,646)
Government remittances payable	1,494	-
Wages payable	(1,309)	-
Unearned revenue	17,226	-
	<b>(33,440)</b>	<b>(88,692)</b>
<b>Financing activities</b>		
Issuance of common shares	6,650	60,540
Issuable common shares	671	
Advances from related party	12,000	57,000
Advances from shareholder	(6,000)	(23,587)
	<b>13,321</b>	<b>93,953</b>
<b>Investing activities</b>		
Purchase of property and equipment	-	-
Purchase of intangible assets		(12,402)
	-	(12,402)
<b>Increase in cash</b>	<b>(20,119)</b>	<b>(7,141)</b>
<b>Cash, beginning of period</b>	<b>36,684</b>	<b>4,677</b>
<b>Cash, end of period</b>	<b>16,565</b>	<b>(2,464)</b>

The accompanying notes are an integral part of these condensed financial statements.

# **JUMP ON INC.**

## **Notes to the Condensed Financial Statements**

**For the six months ended December 31, 2014**

**(Unaudited)**

### **1. Incorporation and operations**

Jump On Inc. ("the Company") was incorporated under the laws of the Province of Alberta on October 17, 2012, with operations commencing January 2013. The Company sells air transportation tickets to consumers in Canada.

### **2. Going concern**

These financial statements have been prepared on a going concern basis which presumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the normal course of its operations.

To date the Company has experienced losses giving rise to an accumulated deficit of \$524,962. In order to continue operations, the Company must rely on financing from shareholders or increasing sales and profit from operations. Should the Company not receive the required financing or achieve a profitable level of sales, adjustments to the carrying value of assets and liabilities would be necessary.

Management believes that the going concern assumption is appropriate for these financial statements because the majority shareholder has agreed to continue to fund the Company as required. The Company is also in the process of raising financing pursuant to an Offering Memorandum.

The accompanying financial statements do not include any adjustments that might ensue if the Company is unable to continue as a going concern.

### **3. Significant accounting policies**

The financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"), and include the following significant accounting policies:

#### ***Cash***

Cash includes balances with banks and short-term investments with maturities of three months or less.

#### **Property and equipment**

Property and equipment are initially recorded at cost. Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives as follows:

	<b>Rate</b>
Website and software development costs	30%
Computer equipment and software	30%
Office equipment	20%
Furniture and fixtures	20%

## **JUMP ON INC.**

**Notes to the Condensed Financial Statements**  
**For the six months ended December 31, 2014**  
**(Unaudited)**

### **3. Significant accounting policies *(continued)***

#### ***Income taxes***

The Company accounts for income taxes using the taxes payable method. Under this method, only current income tax assets and liabilities are recorded to the extent they are unpaid or recoverable. In addition, the benefit relating to a tax loss incurred in the current period and carried back to prior periods is recognized as a current asset. Current income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

#### **Revenue recognition**

Ticket sales and other revenues are recognized when the air transportation services are provided. Ticket sales collected in advance of a flight date are recorded as unearned revenue on the balance sheet and taken into income as the services are provided.

#### ***Measurement uncertainty***

The preparation of financial statements in conformity with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of property and equipment.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the years in which they become known.

#### **Long-lived assets**

Long-lived assets held for use consist of property and equipment and intangible assets with indefinite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in earnings for the year. Prices for similar items are used to measure fair value of long-lived assets.



## **JUMP ON INC.**

**Notes to the Condensed Financial Statements  
For the six months ended December 31, 2014  
(Unaudited)**

### **3. Significant accounting policies *(continued)***

#### **Intangible assets**

Intangible assets recognized separately from goodwill and not subject to amortization are recorded at cost, less any provision for permanent impairment. Impairment is tested annually, or more frequently, if events or changes in circumstances indicate that the asset may be impaired. The impairment test consists of a comparison of the carrying value of the Company's intangible assets with their fair value, and any excess is recorded as a charge to net earnings. Fair value of the Company's intangible assets is determined through discounted cash flow analysis.

#### ***Financial Instruments***

The Company recognizes its financial instruments when the Company becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CICA 3840 *Related Party Transactions* (refer to Note 10). At initial recognition, the Company may irrevocably elect to subsequently measure any financial instrument at fair value. The Company has not made such an election during the year. Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

#### ***Stock options***

The Company uses a fair value-based method to account for stock options granted to employees, consultants and directors. Compensation cost is measured at fair value at the date of grant and is expensed on a systematic basis over the vesting period. The fair value of the option granted by the Company is reported as contributed surplus until the option is exercised, at which time the amount is recorded as share capital.

#### **Comprehensive income (loss)**

Comprehensive income (loss) includes all changes in equity of the Company, except those resulting from investments by owners and distributions to owners. Comprehensive income (loss) is the total of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) comprises revenues, expenses, gains and losses that, in accordance with Canadian generally accepted accounting principles, require recognition, but are excluded from net income (loss). The Company does not have any items giving rise to other comprehensive income, nor is there any accumulated balance of other comprehensive income.

All gains and losses, including those arising from measurement of all financial instruments have been recognized in net income for the period.

## JUMP ON INC.

Notes to the Condensed Financial Statements  
For the six months ended December 31, 2014  
(Unaudited)

### 4. Property and equipment

	<i>Cost</i>	<i>Accumulated amortization</i>	<i>Dec 31, 2014 Net book value</i>	<i>June 30, 2014 Net book value</i>
Computer equipment	<b>2,090</b>	<b>1,033</b>	<b>1,057</b>	<b>1,244</b>

During the period, the Company recorded amortization expense of \$187 (2013 - \$nil).

### 5. Intangible assets

	<i>Dec 31, 2014</i>	<i>June 30, 2014</i>
<b>Intangible assets having indefinite lives</b>		
Trademarks and incorporation costs	<b>6,098</b>	<b>6,098</b>
<b>Intangible assets having definite lives</b>		
Website and software development costs	<b>30,092</b>	<b>35,403</b>
	<b>36,190</b>	<b>41,501</b>

During the period, the Company incurred costs of \$nil (2013 - \$12,402) relating to website and software development.

Amortization of \$5,310 (2013 - \$nil) related to intangible assets having definite lives, is included in the current year earnings.

### 6. Share capital

Authorized

Common shares

Unlimited Class "A" voting shares without par value

Unlimited Class "B" voting shares without par value

Preferred shares

Unlimited preferred shares issuable in series

Issued - 7,889,845 Class A common shares (June 30, 2014 - 7,854,845)	<b>256,211</b>	<b>249,561</b>
Issuable - 670,150 Class A common shares	<b>106,182</b>	-
	<b>362,393</b>	<b>249,561</b>

Pursuant to the Company's stock option plan, the Company has received payment for and reserved 670,150 common shares for issuance as at December 31, 2014.

## JUMP ON INC.

Notes to the Condensed Financial Statements  
For the six months ended December 31, 2014  
(Unaudited)

### 7. Stock options

The Board of Directors may grant options to directors, officers, employees and key consultants. Options have a maximum term of one year and terminate 30 days following the termination of the optionee's employment or service to the Company.

The following table is a continuity of the Company's options:

	<i>Number of Options</i>	<i>Weighted Average Exercise Price</i>	<i>Year of Expiry</i>
Options outstanding, June 30, 2014	438,950	\$0.001	2015
Granted	747,550	\$0.001	2015
Exercised	(670,150)	\$0.001	2014/15
Options outstanding, December 31, 2014	516,350	\$0.001	2015

As at December 31, 2014, options outstanding have a weighted average life remaining of 0.49 years and 516,350 options were exercisable.

### 8. Contributed surplus

Changes in contributed surplus were as follows:

	<b>Amount</b>
Balance, June 30, 2014	59,502
Stock-based compensation	148,771
Stock options exercised	(105,512)
Balance, December 31, 2014	102,761

### 9. Stock-based compensation

The Company has recorded stock-based compensation for all stock options granted. The compensation expense is calculated based on the fair value of stock options on the date of the grant using the Black Scholes option pricing model based on the following weighted average assumptions:

Risk Free Interest Rate	1.05%
Expected Volatility	10%
Expected Life	1 year
Forfeiture Rate	0%

## **JUMP ON INC.**

### **Notes to the Condensed Financial Statements**

**For the six months ended December 31, 2014**

**(Unaudited)**

The fair value of options granted during the period was \$148,771 (2013 - \$34). The fair value of such granted and vested options recorded as expense was \$148,771 (2013 - \$34) during the period.

#### **10. Related party transactions**

During the period, the Company had the following transactions with related parties:

Repayments of \$6,000 were made to a shareholder. The remaining advance is unsecured, non interest bearing and has no specific terms of repayment.

Advances of \$12,000 were received from a related party of which all remains payable by the Company. The advance is unsecured, non interest bearing and has no specific terms of repayment.

#### **11. Capital management**

The Company sets the amount of capital in proportion to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets. The Company is not subject to any externally imposed capital requirements.

#### **12. Financial instruments**

The Company, as part of its operations, carries a number of financial instruments. It is management's opinion that the Company is not exposed to significant interest rate, currency, credit, liquidity or other price risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted due to the short term nature of the financial instruments.

**ITEM 13- CERTIFICATE OF THE ISSUER**

**DATED** this 22<sup>nd</sup> day of February 2015

**This Offering Memorandum does not contain a misrepresentation.**

(Signed) "*Roger Jewett*"  
ROGER JEWETT, Chief Executive Officer

**ON BEHALF OF THE SOLE DIRECTOR**

(Signed) "*Roger Jewett*"  
ROGER JEWETT

**EXHIBIT "1"**

**SUBSCRIPTION AGREEMENT  
FOR CLASS "A" COMMON SHARES**

**TO: JUMP ON INC. (the "Issuer")**  
**AND TO: WAVERLEY CORPORATE FINANCIAL SERVICES LTD. (the "Agent")**

The undersigned (hereinafter referred to as the "Subscriber") hereby irrevocably subscribes for and agrees to purchase the number of Class "A" Common Shares (the "Class A Shares") of the Issuer set forth below for the aggregate consideration set forth below, representing a subscription price of \$0.20 (Canadian) per Class A Share, upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription Agreement for Class "A" Common Shares of Jump On Inc." attached hereto (the "Subscription Agreement").

Number of Class A Shares:		Aggregate Subscription Amount:	
---------------------------	--	--------------------------------	--

Subscriber's Name:			
Subscriber's Signature:		Subscriber's Address:	
Subscriber's Telephone:		Subscriber's Email Address:	

**Register the Class A Shares to Subscriber above  or, Register the Class A Shares as set forth below:**

Registered Name:		Account reference (if applicable):	
Registered Address:			

**Deliver the Class A Shares to Subscriber above  or, Deliver Class A Shares as set forth below:**

Name:		Account reference (if applicable):	
Contact Name & Delivery Address:			

**ACCEPTANCE:** The Issuer hereby accepts the above subscription on the terms and conditions contained in this Subscription Agreement.

**JUMP ON INC.** \_\_\_\_\_, 20\_\_\_\_  
Per:

\_\_\_\_\_

## SUBSCRIPTION PROCEDURE

The Class A Shares are being offered through the services of Waverley Corporate Financial Services Ltd. (“**Waverley**” or the “**Agent**”), agent of the Issuer under the Offering, through its website portal, [www.SeedUps.ca](http://www.SeedUps.ca) (the “**Platform**”) using the following procedure:

- (i) log in to the Platform at [www.SeedUps.ca](http://www.SeedUps.ca);
- (ii) complete a Waverley Client Application and provide evidence of the Subscriber’s identity and investor qualifications through an online process on the Platform;
- (iii) electronically execute the electronic version of the Subscription Agreement found under the “offering documents” section of the Jump On offering on the Platform;
- (iv) electronically execute the electronic version of the Risk Acknowledgement (Form 45-103F3) *found under the “offering documents” section of the Jump On offering on the Platform*; and
- (v) pay the Subscription Price in respect of the Class A Shares subscribed for by electronically authorizing an automatic bank debit in the amount of the investment as presented on the Platform.

Alternatively, Subscribers who prefer not to subscribe electronically and who prefer to subscribe using a paper subscription may subscribe using the following procedure:

- (vi) execute a Subscription Agreement, a copy of which is attached hereto as Exhibit “1”;
- (vii) execute the Risk Acknowledgement (Form 45-103F3), which is an attachment to the Subscription Agreement;
- (viii) pay the Subscription Price in respect of the Class A Shares subscribed for, by way of a cheque, bank draft or money order payable to “Jump On Inc.”; and
- (ix) deliver all of the foregoing to the Waverley at its office located at:

**Waverley Corporate Financial Services Ltd.**

The Tribune Building  
200, 118 - 8<sup>th</sup> Avenue SW  
Calgary, Alberta Canada, T2P 1B3

Contact: Don McDonald  
Tel.: (647) 478-4299  
Email: [dmcDonald@waverleycf.com](mailto:dmcDonald@waverleycf.com)

Your subscription funds will be held in trust until midnight on the second business day after the day on which Waverley receives your executed documents, or the closing date, whichever is later. Waverley and the Issuer reserve the right to accept or reject subscriptions in whole or in part at its discretion.

At the closing of the Offering, you will receive certified copies of the certificates, representing fully paid and non-assessable Class A Shares, provided the Subscription Price has been paid in full.

Waverley must validate that you meet the financial tests associated with your exemption and determine the suitability of your investment in the securities offered under this Offering Memorandum. If you do not meet these investor qualifications or you believe this risky investment is not suitable for your investment risk tolerance, do not purchase these securities.

**TERMS AND CONDITIONS OF SUBSCRIPTION AGREEMENT FOR  
CLASS “A” COMMON SHARES OF JUMP ON INC.**

1. **Acknowledgements of the Subscriber.** The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each person on whose behalf the Subscriber is contracting) that:
  - (a) this subscription is subject to rejection or allotment by the Issuer and the Agent in whole or in part;
  - (b) the Class A Shares subscribed for by it hereunder form part of a larger issuance and sale by the Issuer of Class A Shares at a subscription price of \$0.20 per share (the “Offering”);
  - (c) the Agent has been appointed to offer the Class A Shares on a commercially reasonable efforts basis, and in connection therewith the Issuer has agreed: (i) to pay to the Agent on the Closing Date, a cash commission of 5.0% of the gross proceeds from sales of the Class A Shares under the Offering; and (ii) to reimburse the Agent for all of its reasonable expenses incurred in connection with the Offering; and
  - (d) **the Subscriber is responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement.**
  
2. **Representations, Warranties and Covenants of the Subscriber.** The Subscriber represents, warrants and covenants to the Issuer and the Agent (and acknowledges that the Issuer and the Agent and their respective counsel are relying thereon) that:
  - (a) if an individual, the Subscriber is of the full age of majority and is legally competent to execute this Subscription Agreement and each of the instruments to be delivered by the Subscriber hereunder, and to perform all of its obligations hereunder and thereunder, and to take all actions required pursuant hereto and thereto; and
  - (b) if the Subscriber is not an individual, it has the requisite power, authority, legal capacity and competence to enter into this Subscription Agreement and each of the instruments to be delivered by the Subscriber hereunder, and to perform all of its obligations hereunder and thereunder, and to take all actions required pursuant hereto and thereto and, all necessary approvals of its directors, partners, shareholders, trustees or otherwise with respect to such matters have been given or obtained; and
  - (c) if the Subscriber is a company, it is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation; and
  - (d) this Subscription Agreement and such other instruments to be delivered hereunder have been duly and validly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of the Subscriber; and
  - (e) if the Subscriber is acting as agent for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documentation in connection with such subscription on behalf of such principal and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes the legal, valid and binding agreement of, such principal each of which is purchasing as principal for its own account not for the benefit of any other person and not with a view to the resale or distribution of the Class A Shares; and



- (f) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the completion of the transactions contemplated hereby do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound and will not cause the Issuer or any of its officers or directors to become subject to or require any disclosure, prospectus or other reporting requirement; and
- (g) the Subscriber confirms that the Subscriber and, if it is not purchasing as principal, each beneficial purchaser:
  - (i) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Class A Shares;
  - (ii) is capable of assessing the proposed investment in the Class A Shares as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable securities legislation;
  - (iii) is aware of the characteristics of the Class A Shares and the risks relating to an investment therein; and
  - (iv) is able, without impairing its financial condition, to hold such securities for an indefinite period of time and to bear the economic risks of, and understand a complete loss of, its investment; and
- (h) the Subscriber acknowledges that, if it is not purchasing as principal, the Subscriber and/or the Issuer may be required to provide applicable securities regulatory authorities with the identities of the beneficial purchasers of the Class A Shares and the Subscriber agrees that, notwithstanding that the Subscriber may be purchasing the Class A Shares as agent for an undisclosed principal, the Subscriber will provide to the Issuer, on request, particulars as to the identity of such undisclosed principal as may be required by the Issuer in order to comply with the foregoing; and
- (i) the Subscriber understands that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to the merits of investing in, nor has any such stock exchange or governmental agency, authority, regulatory body, securities commission, or other entity made any recommendation or endorsement with respect to, the Class A Shares; and
- (j) except for the Subscriber's knowledge regarding its subscription for Class A Shares hereunder, the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in the *Securities Act* (Alberta)) in the affairs of the Issuer that has not been generally disclosed; and
- (k) the Subscriber and, if it is not purchasing as principal, each beneficial purchaser, is resident in the jurisdiction indicated on the face page of this Subscription Agreement as the "Subscriber's Address"; and
- (l) the Subscriber is purchasing the Class A Shares as principal for its own account and not for the benefit of any other person and it has received or been provided with a confidential offering memorandum of the Issuer (the "Confidential Offering Memorandum") and has duly completed and executed 2 copies of Form 45-106F4 – Risk Acknowledgement as set out in Schedule "A" attached hereto (one copy for each of the Issuer and the Subscriber); and
- (m) the Subscriber has been independently advised as to restrictions with respect to trading in the Class A Shares imposed by applicable securities legislation in the jurisdiction in which it resides,

confirms that no representation has been made to it by or on behalf of the Issuer or the Agent with respect thereto, acknowledges that it is aware of the characteristics of the Class A Shares, the risks relating to an investment therein, that there is presently no market for the Class A Shares, that the Issuer is not a “reporting issuer” in any jurisdiction and that it may not be able to resell the Class A Shares until the expiration of the applicable hold period which hold period will not commence to run until the Issuer becomes a “reporting issuer” in the jurisdiction of the Subscriber’s residence (which it may never become), except in accordance with limited exemptions under applicable securities legislation and regulatory policy. **The Subscriber further acknowledges that it should consult with its own legal adviser for full particulars of applicable resale restrictions;** and

- (n) the Subscriber acknowledges that Issuer’s counsel and the Agent’s counsel are acting as counsel to the Issuer and the Agent, respectively, and not as counsel to the Subscriber; and
- (o) the Subscriber agrees that any certificates representing the Class A Shares will bear a legend indicating that the resale of such securities is restricted; and
- (p) the Subscriber understands that the Class A Shares are being offered for sale only on a “private placement” basis and that the sale and delivery of the Class A Shares is conditional upon such sale being exempt from the requirements as to the filing of a prospectus or upon the issuance of such orders, consents or approvals as may be required to permit such sale without the requirement of filing a prospectus and that as a consequence of acquiring the Class A Shares pursuant to such exemptions, certain protections, rights and remedies provided by applicable securities legislation may not be available to the Subscriber in connection with the purchase and sale of the Class A Shares; and
- (q) except for the Confidential Offering Memorandum, the Subscriber has not received or been provided with, nor has it requested, nor does it have any need to receive any other document (other than financial statements, interim financial statements or any other document the content of which is prescribed by statute or regulation) describing the business and affairs of the Issuer which has been prepared for delivery to, and review by, prospective purchasers in order to assist it in making an investment decision in respect of the Class A Shares; and
- (r) except for the representations of the Issuer expressly contained herein and in the Confidential Offering Memorandum, the Subscriber has not relied upon any verbal or written representation as to fact or otherwise made by or on behalf of the Issuer or the Agent; and
- (s) the Subscriber acknowledges that Issuer’s counsel and the Agent’s counsel are acting as counsel to the Issuer and the Agent, respectively, and not as counsel to the Subscriber; and
- (t) the Subscriber is aware that there is no market for any of the Class A Shares and none is expected to develop and acknowledges and confirms that no representation has been made to it by the Issuer, the Agent or any of their respective directors, officers, employees or affiliates, with respect to the future value or price of any of the Class A Shares or that any of the Class A Shares will be listed on any exchange or that application has been or will be made for such listing; and
- (u) the Subscriber is aware that the Class A Shares have not been and will not be registered under the United States *Securities Act of 1933* (the “U.S. Securities Act”) and that these securities may not be offered or sold in the United States without registration under the U.S. Securities Act or compliance with requirements of an exemption from registration; and
- (v) the Subscriber is not a “U.S. Person” (as that term is defined by Regulation S under the U.S. Securities Act, which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United

States) and is not acquiring the Class A Shares for the account or benefit of a U.S. Person or a person in the United States; and

- (w) the Class A Shares have not been offered to the Subscriber in the United States, and the individuals making the order to purchase the Class A Shares and executing and delivering this Subscription Agreement on behalf of the Subscriber were not in the United States when the order was placed and this Subscription Agreement was executed and delivered; and
- (x) the Subscriber undertakes and agrees that it will not offer or sell the Class A Shares in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States or an exemption from such registration requirements is available; and
- (y) the Subscriber undertakes and agrees that it will not resell the Class A Shares, except in accordance with the provisions of applicable securities legislation, regulations, rules, policies and orders and stock exchange rules; and
- (z) if required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Issuer in filing, such reports, undertakings and other documents with respect to the issue of the Class A Shares as may be required; and
- (aa) the Subscriber is not a non-resident of Canada and deals at arm's length with the Issuer for purposes of the *Income Tax Act* (Canada); and
- (bb) no authorization, consent, order, approval or notice of any federal, provincial, territorial, municipal or foreign regulatory body or official must be obtained or given, and no waiting period must expire, in order that this Subscription Agreement and the transactions contemplated herein can be consummated by the Subscriber.

3. **Right of Action.** If the Subscriber is relying upon subsections 2(1)(ii), the Subscriber shall have the rights of action for rescission or damages as described in the Confidential Offering Memorandum, which is deemed to be incorporated herein.
4. **Timeliness of Representations, etc.** The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time (as defined herein) and will survive the completion of the issuance of the Class A Shares and any subsequent disposition by the Subscriber of Class A Shares.
5. **Indemnity.** The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein are made with the intent that they be relied upon by the Issuer and the Agent in determining its suitability as a purchaser of Class A Shares and the Subscriber agrees to indemnify the Issuer, the Agent and their respective directors and officers against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur which are caused or arise from reliance thereon. The Subscriber undertakes to notify the Issuer and the Agent c/o Tingle Merrett LLP, at 1250, 639 - 5<sup>th</sup> Avenue SW, Calgary, Alberta, T2P 0M9, Attention: Cynthia Solano, immediately of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the Closing Time.
6. **Acceptance and Rejection of Subscription.** The Subscriber acknowledges, understands and agrees that the subscription for Class A Shares contemplated herein is subject to the acceptance of this Subscription Agreement by the Issuer and the Agent and must comply with all relevant securities regulatory requirements and that the Issuer and the Agent may decline to complete this subscription if the Issuer believes that its completion of the subscription would be unlawful or in contravention of the rules and policies of the applicable securities regulatory authorities, would result in an unlawful issuance or sale of securities, or would otherwise not be in the best interests of the Issuer. The Issuer and the Agent may, in

their absolute discretion, accept or reject the Subscriber's subscription for Class A Shares as set forth in this Subscription Agreement, in whole or in part, and the Issuer reserves the right to allot to the Subscriber less than the amount of Class A Shares subscribed for under this Subscription Agreement. If this Subscription Agreement is rejected in whole, any cheque(s) or bank draft(s) delivered by the Subscriber to the Issuer on account of the subscription price for the Class A Shares subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the Issuer exceeds the subscription price of the number of Class A Shares allotted and issued to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.

7. **Representations and Warranties of the Issuer.** The Issuer hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:
  - (a) the Issuer has the full corporate right, power and authority to execute and deliver this Subscription Agreement and to issue the Class A Shares to the Subscriber;
  - (b) upon execution by the Issuer, this Subscription Agreement constitutes a binding obligation of the Issuer enforceable in accordance with its terms; and
  - (c) the execution and delivery of, and the performance of the terms of, this Subscription Agreement by the Issuer, including the issue of the Class A Shares to the Subscriber pursuant hereto does not and will not constitute a breach of or default under the constating documents of the Issuer or any law, regulation, order or ruling applicable to the Issuer or any agreement, contract or indenture to which the Issuer is a party or by which it is bound.
  
8. **Deliveries by Subscriber prior to Closing.** The Subscriber agrees to deliver to the Agent, not later than midnight (Calgary time) on the second business day before any Closing Date of which the Subscriber receives notice:
  - (a) this Subscription Agreement duly completed and executed by the Subscriber either electronically on the Platform or manually;
  - (b) payment in full of the aggregate subscription price of the Class A Shares subscribed for under this Subscription Agreement such payment to be made either electronically on the Platform or by cheque or bank draft payable to "**Jump On Inc.**";
  - (c) one duly completed Representation Letter in the form attached hereto as Schedule "A" executed by the Subscriber either electronically on the Platform or manually; and
  - (d) such other documents as may be requested by the Issuer or the Agent as contemplated by this Subscription Agreement.
  
9. **Time and Place of Closing.** The sale of the Class A Shares will be completed at the offices of Tingle Merrett LLP, 1250, 639 – 5<sup>th</sup> Street S.W., Calgary, Alberta, T2P 0M9 at 10:00 a.m. (Calgary time), or such other time as the Issuer may determine (the "Closing Time") on such date as the Issuer may determine (the "Closing Date"). At the Closing Time, the Issuer shall deliver copies of certificates representing the Class A Shares (the original certificates shall remain in the minute book of the Issuer unless otherwise requested by the Subscriber) against delivery of the aggregate subscription proceeds and the documentation set out in section 8 hereof. The Issuer may determine to close the Offering in tranches, such that one or more subsequent closings may occur.
  
10. **Right to Cancel.** The Agent will hold subscription funds received in trust until midnight on the second business day after the Closing. In the event that a Subscriber provides the Issuer with a cancellation notice prior to midnight of the second business day after such date, all funds relating thereto held by the Agent

will be returned to the Subscriber (without interest or deduction) as soon as reasonably practicable thereafter.

11. **No Partnership.** Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Issuer.
12. **Governing Law.** The contract arising out of this Subscription Agreement, which by common accord has been or will be drafted in English, shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta. Time shall be of the essence hereof.
13. **Time of Essence.** Time shall be of the essence of this Subscription Agreement.
14. **Entire Agreement.** This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.
15. **Facsimile Copies.** The Issuer and the Agent shall be entitled to rely on delivery of an electronic or facsimile copy of executed subscriptions, and acceptance by the Issuer and the Agent of such facsimile subscriptions shall be legally effective to create a valid and binding agreement among the Subscriber, the Issuer and the Agent in accordance with the terms hereof.
16. **Severability.** The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.
17. **Survival.** The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby and shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
18. **Interpretation.** The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, all references to money amounts are to Canadian dollars.
19. **Amendment.** Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.
20. **Assignment.** Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.
21. **English Language Only.** The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Class A Shares be drawn up in the English language only. **Nous, sousignés, reconnaissons par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente de ces actions soient rédigés en anglais seulement.**

#### ***PRIVACY NOTICE***

*This Subscription Agreement and the Schedules hereto require the Subscriber to provide certain personal information (respecting the Subscriber and, if applicable, the beneficial purchaser for whom the Subscriber is contracting) to the Issuer. Such information is being collected by the Issuer for the purposes of completing the Offering, which includes, without limitation, determining the eligibility of the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting, to purchase the Class A Shares under applicable securities laws, preparing and registering certificates representing the Class A Shares to be issued hereunder and*

*completing filings required under applicable securities legislation, regulations, rules, policies or orders or by any stock exchange or securities regulatory authority.*

*In addition, such personal information may be used or disclosed by the Issuer for the purpose of administering the Issuer's relationship with the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting. For example, such personal information may be used by the Issuer to communicate with the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting (such as by providing annual or quarterly reports), to prepare tax filings and forms or to comply with its obligations under taxation, securities and other laws (such as maintaining a list of holders of shares).*

*Certain securities commissions have been granted the authority to indirectly collect this personal information pursuant to securities legislation and this personal information is also being collected for the purpose of administration and enforcement of securities legislation.*

*In connection with the foregoing, the personal information of the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting, may be disclosed by the Issuer (if applicable) to: (i) any stock exchanges or securities regulatory or taxation authorities; (ii) the Issuer's registrar and transfer agent (if applicable), and (iii) any of the other parties involved in the Offering, including legal counsel, and may be included in record books prepared in respect of the Offering.*

*By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of the beneficial purchaser for whom it is contracting) hereby consents to the collection, use and disclosure of such personal information. The Subscriber (on its own behalf and, if applicable, on behalf of the beneficial purchaser for whom it is contracting) also consents to the filing of copies or originals of any of the documents provided to the Issuer by or on behalf of the Subscriber with any securities regulatory authority in relation to the transactions contemplated by this Subscription Agreement.*

**SCHEDULE "A"**

**OFFERING MEMORANDUM EXEMPTION**

**FORM 45-106F4**

***TO BE COMPLETED BY SUBSCRIBERS RELYING ON THE OFFERING MEMORANDUM EXEMPTION***

**Risk Acknowledgement**

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$ \_\_\_\_\_ in total; this includes any amount I am obliged to pay in future. Jump On Inc. will pay \$ \_\_\_\_\_ [amount of fee or commission] of this to Waverley Corporate Financial Services Ltd. as a fee or commission.

**I acknowledge that this is a risky investment and that I could lose all the money I invest.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

**WARNING**

**You have two business days to cancel your purchase**

To do so, send a notice to Waverley Corporate Financial Services Ltd. stating that you want to cancel your purchase. You must send the notice before midnight on the second business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Waverley at its business address. Keep a copy of the notice for your records.

**Waverley Corporate Financial Services Ltd.**

The Tribune Building  
200, 118 - 8th Avenue SW  
Calgary, Alberta Canada, T2P 1B3

Contact: Don McDonald  
Fax: (587) 331-5972  
Email: dmcdonald@waverleycf.com

### **You are buying Exempt Market Securities**

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell exempt market securities to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

### **You will receive an offering memorandum**

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

### **The securities you are buying are not listed**

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

### **The issuer of your securities is a non-reporting issuer**

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator.

ALBERTA SECURITIES COMMISSION  
Suite 600, 250 – 5<sup>th</sup> Street SW.  
Calgary, Alberta T2P 0R4  
(403) 297-6454  
[www.albertasecuritiescommission.com](http://www.albertasecuritiescommission.com)

SASKATCHEWAN SECURITIES COMMISSION  
Suite 601, 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2  
(306) 787-5645  
[www.sfsc.gov.sk.ca/](http://www.sfsc.gov.sk.ca/)

MANITOBA SECURITIES COMMISSION  
500 – 400 Street, Mary Avenue  
Winnipeg, Manitoba  
R3C 4W5  
(204) 945-2548  
[www.msc.gov.mb.ca](http://www.msc.gov.mb.ca)

**[Instruction: The purchaser must sign two copies of this form. The purchaser and the issuer must each receive a signed copy.]**



**OFFERING MEMORANDUM EXEMPTION**

**FORM 45-106F4**

***TO BE COMPLETED BY SUBSCRIBERS RELYING ON THE OFFERING MEMORANDUM EXEMPTION***

**Risk Acknowledgement**

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities commission has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$ \_\_\_\_\_ in total; this includes any amount I am obliged to pay in future. Jump On Inc. will pay \$ \_\_\_\_\_ [amount of fee or commission] of this to Waverley Corporate Financial Services Ltd. as a fee or commission.

**I acknowledge that this is a risky investment and that I could lose all the money I invest.**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records.

**WARNING**

**You have two business days to cancel your purchase**

To do so, send a notice to Waverley Corporate Financial Services Ltd. stating that you want to cancel your purchase. You must send the notice before midnight on the second business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Waverley at its business address. Keep a copy of the notice for your records.

**Waverley Corporate Financial Services Ltd.**

The Tribune Building  
200, 118 - 8th Avenue SW  
Calgary, Alberta Canada, T2P 1B3

Contact: Don McDonald  
Fax: (587) 331-5972  
Email: dmcDonald@waverleycf.com

### **You are buying Exempt Market Securities**

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