

Form 1
Start-Up Crowdfunding – Offering Document

GENERAL INSTRUCTIONS:

- (1) This offering document and all amendments must be typed, printed, signed, and filed with the securities regulatory authority or regulator of each of the participating jurisdictions where the issuer has made a start-up crowdfunding distribution, as well as with the securities regulatory authority or regulator in the issuer’s head office jurisdiction at the address(es) provided on the last page of this form no later than the 30th day after the closing of the distribution. Issuers must also file a report of exempt distribution no later than the 30th day after the closing of the distribution.*
- (2) This offering document must be completed and certified by an authorized individual on behalf of the issuer.*
- (3) Draft this offering document so that it is easy to read and understand. Be concise and use clear, plain language. Avoid technical terms.*
- (4) Conform as closely as possible to the format set out in this form. Address the items in the order set out below. No variation of headings, numbering or information set out in the form is allowed and all are to be displayed as shown.*
- (5) For information on how to complete this form, please refer to the Start-up Crowdfunding Guide for Businesses available on the website of the securities regulatory authority or regulator of the participating jurisdictions.*
- (6) This offering document is to be provided to your funding portal which has to make it available on its website. If the information contained in this offering document no longer applies or is no longer true, you must immediately amend the document and send the new version to the funding portal.*

Item 1: RISKS OF INVESTING

- 1.1 **“No securities regulatory authority or regulator has assessed reviewed or approved the merits of these securities or reviewed this offering document. Any representation to the contrary is an offence. This is a risky investment.”**

Item 2: THE ISSUER

- 2.1 Provide the following information for the issuer:

- Company name: Two Wolves Brewing Inc.
- Company address: 300-1275 West 6th Avenue, Vancouver, BC, V6H 1A6

- Company phone: 604-684-5858
- Website URL: <https://www.twowolvesbrewing.ca/>

2.2 Provide the following information for a contact person of the issuer who is able to answer questions from purchasers and security regulatory authority or regulator:

- Name: David Chadwick
- Position: CEO
- Business Address: 300-1275 West 6th Avenue, Vancouver, BC, V6H 1A6
- Business Phone: 604-684-5858 (885-682-9653)
- Business Email: david@twowolvesbrewing.ca

Item 3: BUSINESS OVERVIEW

3.1 Two Wolves Brewing Inc. is a privately held Canadian beer brand, contract manufacturer and licensed operator, with bases in Vancouver, Kelowna, Edmonton, Calgary, Winnipeg, and Regina.

“A more detailed description of the issuer’s business is provided below.”

Item 4: MANAGEMENT

4.1 Provide the information in the following table for each promoter, director, officer and control person of the issuer:

Full legal name municipality of residence and position at issuer	Principal occupation for the last five years	Expertise, education, and experience that is relevant to the issuer’s business	Number and type of securities of the issuer owned	Date securities were acquired and price paid for the securities	Percentage of the issuer’s securities held as of the date of this offering document
David Chadwick; Winnipeg; CEO	CEO – Two Wolves Brewing Inc. General Manager – Be Right Back Brewing Co.	40 years experience as a hospitality professional	100 Class C Common Voting	Acquired November 30 th , 2016 for \$0.01 per share.	26.8%
Cora Wills; Vancouver; Director			100 Class C Common Voting	Acquired November 30 th , 2016 for	26.8%

				\$0.01 per share.	
--	--	--	--	-------------------	--

*Thoroughbred Investments Inc. owns 46.4% of the company; however, is not considered a control person as they do not hold any voting rights.

4.2 No person listed in item 4.1 or the issuer, as the case may be:

- (a) has ever, pled guilty to or been found guilty of:
 - (i) a summary conviction or indictable offence under the *Criminal Code* (R.S.C., 1985, c. C-46) of Canada,
 - (ii) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction,
 - (iii) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory therein, or
 - (iv) an offence under the criminal legislation of any other foreign jurisdiction,
- (b) is or has been the subject of an order (cease trade or otherwise), judgment, decree, sanction, or administrative penalty imposed by a government agency, administrative agency, self-regulatory organization, civil court, or administrative court of Canada or a foreign jurisdiction in the last ten years related to his or her involvement in any type of business, securities, insurance or banking activity,
- (c) is or has been the subject of a bankruptcy or insolvency proceeding,
- (d) is a director or executive officer of an issuer that is or has been subject to a proceeding described in paragraphs (a), (b) or (c) above.

Item 5: START-UP CROWDFUNDING DISTRIBUTION

- 5.1 The issuer is using Silver Maple Ventures Inc. – doing business as: FrontFundr, to conduct this Start-Up Crowdfunding distribution (“FrontFundr”).
- 5.2 The issuer intends to raise funds in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, and New Brunswick and make this offering document available in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, and New Brunswick.
- 5.3 With respect to the start-up crowdfunding distribution, the date before which the issuer must have raised the minimum offering amount for the closing of the distribution, is no later than 90 days after the date this offering document is made available on the funding portal.
- 5.4 The issuer is offering **Class A Non-Voting Preferred Shares**

5.5 The eligible securities offered provide the following rights as per Schedule A of the Company Articles:

- **Dividends** (Fixed preferential cumulative dividend at an annual rate of 6% per annum based on a par value of \$1.00 per share payable on the 5th anniversary from the date of issuance, subject to the board of directors' approval from funds legally available to pay dividends),
- **Redemption Rights** (The Issuer may at its option redeem all, or some, of the Class A Preferred Shares on or after the 5th anniversary of issuance of the Class A Preferred Shares at a redemption price equal to the issue price plus any increase in fair market value.),
- **Liquidation Preference** (The holders of the Class A Shares shall be entitled to receive ratably an amount equal to the par value of \$ 1.00 per share held by them respectively as a class, together with all declared or accrued and unpaid dividends. The holders of Class A Shares are entitled to receive their entire interest before the holders of Class B or Class C Shares are entitled to receive any property or assets. On payment of the amount so payable to them, the holders of Class A Shares shall not be entitled to share in any further distribution of the property or assets of the Issuer.)
- **No Preemptive Rights**

5.6 The eligible securities offered provide the following conditions as per Schedule A of the Company Articles:

- **Dividends Cumulative** (If on any dividend payment date, dividends are not paid in full on any shares where dividends are cumulative, such unpaid part of such dividends shall be paid on a subsequent date or dates determined by the directors of the Issuer on which the Issuer has sufficient moneys properly applicable to the payment of same in priority to any dividends to be paid in subsequent year(s) until such unpaid portion of such dividends is paid in full. No right shall accrue to the holders of share of Preferred Shares by reasons of the fact that dividends on said shares are not declared in any prior year, nor shall any undeclared or unpaid dividend bear or accrue any interest.),
- **Ranking of Preferred Shares** (The Common Shares rank junior to the Class A Shares as to the redemption, liquidation and the distribution of assets but not as to dividends.),
- **Limits to Redemption** (The issuer is not obliged to redeem or repurchase the Class A Shares if the redemption or repurchase would contravene any applicable statute, regulation or rule of law or equity.)

5.7 Each holder of Class A Non-Voting Preferred Shares shall provide to the Issuer a duly executed Voting Trust Agreement in a form that is satisfactory to the Issuer pursuant to which a designate of the Company shall vote or ratify any transactions or business of the Company in such manner as directed by the Board of Directors of the Company.

5.8 In a table, provide the following information:

	Total amount (\$)	Total number of eligible securities issuable
Minimum offering amount ¹	\$90,000.00	90,000
Maximum offering amount ²	\$450,000.00	450,000
Price per eligible security	\$1.00	

¹ The issuer will continue to raise capital concurrently to this Offering using other available prospectus exemptions, and, as noted in Section 5.9 below, any amounts raised pursuant to such other exemptions may be applied towards the minimum offering amount.

²The issuer will continue to raise capital concurrently to this Offering using other available prospectus exemptions. While it is limited to raising \$250,000, twice per calendar year, using this Start-up Crowdfunding Offering, it may raise more than \$500,000 in the calendar year via such other available prospectus exemptions.

5.9 The minimum investment amount per purchaser is \$100

5.10 Note: The minimum offering amount stated in this offering document may be satisfied with funds that are unconditionally available to Two Wolves Brewing Inc. that are raised by concurrent distributions using other prospectus exemptions without having to amend this offering document.

Item 6: ISSUER’S BUSINESS

6.1 Two Wolves Brewing is currently focused on expansion efforts in Manitoba and Saskatchewan. Two Wolves is already selling and distributing beer to over 650 retail locations and growing. These sales are generated through relationships with government agencies in Manitoba and Saskatchewan (MBLL and SLGA), a licensee operator in British Columbia and Alberta, and strong regional corporate relationships with companies like the Keg Restaurants. Two Wolves plans to expand their base of operations to the rest of Canada and then to international markets through the continued development of licensee relationships. Two Wolves is also a company with a conscience; donating 5¢ from the purchase of every can to wolf research and the preservation of wolf habitats in Canada.

6.2 The issuer is incorporated under the laws of the Business Corporations Act; its incorporation number is BC1098506.

6.3 The issuer's articles of incorporation are available to purchasers upon request.

6.4 Indicate which statement(s) best describe the issuer's operations (select all that apply):

- Has never conducted operations,
- Is in the development stage,
- Is currently conducting operations,
- Has shown profit in the last financial year.

6.5 Unaudited Financial Statements for the year-end October 31st, 2017 are available upon request.

“Information for purchasers: If you receive financial statements from an issuer conducting a start-up crowdfunding distribution, you should know that those financial statements have not been provided to or reviewed by a securities regulatory authority or regulator. They are not part of this offering document. You should ask the issuer which accounting standards were used to prepare the financial statements and whether the financial statements have been audited. You should also consider seeking advice of an accountant or an independent financial adviser about the information in the financial statements.”

Item 7: USE OF FUNDS

7.1 The issuer has previously raised \$925,000 in shareholder equity that has been used for start-up expenses, operating capital, marketing, branding and initial inventory.

7.2 Use of funds for this Offering:

Description of intended use of funds listed in order or priority	Total amount (\$)	
	Assuming minimum offering amount \$ 90,000 ¹	Assuming maximum offering amount \$ 450,000 ¹
Production Assets	\$16,200	\$81,000
Inventory Growth	\$22,500	\$112,500
New Market Expansion	\$4,500	\$22,500

Marketing Programs	\$13,500	\$67,500
Support Materials	\$6,750	\$33,750
Working Capital	\$26,550	\$132,750
Total – Available Funds	\$90,000	\$450,000

¹ The issuer will not utilize any of the funds raised from this Offering for the repayment of debt. The issuer intends to spend the available funds as stated. The Issuer will reallocate funds only for sound business reasons.

Item 8: PREVIOUS START-UP CROWDFUNDING DISTRIBUTIONS

8.1 No Person listed in Section 4.1 has participated in any previous Start-Up Crowdfunding distributions in the past five years.

Item 9: COMPENSATION PAID TO FUNDING PORTAL

9.1 FrontFundr may retain the greater of 8% of the investment amount or \$40 per individual (or \$100 per company), as commission.

Item 10: RISK FACTORS

10.1 There are certain risks inherent in an investment in the Class A Non-Voting Preferred Shares and in the activities of the issuer, which investors should carefully consider before investing in the Class A Non-Voting Preferred Shares. The following is a summary only of some of the risk factors. Prospective investors should review the risks relating to an investment in the Class A Non-Voting Preferred Shares with their legal and financial advisors.

The issuer advises that prospective Subscribers should consult with their own independent professional legal, tax, investment and financial advisors before purchasing Class A Non-Voting Preferred Shares in order to determine the appropriateness of this investment in relation to their financial and investment objectives and in relation to the tax consequences of any such investment.

In addition to the factors set forth elsewhere in this Offering Document, prospective Subscribers should consider the following risks before purchasing Class A Non-Voting Preferred Shares. Any or all of these risks, or other as yet unidentified risks, may have a material adverse effect on the Corporation's business, and/or the return to the Subscribers.

10.2 Investment Risk

- a) **Securities are Speculative** - The securities offered hereunder must be considered highly speculative and an investment in such securities involves a high degree of risk. A potential subscriber should carefully consider the following risk factors in addition to the other information contained in this memorandum before purchasing Shares. Due to the nature of the business and the present stage of development of its business, the Company may be subject to significant risks. The Company's actual operating results may be very different from those expected as at the date of this memorandum, in which the event the trading price of the Securities could decline, and a subscriber may lose all or part of his or her investment. The risk factors outlined below are not a definitive list of all risk factors associated with an investment in the securities offered hereunder and investors are cautioned that they may lose their entire investment.
- b) **Restrictions on Transfers; No Public Market** - There is presently no public market for the Securities and none is expected to develop in the foreseeable future. The Securities are subject to substantial restrictions on transfer under securities laws and the Articles of the Company. Accordingly, the Securities may not be resold or otherwise transferred, except in accordance with the Articles of the Company or in accordance with such applicable Canadian securities laws. (See Item 12 – Resale Restrictions.)
- c) **Value of Securities of the Company** - The price for Securities of the Company is determined by management and may not bear any relationship to earnings, book value or other valuation criteria.
- d) **Tax Matters** - The return on a shareholder's investment in his/her or its Securities is subject to changes in Canadian Federal and Provincial tax laws, as well as any other tax laws applicable to the shareholders. There can be no assurance that the tax laws will not be changed in a manner which will fundamentally alter the tax consequences to investors of holding or disposing of Securities.
- e) **Dilution** - After completion of the Offering, then existing shareholders may have their interests diluted. The exercising of outstanding stock options or warrants shall also have a dilutive effect on the interests of the new purchasers of the Securities. Moreover, in the event the Company requires additional equity financing pursuant to the Securities offered under the Offering, purchasers of the additional Securities may experience further dilution to the extent that such Securities may be issued for a value less than the price paid for conversion of shares acquired hereunder.

10.3 Issuer Risks

- a) **No assurance** - There is no guarantee that the Company will achieve its investment objective or earn a positive return.
- b) **Management and Personnel Risks** - The Company's business will be significantly dependent on the Company's management team including outside management advisors and consultants. The loss of the Company's officers, other employees, advisors or consultants could have a material adverse effect on the Corporation. The Company's success depends, in part, on its ability to attract and retain key, technical, management and operating personnel, including consultants and members of the Company's Board. The Company needs to develop sufficient expertise and add skilled employees or retain consultants in areas such as research and development, sales, and marketing in order to successfully execute its business plan. The Company may be unable to attract and retain qualified personnel or develop the expertise needed in these areas. If the Company fails to attract and retain key personnel it may be unable to execute its business plan and its business could be adversely affected. As of the date of this offering, The Company does not maintain key man insurance on any member of its management.
- c) **No History of Dividends or Plan to Pay Dividends** - The Company has never paid a dividend nor made a distribution on any of their securities. Further, the Company may never achieve a level of profitability that would permit payment of dividends or other forms of distribution to its shareholders. Given the stage of the Company's business, it will likely be a long period before the Company could be in a position to declare dividends or make distributions to its investors. The payment of any future dividends by the Company will be at the sole discretion of the Company's management. Holders of Securities will be entitled to receive dividends only when, as, and if, declared by the Company's management.
- d) **Inability to Manage the Potential Growth of the Business** - The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operations and financial systems and to expand, train, and manage its employee base. The inability of the Company to deal with potential growth could have a material adverse impact on its business, operating results, financial condition or profitability. Any expansion of operations the Company may undertake will entail risks; such actions may involve specific operational activities, which may negatively impact the profitability of the Company. Consequently, shareholders must assume the risk that (i) such expansion may ultimately involve expenditures of funds beyond the resources available to the Company at that time, and (ii) management of such expanded operations may divert management's attention and resources away from any other operations, all of which factors may have a material adverse effect on the Company's present and prospective business activities.

- e) *Further Need for Debt or Equity Financing*** - The Company may have to sell additional securities including, but not limited to, shares or some form of convertible security, the effect of which will result in a dilution of the equity interests of any existing shareholders. The Company may also need to raise capital by incurring long term or short-term indebtedness in order to fund its business objectives. This could result in increased interest expense or decreased net income. Security holders are cautioned that there can be no assurance as to the terms of such financing and whether such financing will be available. Moreover, neither the Company's articles nor its by-laws will limit the amount of indebtedness that the Corporation may incur. The level of the Company's indebtedness could impair its ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.
- f) *Development Stage of Business Risks*** - The Company has only a limited history upon which an evaluation of its prospects and future performance can be made. The Company's proposed operations are subject to all business risks associated with new enterprises. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry and the development of a customer base. There is a possibility that the Company could sustain losses into the future. If the Company is unable to generate revenues or profits, investors might not be able to realize returns on their investment or prevent the loss of their investment.
- g) *Forward-Looking Statements and Information May Prove Inaccurate*** - Investors are cautioned not to place undue reliance on forward-looking statements and information. By its nature, forward-looking statements and information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking statements and information or contribute to the possibility that predictions, forecasts, or projections will prove to be materially inaccurate.
- h) *Competition Risks*** - If the Company fails to compete effectively against larger, more established companies with greater resources, then its business may suffer. There can be no assurance that the Company's current or future products or services and the results of the Company's ongoing research and development efforts will result in products or services that will be viable for any commercial applications and, if viable, that potential customers will utilize the Company's products and services for the purposes intended. Increased competition may result in price reductions, reduced gross margins and loss of market share, any of which could materially and adversely affect the Company's business. The Company may not be able to compete successfully against current and future competitors and the failure to do so would harm the Company's business.

- i) *Cyber security risk*** - Cyber security risk is the risk of loss and liability to an organization resulting from a failure or breach of the information technology systems used by or on behalf of the organization and its service providers, including incidents resulting in unauthorized access, use or disclosure of sensitive, regulated or protected data. The use of the internet and information technology systems by the Company and their service providers may expose the Company to potential loss or liability arising from cyber security incidents.
- j) *Litigation risk*** - The Company may be subject to litigation arising out of their respective operations. Damages claimed under such litigation may be material, and the outcome of such litigation may materially impact the Company's respective operations, and the value of the shares. While the Company will assess the merits of any lawsuits and defend such lawsuits accordingly, the Company may be required to incur significant expense or devote significant financial resources to such defenses. In addition, the adverse publicity surrounding such claims may have a material adverse effect on the Company's operations.
- k) *General Economic Conditions*** - The financial success of the Company may be sensitive to adverse changes in general economic conditions in Canada, such as war, terrorist attacks, recession, inflation, labour disputes, demographic changes, weather or climate changes, unemployment and interest rates. There is no assurance that the Company will be successful in marketing any of its services, or that the revenues from the sale of such services will be significant. Consequently, the Company's revenues may vary by quarter, and the Company's operating results may experience fluctuations. Unanticipated Obstacles to Execution of the Business Plan the Company's business plans may change significantly. The execution of the Company's business plan is capital intensive and may become subject to statutory or regulatory requirements. The Company reserves the right to make significant modifications to any of the Company's stated strategies depending on future events.
- l) *Management Discretion as to Application of Proceeds*** - The net proceeds from this Offering will be used for the purposes described under "Item 7: USE OF FUNDS". The Corporation reserves the right to use the funds obtained from this Offering for any general business purposes and such other purposes not presently contemplated which it deems to be in the best interests of the Corporation and its shareholders. As a result of the foregoing, the success of the Company may be substantially dependent upon the discretion and judgment of the Company's management with respect to application and allocation of the net proceeds of the Offering. Investors will be entrusting their funds to the Company's management, upon whose judgment and discretion, the investors must depend.

Item 11: REPORTING OBLIGATIONS

11.1 The issuer is not a "reporting issuer" in any jurisdiction in Canada. As a corporation formed under the *Canada Business Corporation Act*, the issuer is required to provide shareholders with

comparative financial statements and any further information respecting to the financial position of the corporation and the results of its operations, at every annual meeting. The issuer also plans to send out a quarterly update to shareholders.

Item 12: RESALE RESTRICTIONS

12.1 **“The securities you are purchasing are subject to a resale restriction. You may never be able to resell the securities.”**

Item 13: PURCHASERS’ RIGHTS

13.1 **If you purchase these securities, your rights may be limited and you will not have the same rights that are attached to a prospectus under applicable securities legislation. For information about your rights you should consult a lawyer.**

You can cancel your agreement to purchase these securities. To do so, you must send a notice to the funding portal within 48 hours of your subscription. If there is an amendment to this offering document, you can cancel your agreement to purchase these securities by sending a notice to the funding portal within 48 hours of receiving notice of the amendment.

The offering of securities described in this offering document is made pursuant to a start-up crowdfunding registration and prospectus exemptions order issued by the securities regulatory authority or regulator in each participating jurisdiction exempting the issuer from the prospectus requirement.

Item 14: DATE AND CERTIFICATE

14.1 **“On behalf of the issuer, I certify that the statements made in this offering document are true.”**

14.2 Authorized Signatory:

Signature: *JB Chadwick*

Date: 11/13/2018

14.3 **“I acknowledge that I am signing this offering document electronically and agree that this is the legal equivalent of my handwritten signature. I will not at any time in the future claim that my electronic signature is not legally binding.”**

Securities regulatory authority and regulators of the participating jurisdictions:

British Columbia

British Columbia Securities Commission

The document must be filed electronically at the same time as the report of exempt distribution in Form 45-106F6 at www.bcsc.bc.ca (click on BCSC eServices and follow the steps).

Manitoba

The Manitoba Securities Commission
500 - 400 St Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: 204-945-2548
Toll free in Manitoba: 1-800-655-2548
Fax: 204-945-0330
E-mail: Exemptions.msc@gov.mb.ca
www.msc.gov.mb.ca

New Brunswick

Financial and Consumer Services Commission
85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Toll free: 1-866-933-2222
Fax: 506-658-3059
E-mail: info@fcnb.ca
www.fcnb.ca

Nova Scotia

Nova Scotia Securities Commission
Suite 400, 5251 Duke Street
Halifax, Nova Scotia B3J 1P3
Telephone: 902-424-7768
Toll free in Nova Scotia: 1-855-424-2499
Fax: 902-424-4625
E-mail: nssc.crowdfunding@novascotia.ca
www.nssc.gov.ns.ca

Québec

Autorité des marchés financiers
Direction du financement des sociétés
800, rue du Square-Victoria, 22nd floor
P.O. Box 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: 514-395-0337
Toll free in Québec: 1-877-525-0337
Fax: 514-873-3090
E-mail: financement-participatif@lautorite.qc.ca
www.lautorite.qc.ca

Saskatchewan

Financial and Consumer Affairs Authority of Saskatchewan
Securities Division
Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: 306-787-5645
Fax: 306-787-5842
E-mail: exemptions@gov.sk.ca
www.fcaa.gov.sk.ca

TITLE	Updated Offering Document
FILE NAME	Two Wolves 45-535...Offering (5).docx
DOCUMENT ID	a3aa5e0e716aa089e964bdd3c46092a21bc794c5
STATUS	● Completed

Document History



SENT

11/13/2018

13:17:56 UTC-8

Sent for signature to David Chadwick

(david@twowolvesbrewing.ca) from agreements@frontfundr.com

IP: 199.60.221.180



VIEWED

11/13/2018

13:18:53 UTC-8

Viewed by David Chadwick (david@twowolvesbrewing.ca)

IP: 50.71.133.24



SIGNED

11/13/2018

13:19:39 UTC-8

Signed by David Chadwick (david@twowolvesbrewing.ca)

IP: 50.71.133.24



COMPLETED

11/13/2018

13:19:39 UTC-8

The document has been completed.