



**MAGNETIC NORTH**  
ACQUISITION CORP



# **MAGNETIC NORTH**

**ACQUISITION CORP**

**Creating Value by Adding Capital and Active Management from Investment  
to Exit**

**"Capital alone does not solve  
business problems – People do."**



# History

M

Since 2013, MagneticNorth Acquisition Corp. ("MagneticNorth") has been in the business of actively working with companies that have various needs, including capital and management.

N

Our expertise is finding and improving companies that are close to cash flow positive, lacking some management capability and have growth potential. By applying our depth of knowledge, management expertise, and capital we enhance the value of each company.

A

Magnetic North extends beyond just evaluating deal flow. Our process includes an intimate understanding of the opportunities for the potential investee companies prior to any commitment of capital.

C

Magnetic North (TSXV: MNC) Common Shares and Series A Preferred Shares (TSXV: MNC.PR.A) are listed on the TSXV.





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# Our Business

# Magnetic North – A Unique Opportunity

M

Invest in private businesses with **solid business models** that can generate **exceptional returns** with calculated risk

N

Invest in **high-growth opportunities** that provide **significant "torque"** in cash flow growth

A

Experienced management team that are **deeply involved** in portfolio companies, creating value and **identifying hidden opportunities**

C

**Focused Management Team** that is **heavily invested** in Magnetic North and aligned with investors



# Magnetic North – Investment Strategy

M

Investing in/or acquiring companies that:

- Show potential to build value from under \$5 million to over \$100 million;

N

- ESG opportunities = better business and valuation
- Require capital to accelerate growth;

A

- Have a clear path to generate positive cash flow within 12 months;

C

- Require management and board expertise; and
- Have multiple exit opportunities, either through public listing, merger or sale.



# Magnetic North Business Model

## Focused on Applying the Original VC/PE model by:

- Providing a team of professionals highly experienced in:
  - Finance
  - Marketing and Communications
  - Operations
  - Strategy
- Concentrating on select deals that meet our investment strategy;
- Reducing risk through diversified portfolio, and strong management team;
- Management participates through ownership rather than management AND performance fees charged by money managers; and
- Applying a combination of capital AND management expertise.





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# Management and Board



# Magnetic North Management Team

**Andrew Osis**  
Co-CEO & Director

- 20+ years of experience working in investment banking and commercial operations.
- Formerly VP, Global Banking with RBC Dominion Securities; also held positions with Peters & Co. and Newcrest Capital focusing on mergers and acquisitions, and equity/debt financings. Completed over \$25 Billion in transactions.
- Experienced CEO, CFO and Director

**Kevin Spall**  
Co-CEO & Director

- Over 15 years of experience in corporate finance, M&A, and business development.
- Former Investment Banker at Yorkton Securities from 2000-2004; Head of Investment Banking & Managing Director at Versant Partners Inc. from 2004-2008; Head of Diversified Industries Investment Banking at Blackmont Capital Inc. 2008-2010. Completed over \$7.5 Billion in transactions.



# Management Team Continued

**Cindy Davis**  
CFO

- Ms. Davis has worked as CFO to a variety of companies as an independent contractor, and was previously CFO of Magnetic North in 2019/2020.
- Chartered Professional Accountant

**Stephen McCormick**  
VP Capital Markets

- Senior executive with over twenty years of experience across various industry sectors, including investment management, telecom and information technology.
- Mr. McCormick has formerly held positions with BMO Nesbitt Burns providing integrated wealth management solutions for high-net-worth clients, as well as, working on corporate structures for private businesses.

**Robert Purdy**

- Special Advisor on capital, corporate development and sourcing deals.
- Mr. Purdy was an investment advisor with RBC DS, Canaccord Genuity, and Peters & Co. He also founded Purdy & Partners in 2008 focused on start-ups and early-stage ventures.



# Magnetic North Board of Directors

**Ian Wild**  
Executive Chairman

- Former Executive VP at ATB Corporate Financial Services.
- Experience in banking spans over 30 years; began working for National Westminster Bank Ltd. in the U.K., and after immigrating to Canada began working for Continental Bank of Canada (now HSBC), and RBC.

**Jeff Davison**  
Director

- From 2000-2009 held various exploration and communication roles at Canadian Natural, and from 2009-2012 was VP of Marketing & Communications at Poynt Corp.
- Mr. Davison successfully unified the brand globally to grow the Poynt local search application from 80,000 users to over 24 million users.

**Trent Larson**  
Director

- Mr. Larson has served as CEO and Managing Director with leading international organizations.
- He is a recognized digital pioneer, author of various thought leadership papers and has been an advisor to the European Commission on digital policy.

**John Kowal**  
Director  
Kevin Spall and  
Andrew Osis also  
serve as Directors

- Mr. Kowal is an advisor to Canaccord Genuity Group Inc. since 2012. His background consists of over 30 years of experience in a variety of senior financial positions in several multinational companies.
- Has executed numerous financings, several multibillion-dollar M&A transactions and IPO's, including the first primary listing by a Canadian company on the Hong Kong Stock Exchange.



# Additional Management Resources

The Magnetic Management team and Board have sufficient experience and knowledge to support investee companies.

However; those skills experience and capacity will be extended by bringing in additional resources for each Company. Those resources may be engaged by Magnetic rather than the investee Company.

## Management Resources

- Specialized skills will be attracted to each organization as required, idea will be to work smart NOT hard
- Certain roles will be "Magnetic" hired personnel
- Additional members to the Magnetic team are ready to come on board following completion of the RTO and public listing.

## Board of Advisors

- Additional skills will be added to the Magnetic team through the Board of Advisors
- Have identified several highly skilled domain experts to join board following closing





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# Portfolio Companies

# Portfolio Overview

MagneticNorth has a portfolio of companies that have a solid business plan and are on-track for phenomenal growth.

Investment	Industry	Post-Investment Ownership
Previcare	Anti microbial technology	32%
CXTL Recycling Canada Corp	Plastic and Ewaste Recycling	50%
Other Investments	Manufacturing, Oilfield Services, Technology, Media, Life Sciences	Various



# Previcare

Healthcare company focused on the research, development, sales, and marketing of industry leading hard surface disinfectant and hand sanitizing products. They serve retail consumers, wholesalers, and institutional clients, and government agencies worldwide.

MNAC currently owns 32% of Previcare.

The logo for Previcare, featuring the word "PREVICARE" in a dark blue, serif font. The letter "I" is replaced by a cross symbol. A small trademark symbol (TM) is located at the end of the word. The logo is centered within a white rectangular box that is part of a larger dark blue graphic element on the right side of the slide.

PREVICARE™





# Previcare - Overview

PREVICARE™

- Since 2017, MNAC has been working with Previcare to bring bespoke chemical solutions to market that are focused on next generation hard-surface disinfectant and hand sanitizer offerings.
- Early focus was on in-licensed and internally developed intellectual property that vastly improved the performance of both.





# Previcare - Disinfectant

PREVICARE™

Previcare offers the following hard-surface disinfectant products:

- GR-AD Pro Disinfectant Solutions

- Residual Kill Technology – eliminates pathogens from hard surfaces for up to 30 days.

- CAx Disinfectants

- Late January 2021, President Biden signed an Executive Order focused on the environment.
- This Executive Order mandates that the federal government procure more environmentally friendly products for their internal use.
- Previcare's Citric Acid based disinfectant (CAx) is currently one of only a few acceptable under this Executive Order.

All Previcare disinfectants are approved by the Environmental Protection Agency ("EPA")



# Previcare - Sanitizer

PREVICARE™

Previcare offers the following hand sanitizer products:

- AllDay Hand Sanitizers

- Residual Kill Technology – eliminates pathogens for up to 24 hours when applied!

- Sopuro Hand Sanitizers

- 70% Alcohol based sanitizer with aloe vera for dry skin protection available in three scents.

All Previcare sanitizers are approved by the Food & Drug Administration ("FDA")



# Previcare - Advantage

PREVICARE™

Since its inception, Previcare has focused on using trusted ingredients, proprietary additives and unique processing to increase cleaning power and length of time the formulas remain active on surfaces and skin – providing residual kill technology to both:

- Alcohol - Previcare provides a Certificate of Analysis for each ingredient as well as for each lot it produces (no one else does!)
- Other Additives
  - Proprietary additives that stay on your skin through multiple hand washings or applications to hard surfaces, providing longer-term protection than conventional hand sanitizers and disinfectants.
  - Additives also to protect against dry hands caused by alcohol when used as the active cleaning ingredient.

Why is this important?



# Previcare - COVID

PREVICARE™

- COVID brought with it much opportunity, while at the same time, much confusion in the sanitizer & disinfectant markets.
  - Early stages saw daily changes to regulatory requirements leaving customers frustrated;
    - Alcohol vs BZK, minimum % alcohol, supply chain issues, etc.
  - In response to the pandemic, there were many well-intended new entrants into the market (i.e. distilleries) – unfortunately much of this product was subject to recall or did not conform to regulatory requirements leading to a glut of product sitting in customer channels.
- Previcare's customer base demanded access to a broader set of Personal Protective Equipment ("PPE") in order to better serve their stakeholders during COVID.



# Previcare - PPE

PREVICARE™

- In March of 2020, Previcare began assisting its clients in securing PPE in order to help protect their stakeholders, including but not limited to;

- Masks (all levels)
- Medical gloves
- Test kits
- Therapeutics



- Previcare, alongside the rest of society, became concerned with the amount of waste generated by disposable masks during COVID:

- 3 million masks per minute, or 129 billion masks per month, are disposed of leaching toxic microplastics into the environment with each mask taking up to 450 years to fully decompose.





# Previcare – Compostable Masks PREVICARE

- Previcare entered a partnership to manufacture compostable masks in North America for its customers.
- Initial production is currently ramping to 350,000 boxes (17.5M masks) per month.
- In order to meet initial customer demand, Previcare is targeting production and delivery capacity in excess of 120 million masks per month within the next twelve to 18 months.
  - This expansion requires \$15 - 20M in investment over the next 18 months to achieve the level of 2.4M boxes monthly.

All Previcare Compostable Masks are Level 3 ASTM certified





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**FOAMTECH**

# FoamTech

FoamTech was formed in 2009 as exclusive manufacturer and distributor of over 20 different types of FoamTech Products.

- FoamTech's AluFoam and AluStone products have undergone rigorous testing to demonstrate their soundproofing, non-flammable, and noise reduction properties.
- Products have multiple applications in industrial and commercial construction, military, rapid transit, road and tunnel construction, marine designs and architecture, interior tiles and design, mining, oil & gas agriculture and the food and beverage industry.
- Porous foam structure for energy absorbent efficiency
- Effective transmission loss of sound levels over 90 decibels ("db")
- Material is 100% non-flammable    Zero toxic gas emissions
- Offers electromagnetic pulse protection





# FoamTech – Investment Highlights



Steel, Petro-Chemical, and Other Plants



Vessels, Vehicle and Railroad



Civil Engineering and Construction



Military and Defense



Living and Kitchen Furniture



Other Industrial Materials Applications





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# CXTL RECYCLING

# CXTL Recycling Canada Corp - Introduction



CXTL was co-founded by Magnetic and the inventor to create a company that can enable a circular economy by completely recycling and reclaiming all plastics in a profitable and environmentally conscious way.



Over 90 per cent of plastics end up incinerated, or in landfills, lakes, parks and oceans. Once in the environment, they contaminate ecosystems, kill wildlife, and leach toxic chemicals.

In 2016, the world discarded 50 million tons of e-waste (equivalent to about 4,500 Eiffel Towers). Estimated that by 2021, that will grow to more than 60 million tons.

Voluntary, industry-led initiatives aren't going to cut it. Making new plastics from fossil resources is cheap, the costs of collecting and recycling plastics is high, and without a valuable end product



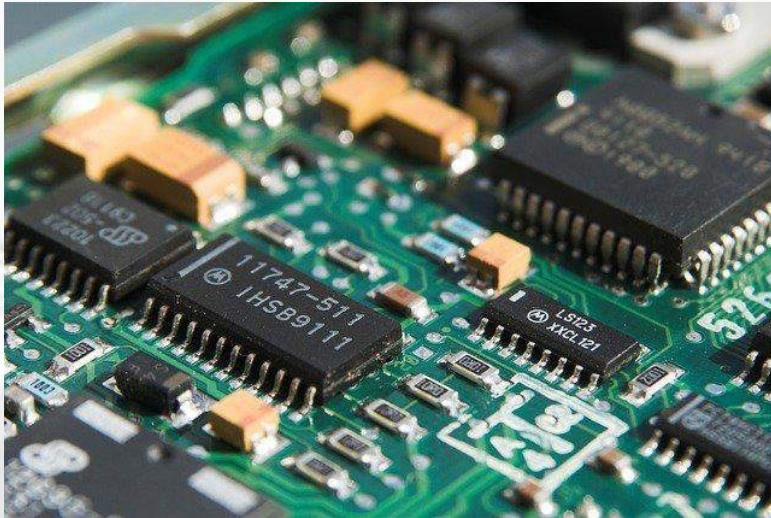
CXTL has developed a solution to completely recycle all types of plastic and e-waste into valuable products with NO WASTE and very low emissions.

Plastic is broken down into methane condensate and carbon black

E-waste is processed for the plastics, gold, silver, copper, aluminum, tin, zinc and other metals.



U.S. Environmental Protection Agency (EPA) says, "One metric ton of circuit boards can contain 40 to 800 times the amount of gold and 30 to 40 times the amount of copper mined from one metric ton of ore in the United States."





# NEXT STEPS:

- Magnetic is currently re-evaluating the CXTL business plan.
- COVID and supply chain issues created major issues with sourcing materials for the facility.
- Economics and funding are currently being reassessed.
- Decision to be made late in the first quarter





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# EQUITY STRUCTURE

# Equity Structure

## Preferred A Shares

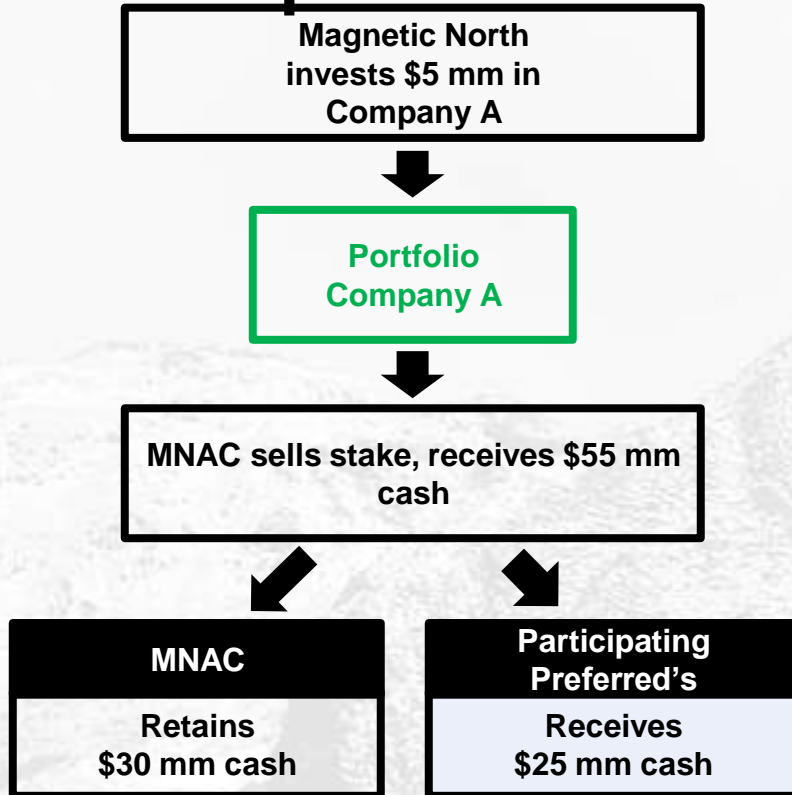
- Senior most security in the Company
  - Principal (face value) ranks first in any liquidation or wind up which provides some protection for investors
- Preferred Shares are redeemable in 2026
- Three streams of income for investors
  - Regular dividend to be restarted in 2022 and paid quarterly
  - Special dividends provided from 50% of capital gain from the sale of equity investment portfolio
- RRSP and TFSA eligible

## Common Shares

- Common shares rank behind Preferred shares in all cases
- Capital will be retained in the Company to fund future projects, and operations.
- Special dividends may be paid at some point in the future
- RRSP and TFSA eligible



# Participating Preferred – Illustrative Example



1. Magnetic North Acquisition Corp. ("MNAC") invests \$5 mm into Portfolio Company A.
2. MNAC sells all of its shares of Portfolio Company A for \$55 mm cash
  - \$55 mm sale price less the \$5 mm initial investment means an investment profit of \$50 mm
  - 50% of the investment profit equates to \$25 mm
3. MNAC distributes \$25 mm of investment profit to Participating Preferred Shareholders and retains \$30 mm (for benefit of MNAC shareholders)
  - Assuming there are 500k Participating Preferred Shares outstanding, each Preferred would receive \$50.00 of special distributions





# Market Capitalization

- Magnetic North has 59.05 mm Common shares, 1,712,927 Preferred A shares and no debt.
- Both the Common and Preferred shares trade on the TSXV.
  - Common shares under the symbol MNC
  - Series A Preferred Shares under the symbol MNC.PR.A

Capitalization		
Total Common Shares	(mm)	59.05
Last trading price	(\$/shr)	\$0.175
<hr/>		
Market Capitalization	(\$mm)	\$10.33
Total Preferred A Shares	(mm)	1.71
Price	(\$/shr)	\$7.00
Add: Preferred A Shares	(\$mm)	\$11.97
<hr/>		
Enterprise Value	(\$mm)	\$22.30





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# Contact

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