

## FORM 9

### **NOTICE OF PROPOSED ISSUANCE OF LISTED SECURITIES** **(or securities convertible or exchangeable into listed securities<sup>1</sup>)**

Please complete the following:

Name of Listed Issuer: 3 Sixty Risk Solutions Ltd. (the "Issuer").

Trading Symbol: SAFE.

Date: May 9, 2019.

Is this an updating or amending Notice:             Yes             No

If yes provide date(s) of prior Notices: April 2, 2019.

Issued and Outstanding Securities of Issuer Prior to Issuance: 143,913,059.

#### **Pricing**

Date of news release announcing proposed issuance: April 2, 2019.

Closing Market Price on Day Preceding the Issuance of the News Release: \$0.50

#### **Closing**

Number of securities to be issued: 5,963,202 common shares

Issued and outstanding securities following issuance: 149,876,261

#### **Part 1. Private Placement**

##### **Table 1A – Summary**

Each jurisdiction in which purchasers reside	Number of Purchasers	Price per Security	Total dollar value (CDN\$) raised in the jurisdiction
Total number of purchasers:			
Total dollar value of distribution in all jurisdictions:			

**Table 1B – Related Persons**

Full Name & Municipality of Residence of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable) (CDN\$)	Prospectus Exemption	Total Securities Previously Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)

<sup>1</sup>An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

1. Total amount of funds to be raised: \_\_\_\_\_ .
2. Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material. \_\_\_\_\_ .
3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: \_\_\_\_\_ .  
\_\_\_\_\_ .
4. If securities are issued in forgiveness of indebtedness, provide details of the debt agreement(s) or and the agreement to exchange the debt for securities.
5. Description of securities to be issued:
  - (a) Class \_\_\_\_\_ .
  - (b) Number \_\_\_\_\_ .
  - (c) Price per security \_\_\_\_\_ .
  - (d) Voting rights \_\_\_\_\_ .

6. Provide the following information if warrants, (options) or other convertible securities are to be issued:
- (a) Number \_\_\_\_\_ .
  - (b) Number of securities eligible to be purchased on exercise of warrants (or options) \_\_\_\_\_ .  
\_\_\_\_\_ .
  - (c) Exercise price \_\_\_\_\_ .
  - (d) Expiry date \_\_\_\_\_ .
7. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount \_\_\_\_\_ .
  - (b) Maturity date \_\_\_\_\_ .
  - (c) Interest rate \_\_\_\_\_ .
  - (d) Conversion terms \_\_\_\_\_ .
  - (e) Default provisions \_\_\_\_\_ .
8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):
- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): \_\_\_\_ .
  - (b) Cash \_\_\_\_\_ .
  - (c) Securities \_\_\_\_\_ .
  - (d) Other \_\_\_\_\_ .
  - (e) Expiry date of any options, warrants etc. \_\_\_\_\_ .
  - (f) Exercise price of any options, warrants etc. \_\_\_\_\_ .

9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship \_\_\_\_\_  
\_\_\_\_\_ .
10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).  
\_\_\_\_\_ .
11. State whether the private placement will result in a change of control.  
\_\_\_\_\_ .
12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ .
13. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102 Resale of Securities.

## 2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

On April 2, 2019, the Issuer acquired substantially all of the assets of Inkas Security Services Ltd. (the “Vendor”), a company specializing in the secured transportation of cash, coin processing, ATM services, armed security and vault storage primarily for government organizations, businesses, merchants and financial institutions (“the Purchased Business”), by way of an asset purchase agreement. The assets the Issuer acquired from the Vendor included, among other things, machinery, equipment, technology and communications hardware and supplies of all kinds including office supplies, trucks, cars and other vehicles, accounts receivable, customer contracts and certain leasehold interests owned by the Vendor (the “Transaction”). The assets are primarily located in Ontario, Alberta and Quebec.

2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material:

The acquisition was completed by way of an asset purchase agreement dated April 2, 2019 (“the “Purchase Agreement”) among the Vendor, 1141931 Ontario Ltd. (“Vendor Parent”), the Issuer and 3 Sixty Secure Corp. (the “Purchaser”), a wholly owned subsidiary of the Issuer. Both the Vendor and Vendor Parent are arm’s length to the Issuer.

3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:

(a) Total aggregate consideration in Canadian dollars: \$13,750,000

(b) Cash:

\$4,500,000, at the closing of the Transaction.

(c) Securities (including options, warrants etc.) and dollar value:

Upon the obtaining of certain material customer consents to the transaction as set out in the Purchase Agreement, the Issuer agreed to issue up to 9,166,666 common shares (the “Conditional

Shares”) to the Vendor at a price per share of \$0.60, the aggregate value of such shares being \$5,500,000 (the “Share Consideration”).

On May 2, 2019, the Vendor obtained one such consent and accordingly has issued 5,963,202 of the Conditional Shares to the Vendor, representing an aggregate value of \$3,577,921.60.

The Issuer may still issue the remaining 3,203,464 common shares to the Vendor (representing the balance of the Share Consideration) to the extent the remaining outstanding material customer consent to the transaction is obtained in accordance with the terms of the Purchase Agreement.

(d) Other:

In addition to the above, \$2,000,000 of the Purchase Price was satisfied by the issuance of a promissory note issued to the Vendor, repayable in quarterly instalments over a 2 year period, and \$1.75 million is subject to an earn-out, to become payable in common shares of the Issuer upon the Purchased Business meeting certain revenue targets in the first and second year, respectively, following closing.

(e) Expiry date of options, warrants, etc. if any: N/A.

(f) Exercise price of options, warrants, etc. if any: N/A

(g) Work commitments: N/A.

4. State how the purchase or sale price was determined (e.g. arm’s-length negotiation, independent committee of the Board, third party valuation etc).

The purchase price was determined by arm’s-length negotiation between the Vendor and the Issuer, along with consultation and input from the board of directors of the Issuer.

5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: N/A

6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer <sup>(1)</sup>
Inkas Security Services Ltd.	5,963,202 Common Shares	\$3,577,921.60		2.12 of NI 45-106	0	Arm's-Length

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired:

The Issuer undertook due diligence on the Vendor and the purchased assets typical of an asset purchase transactions, the Issuer also received representations and warranties from the Vendor in the Purchase Agreement confirming that it has good title to the assets being acquired. Certain of the contracts, including certain material customer contracts, of the Purchased Business remain subject to the Issuer obtaining post-closing consents. A portion of the purchase price, being \$5,500,000 of the Purchase Price payable in common shares of the Issuer, has been held back pending receipt of two of such material customer consents post-closing.

8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A.
- (b) Cash N/A.
- (c) Securities N/A.
- (d) Other N/A.

- (e) Expiry date of any options, warrants etc. N/A
- (f) Exercise price of any options, warrants etc. N/A .
9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A
10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A.

### **Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CSE Policy 1).
4. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated May 9, 2019.

Carlo Rigillo  
Name of Director or Senior  
Officer

Signed "Carlo Rigillo"  
Signature

Chief Financial Officer  
Official Capacity