

TO: UrbanStar **Horse Creek Development PH2** Ltd. (the "Corporation")

The undersigned (the "**Subscriber**") hereby irrevocably subscribes for and agrees to purchase the number of units ("**Units**") of the Corporation set forth below at a subscription price of \$1,000 per Unit, with each Unit consisting of: (i) \$950 of principal amount of a secured subordinated mortgage; and (ii) 10 Class B non-voting common shares of the Corporation at an issuance price of \$5 per share upon and subject to the terms and conditions set forth in "Terms and Conditions of Subscription for Units of UrbanStar Horse Creek Development PH2 Ltd." attached hereto (together with this page and the attached Exhibits, the "**Subscription Agreement**").

<b>Taro YAMADA</b>	←ブロック
(Name of Subscriber - please print)	
By: <b>山田 太郎</b>	←パスポートと同じサイン
(Authorized Signature)	(パスポートがない場合もサ)
(Official Capacity or Title - please print)	
(Please print name of individual whose signature appears above if different than the name of the subscriber printed above.)	
<b>6-12-3-306 Minamiaoyama</b>	ご住所欄
(Subscriber's Address)	
<b>Minato-ku, Tokyo</b>	
(City, Province, Postal Code)	
<b>Japan 107-0062</b>	
(Telephone Number)	
<b>81-3-6452-6050</b>	←携帯がお薦め
	(これは局番が03の場合の例)
<b>abcdefg@gmail.com</b>	←メールアドレス
(Social Insurance Number/BIN Number)	

<b>CAD50,000.-</b>	←お申込金額
("Aggregate Subscription Price") 千カナダドル単位	
(Minimum 25 Units (\$25,000), thereafter multiples of 1 Unit (\$1,000))	

**If the Subscriber is signing as agent for a principal and is not deemed to be purchasing as principal pursuant to NI 45-106 (as defined herein) by virtue of being either: (i) a trust company or trust corporation acting on behalf of a fully managed account managed by the trust company or trust corporation; or (ii) a person acting on behalf of a fully managed account managed by it, and in each case satisfying the criteria set forth in NI 45-106, complete the following and ensure that Exhibit "1" is completed in respect of such principal ("Disclosed Beneficial Principal"):**

\_\_\_\_\_  
(Name of Principal)

\_\_\_\_\_  
(Principal's Address, including postal code)

\_\_\_\_\_  
(Principal's Telephone Number)

\_\_\_\_\_  
(Principal's E-Mail Address)

**Register the Units as set forth below (if different from above):**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Account reference, if applicable)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, Province, Postal Code)

**Deliver the registered Units as set forth below (if different from above):**

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Account reference, if applicable)

\_\_\_\_\_  
(Contact Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, Province, Postal Code)

**ACCEPTANCE:** The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

Date: \_\_\_\_\_

**URBANSTAR HORSE CREEK DEVELOPMENT PH2 LTD.**

Per: \_\_\_\_\_

Subscription No:

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**EXHIBIT "1"**

**REPRESENTATION LETTER**

**TO: UrbanStar Horse Creek Development PH2 Ltd. (the "Corporation")**

In connection with the purchase of units (the "**Units**") of the Corporation by the undersigned subscriber or, if applicable, the principal on whose behalf the undersigned is purchasing as agent (the "**Subscriber**" for the purposes of this Exhibit "1"), the Subscriber hereby represents, warrants, covenants and certifies to the Corporation that:

1. the Subscriber is purchasing the Units as principal for its own account or otherwise complies with the provisions of paragraph 2(j) of the Subscription Agreement; and
2. the Subscriber is and shall be at the Time of Closing (as defined in the Subscription Agreement), an "accredited investor" within the meaning of National Instrument 45-106 - *Prospectus Exemptions* ("**NI 45-106**") by virtue of satisfying the indicated criterion as set out in **Appendix "A"** to this Representation Letter;
3. the Subscriber fully understands the meaning of the terms and conditions of the category of "accredited investor" applicable to it, has had an opportunity to discuss the meaning of the category of "accredited investor" applicable to it with the Corporation, any authorized agent of the Corporation, or the Subscriber's counsel and confirms that it has reviewed and understands the definitions in **Appendix "A"** to this Representation Letter in respect of the category of "accredited investor" applicable to it and, in particular, if the Subscriber is an "accredited investor" by virtue of satisfying paragraph (j), (j.1), (k) or (l) of **Appendix "A"** to this Representation Letter, it has reviewed and understands the definitions of "financial assets", "related liabilities" and the calculation of net assets, as applicable, contained in **Appendix "A"** to this Representation Letter;
4. the Subscriber was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of "accredited investor" in NI 45-106;
5. if the Subscriber is an "accredited investor" by virtue of satisfying paragraph (j), (k) or (l) on **Appendix "A"** to this Representation Letter, it acknowledges that it is required to complete **Exhibit "2"** to the Subscription Agreement and upon execution of **Exhibit "2"** by the Subscriber, **Exhibit "2"** shall be incorporated into and form a part of the Subscription Agreement and the Corporation and its counsel shall be entitled to rely thereon; and
6. upon execution of this **Exhibit "1"** by the Subscriber, this **Exhibit "1"** shall be incorporated into and form a part of the Subscription Agreement and the Corporation and its counsel shall be entitled to rely thereon.

Dated: June 1, 2018

6月1日の場合

**Taro YAMADA** ←ブロック体

Print Name of Subscriber

**山田 太郎** ←パスポートのサイン

By:

Signature

(パスポートがない場合は手書きでお名前を記入)

Print Name of Signatory (if different from Subscriber)

Title

**IMPORTANT: PLEASE INITIAL OR PLACE A MARK BESIDE THE APPLICABLE CATEGORY OR CATEGORIES IN APPENDIX "A" ON THE NEXT PAGES THAT DESCRIBES YOU**

✓ (k)

an individual whose net income before taxes exceeded **\$200,000** in each of the two most recent calendar years or whose net income before taxes combined with that of a spouse exceeded **\$300,000** in each of the two most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year;

[Note: If relying on this paragraph (k), you must deliver a completed **Exhibit "2"**.]

Please provide the following information (based on your two most recent notices of assessment from the Canada Revenue Agency or equivalent):

Net income before taxes	Last Year	<input type="checkbox"/> Range - Less than \$100,000	State Amount: \$ _____
		<input type="checkbox"/> Range - \$100,000-200,000	
		<input type="checkbox"/> Range - \$201,000-300,000	
		<input checked="" type="checkbox"/> Range - \$301,000-400,000	
		<input type="checkbox"/> Range - Greater than \$401,000	
	Year prior to last year	<input type="checkbox"/> Range - Less than \$100,000	State Amount: \$ _____
		<input type="checkbox"/> Range - \$100,000-200,000	
		<input type="checkbox"/> Range - \$201,000-300,000	
		<input checked="" type="checkbox"/> Range - \$301,000-400,000	
		<input type="checkbox"/> Range - Greater than \$401,000	

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<u>If applicable</u> , net income before taxes of your spouse	Last Year	<input type="checkbox"/> Range - Less than \$100,000	State Amount: \$ _____
		<input type="checkbox"/> Range - \$100,000-200,000	
		<input type="checkbox"/> Range - \$201,000-300,000	
		<input type="checkbox"/> Range - \$301,000-400,000	
		<input type="checkbox"/> Range - Greater than \$401,000	
	Year prior to last year	<input type="checkbox"/> Range - Less than \$100,000	State Amount: \$ _____
		<input type="checkbox"/> Range - \$100,000-200,000	
		<input type="checkbox"/> Range - \$201,000-300,000	
		<input type="checkbox"/> Range - \$301,000-400,000	
		<input type="checkbox"/> Range - Greater than \$401,000	

         (l) an individual who, either alone or with a spouse, has net assets of at least **\$5,000,000**;

[Note: To calculate net assets, take the value of your total assets (which may include a personal residence) and subtract your total liabilities (which may include a mortgage). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of these securities. If relying on this paragraph (l), you must deliver a completed **Exhibit 2**.]

Please provide the following information by subtracting your total liabilities from your total assets (for example, the value your personal residence minus the related liabilities, such as a mortgage) and note that the value attributed to assets should reasonably reflect their estimated fair value and income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution:

Total Assets	\$ - _____
Minus - Total Liabilities (including outstanding taxes)	\$ - _____
Equals = Net Assets	\$ - _____

[Note: If individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under either sections (t) or (w) below, which must be initialled and the applicable information indicated completed.]

EXHIBIT "2"

Form 45-106F9

Form for Individual Accredited Investors

**WARNING!**

**This Investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment**

**SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER**

**1. About your investment**

Type of securities: <b>Units consisting of: (i) \$950 of principal amount of a secured, subordinated, interest fee Mortgage with a term of 20 years; and (ii) 10 Class B non-voting common shares at an issuance price of \$5 per share.</b>	Issuer: <b>UrbanStar Horse Creek Development PH2 Ltd.</b>
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Purchased from: **The Issuer**

**SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER**

**2. Risk acknowledgement**

This investment is risky. Initial that you understand that:	Your initials
<b>Risk of loss</b> – You could lose your entire investment of \$ <u>50,000</u> . [Instruction: Insert the total dollar amount of the investment.] 申込金額	T.Y.
<b>Liquidity risk</b> – You may not be able to sell your investment quickly – or at all.	T.Y.
<b>Lack of information</b> – You may receive little or no information about your investment.	T.Y.
<b>Lack of advice</b> – You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to <a href="http://www.aretheyregistered.ca">www.aretheyregistered.ca</a> .	T.Y.

**3. Accredited investor status**

You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	Your initials
<ul style="list-style-type: none"> <li>Your net income before taxes was more than <b>\$200,000 (CDN)</b> in each of the 2 most recent calendar years, and you expect it to be more than <b>\$200,000 (CDN)</b> in the current calendar year. (You can find your net income before taxes on your personal income tax return.)</li> </ul>	T.Y.
<ul style="list-style-type: none"> <li>Your net income before taxes combined with your spouse's was more than <b>\$300,000(CDN)</b> in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than <b>\$300,000 (CDN)</b> in the current calendar year.</li> </ul>	
<ul style="list-style-type: none"> <li>Either alone or with your spouse, you own more than <b>\$1 million (CDN)</b> in cash and securities, after subtracting any debt related to the cash and securities.</li> </ul>	

サンプル通りにイニシャルをお願いします。

• Either alone or with your spouse, you have net assets worth more than <b>\$5 million (CDN)</b> . (Your net assets are your total assets (including real estate) minus your total debt.)	
<b>4. Your name and signature</b>	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	<b>Taro YAMADA</b> ←同じブロック体で
Signature: <b>山田 太郎</b> ←サイン	Date: <b>June 1, 2018</b> ←2018年6月1日の場合
<b>SECTION 5 TO BE COMPLETED BY THE SALESPERSON</b>	
<b>5. Salesperson information</b>	
<i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i>	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	
<b>SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER</b>	
<b>6. For more information about this investment</b>	
<b>UrbanStar Horse Creek Development PH2 Ltd.</b> 1043, 19 <sup>th</sup> Avenue S.E. Calgary, Alberta T2G 1M1 Dean Gorenc, Director Tel: (403) 990-8718 E-mail: <a href="mailto:dgorenc@urbanstarcapital.com">dgorenc@urbanstarcapital.com</a> <a href="http://www.urbanstarcapital.com">www.urbanstarcapital.com</a>	
For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at <a href="http://www.securities-administrators.ca">www.securities-administrators.ca</a> .	

**Form instructions:**

1. This form does not mandate the use of a specific font size or style but the font must be legible.
2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.
3. The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.