

## Certificate of Amalgamation

Business Corporations Act

## Certificat de fusion

Loi sur les sociétés par actions

**VOLATUS AEROSPACE CORP.**

Corporation Name / Dénomination sociale

**1000062415**

Ontario Corporation Number / Numéro de société de l'Ontario

This is to certify that these articles are effective on

La présente vise à attester que ces statuts entreront en  
vigueur le

**December 22, 2021 / 22 décembre 2021**

*Barbara Duckitt*

Director / Directeur

Business Corporations Act / Loi sur les sociétés par actions

The Certificate of Amalgamation is not complete  
without the Articles of Amalgamation

Certified a true copy of the record of the  
Ministry of Government and Consumer Services.

*Barbara Duckitt*

Director/Registrar



Le certificat de fusion n'est pas complet s'il ne  
contient pas les statuts de fusion

Copie certifiée conforme du dossier du  
ministère des Services gouvernementaux et des  
Services aux consommateurs.

*Barbara Duckitt*

Directeur ou registrateur



# Articles of Amalgamation

Business Corporations Act

## 1. Amalgamated Corporation Name

VOLATUS AEROSPACE CORP.

## 2. Registered Office Address

60 Airport Road, Oro Medonte, Ontario, Canada, L0L 2E0

## 3. Number of Directors

Minimum/Maximum

Min 1 / Max 10

## 4. The director(s) is/are:

Full Name

Sam INGRAM

Resident Canadian

Yes

Address for Service

71 Toledo Road, Etobicoke, Ontario, Canada, M9C 2H7

Full Name

Glen LYNCH

Resident Canadian

Yes

Address for Service

41 Rue Woodhaven, Dollard-Des-Ormeaux, Quebec, Canada,  
H9B 1W5

Full Name

Ian MCDOUGALL

Resident Canadian

Yes

Address for Service

17857 Mountainview Road, Caledon East, Ontario, Canada, L7K  
2G3

Full Name  
Resident Canadian  
Address for Service

Gordon SILVERMAN  
No  
14333 Collins Avenue, Unit 240, Sunny Isles Beach, Florida,  
United States, 11111

## 5. Method of Amalgamation

### A. Amalgamation Agreement

The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176(4) of the Business Corporations Act on the date set out below.

The Name, OCN, and Date of Adoption/Approval for each amalgamating corporation are as follows:

| Corporation Name        | OCN        | Date of Adoption/Approval |
|-------------------------|------------|---------------------------|
| VOLATUS AEROSPACE CORP. | 1000048538 | December 14, 2021         |
| PARTNER JET CORP.       | 750378     | December 14, 2021         |

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise. If none, enter "None":

None

7. The classes and any maximum number of shares that the corporation is authorized to issue:

An unlimited number of Common Shares and an unlimited number of Class A Preferred Shares.

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors' authority with respect to any class of shares which may be issued in series. If there is only one class of shares, enter "Not Applicable":

A. Common Shares The Common shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions: 1. Voting Each holder of Common shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, except meetings at which only holders of other classes or series of shares are entitled to attend, and at all such meetings shall be entitled to one (1) vote in respect of each Common share held by such holder. 2. Dividends The holders of the Common shares shall be entitled to receive dividends as and when declared from time to time by the board of directors out of moneys of the Corporation properly applicable to the payment of dividends and the amount per Common share of each such dividend shall be determined by the board of directors at the time of declaration. The board of directors may declare in its absolute discretion dividends on any of the said Common shares in priority to or after dividends, if any, which may be declared or paid on any other of the said classes of shares in the same amounts or in such different amounts as they may decide, together with or wholly to the exclusion of any other of the said classes of shares. 3. Liquidation In the event

of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, the holders of the Common shares shall, subject to the rights of the holders of any other class of shares of the Corporation, be entitled to share equally share for share, in the distribution of the assets of the Corporation. B. Class A Preferred Shares The Class A Preferred shares shall have attached thereto, as a class, the following rights, privileges, restrictions and conditions: (i) The holders of the Class A Preferred shares shall be entitled to receive dividends as and when declared from time to time by the board of directors out of moneys of the Corporation properly applicable to the payment of dividends and the amount per Class A Preferred share of each such dividend shall be determined by the board of directors at the time of declaration. The board of directors may declare in its absolute discretion dividends on any of the said Class A Preferred shares in priority to or after dividends, if any, which may be declared or paid on any other of the said classes of shares in the same amounts or in such different amounts as they may decide, together with or wholly to the exclusion of any other of the said classes of shares. (ii) Upon the liquidation, dissolution or winding up of the Corporation or upon final distribution of its property and assets and after the payment of its debts, the holders of the Class A Preferred shares shall be entitled, in preference and priority to the holders of Common shares, to payment in respect of each Class A Preferred share of an amount equal to the Redemption Amount (as defined herein) together with all dividends declared thereon and unpaid (the whole constituting and being referred to herein as the "Dissolution Amount"). (iii) The "Redemption Amount" for each Class A Preferred share shall be an amount equal to the sum of \$1.00. (iv) The Corporation shall have the right, at its option at any time and from time to time to redeem all or any portion of the Class A Preferred shares at a price per share equal to the Redemption Amount together with any declared and unpaid dividends thereon (the whole constituting and herein referred to as the "Redemption Price"). In all cases of redemption, save and except when a holder of Class A Preferred shares has waived notice of redemption either before or after redemption, seven (7) days' notice (the "Notice of Redemption") shall be given by letter directed to the respective shareholders whose Class A Preferred shares are to be redeemed at their respective addresses appearing on the books of the Corporation. The Notice of Redemption shall set out: (a) the number of Class A Preferred shares to be redeemed, if only part of the Class A Preferred shares held by the shareholder to whom such notice is addressed are to be redeemed; (b) the Redemption Price; (c) the date on which the redemption is to take place (the "Redemption Date"); (d) the place where such Class A Preferred shares will be redeemed; and (e) the name and address of the chartered bank, if any, in which unclaimed redemption monies will be deposited. On or after the Redemption Date, the Corporation shall pay the Redemption Price to the respective holders of the Class A Preferred shares to be redeemed, on presentation and surrender of the certificate or certificates for such Class A Preferred shares, duly endorsed, at the place specified in the Notice of Redemption. The Corporation shall have the right on or after the Redemption Date to deposit any unclaimed redemption monies to a Special account in the chartered bank named in the Notice of Redemption, to be paid upon presentation and surrender of the share certificate or certificates as have not at the date of such deposit been surrendered by the holders thereof, to or to the order of such holders. Upon the later of the Redemption Date and the date upon which payment of the Redemption Price of a Class A Preferred share being redeemed or deposit of any unclaimed redemption monies as specified above is made in respect of a Class A Preferred share being redeemed, that Class A Preferred share shall cease to be entitled to dividends and the holder thereof shall not be entitled to exercise any of the rights of holders of Class A Preferred shares in respect thereof which rights shall thereupon cease. If a holder has surrendered a certificate or certificates representing a greater number of Class A Preferred shares than the Class A Preferred shares to be redeemed, the Corporation shall at its own expense issue to such holder a new certificate representing the Class A Preferred shares which have not been redeemed; (v) Each holder of Class A Preferred shares shall have the right at its option and from time to time to require the Corporation to redeem at any time or times all or any portion of the Class A Preferred shares registered in the name of such holder on the books of the Corporation by tendering to the Corporation at its registered office a share certificate or certificates representing the Class A Preferred shares which the registered holder desires to have the Corporation redeem together with a request in writing specifying: (a) the number of Class A Preferred shares the registered holder desires to have redeemed by the Corporation; and (b) the business day (the "Retraction Date") on which the holder desires to have the Corporation redeem such Preferred shares. The Retraction Date so specified in the request in writing shall be not less than thirty (30) days after the day on which the request in writing is given to the Corporation, save and except where the Corporation has in writing waived the requirement for such thirty (30) day period and agreed to an earlier Retraction Date. Upon receipt of a share certificate or certificates representing the Class A Preferred shares which the registered holder desires to have the Corporation redeem together with such a request, the Corporation shall on the Retraction Date redeem such Class A Preferred shares by paying to such registered holder in respect of each Class A Preferred share to be so redeemed an amount equal to the Redemption Price. Such payment shall be made by cheque payable at par at

any branch of the Corporation's bankers for the time being in Canada or in such other manner as may be mutually agreed upon by the Corporation and the holder of the Class A Preferred shares being so redeemed. The said Class A Preferred shares shall be redeemed on the Retraction Date and from and after the Retraction Date such Class A Preferred shares shall cease to be entitled to any dividends and the holders thereof shall not be entitled to exercise any of the rights of holders of Class A Preferred shares in respect thereof unless payment of the Redemption Price is not made on the Retraction Date, in which event the rights of the holders of the said Class A Preferred shares shall remain unaffected. If a holder has surrendered a certificate or certificates representing a greater number of Class A Preferred shares than the Class A Preferred shares such holder desires to have the Corporation redeem, the Corporation shall at its own expense issue to such holder a new certificate representing the Class A Preferred shares which have not been redeemed; (vi) The holders of the Class A Preferred shares shall not have voting rights for the election of directors or for any other purpose, nor shall they be entitled, except as hereinafter provided, to notice of shareholders' meetings or to attend shareholders' meetings; provided, however, that holders of the Class A Preferred shares shall be entitled to notice of meetings of shareholders called for the purpose of authorizing the dissolution of the Corporation or the sale, lease or exchange of all or substantially all of the property of the Corporation other than in the ordinary course of business of the Corporation under subsection 184(3) of the Business Corporations Act (Ontario).

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows. If none, enter "None":

None

10. Other provisions:

None

The articles have been properly executed by the required person(s).

Supporting Document - Schedule "A"

Statement of a director or officer of each of the amalgamating corporations completed as required under subsection 178(2) of the Business Corporations Act.

**Supporting Document - Schedule "B"**

A copy of the amalgamation agreement adopted by shareholders under subsection 176(4) of the Business Corporations Act

**SCHEDULE "A"**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)  
AND IN THE MATTER  
OF THE AMALGAMATION OF VOLATUS AEROSPACE CORP. AND  
PARTNER JET CORP.**

I, Glen Lynch, of the City of Oro-Modeonte, Simcoe, Province of Ontario  
DO SOLEMNLY DECLARE, that

1. I am an officer of Volatus Aerospace Corp., one of the amalgamating corporations and I have personal knowledge of the matters herein.
2. I am satisfied that there are reasonable grounds for believing that:
  - (a) each amalgamating corporation can and the amalgamated Corporation will be able to pay its liabilities as they become due; and
  - (b) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
  - (c) there are reasonable grounds for believing that no creditor will be prejudiced by the amalgamation.

AND I make this Statement conscientiously believing it to be true.

DATED at Ottawa, Ontario, this 22nd day of December, 2021.

"Glen Lynch"

\_\_\_\_\_  
Print Name: Glen Lynch  
Title: Chief Executive Officer

**SCHEDULE "A"**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)  
AND IN THE MATTER  
OF THE AMALGAMATION OF VOLATUS AEROSPACE CORP. AND  
PARTNER JET CORP.**

I, Luc Masse, of the City of Morin Heights, Province of Quebec

DO SOLEMNLY DECLARE, that

1. I am an officer of Partner Jet Corp., one of the amalgamating corporations and I have personal knowledge of the matters herein.
2. I am satisfied that there are reasonable grounds for believing that:
  - (a) each amalgamating corporation can and the amalgamated Corporation will be able to pay its liabilities as they become due; and
  - (b) the realizable value of the amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
  - (c) there are reasonable grounds for believing that no creditor will be prejudiced by the amalgamation.

AND I make this Statement conscientiously believing it to be true.

DATED at Morin-Heights, Quebec, this 16<sup>th</sup> day of December, 2021.

**DECLARED** remotely by Luc Masse of the )  
Town of Morin-Heights in the Province of )  
Quebec, before me at the City of Toronto in )  
the Province of Ontario on December 16, )  
2021 in accordance with O. Reg 431/20, )  
Administering Oath or Declaration )  
Remotely.

"Peter Hill" )

\_\_\_\_\_  
A Notary Public in and for the Province of )  
Ontario )

"Luc Masse" \_\_\_\_\_

## Schedule "B"

### AMALGAMATION AGREEMENT

**THIS AMALGAMATION AGREEMENT** made as of June 30, 2021.

#### **BETWEEN:**

**Partner Jet Corp.**, a body corporate incorporated under the laws of the Province of Ontario (hereinafter called "**Partner Jet**")

- and -

**Volatus Aerospace Corp.**, a body corporate incorporated under the laws of Canada (hereinafter called "**Volatus**")

**WHEREAS** Volatus and Partner Jet wish to complete a business combination;

**AND WHEREAS** Volatus and Partner Jet have agreed to structure the business combination by way of an amalgamation in accordance with the provisions of the *Business Corporations Act* (Ontario);

**AND WHEREAS** the parties have entered into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters relating to the proposed amalgamation;

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that in consideration of the above premises and of the covenants, agreements, representations and warranties hereinafter contained, the parties hereto agree as follows:

#### **ARTICLE 1 INTERPRETATION**

##### **1.1 Definitions**

In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following defined terms shall have the meanings hereinafter set forth:

"**Agreement**", "**this Agreement**", "**herein**", "**hereby**", "**hereof**", "**hereunder**" and similar expressions mean or refer to this agreement and any amendments hereto.

"**Amalco**" means the amalgamated corporation to be constituted upon completion of the Amalgamation, to be named "Volatus Aerospace Corp.".

"**Amalco Common Shares**" means the common shares in the capital of Amalco.

"**Amalco Option Plan**" means the stock option plan to be adopted in connection with the Amalgamation to replace and supercede the Partner Jet Option Plan and Volatus Option Plan and provide for the grant of options by Amalco going forward.

**“Amalco Preferred Shares”** means the preferred shares in the capital of Amalco, having terms identical to the Volatus Class A Preferred Shares.

**“Amalco RSU Plan”** means the Restricted Share Unit Plan to be adopted in connection with the Amalgamation to provide for the grant of restricted share units by Amalco going forward.

**“Amalgamation”** means the amalgamation of Volatus and Partner Jet pursuant to Section 174 of the OBCA provided for herein to form Amalco to be effective at the Effective Time.

**“Articles of Amalgamation”** means the Articles of Amalgamation with respect to the Amalgamation.

**“Assessment”** has the meaning ascribed thereto in Subsection 3.2(h).

**“Assets and Properties”** with respect to any Person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, tangible or intangible, choate or inchoate, absolute, accrued, contingent, fixed or otherwise, and, in each case, wherever situated), including the goodwill related thereto, operated, owned or leased by or in the possession of such Person.

**“associate”** and **“affiliate”** have the respective meanings ascribed thereto in the *Securities Act* (Ontario).

**“Auditors”** means such firm of chartered accountants as a company may from time to time appoint as auditors of such company.

**“Bridge Financing”** the convertible debenture financing completed by Volatus between April and May of 2021 through the issuance of the Bridge Financing Debentures and Bridge Financing Warrants.

**“Bridge Financing Debentures”** means the convertible debentures issued by Volatus in connection with the Bridge Financing, which debentures will be convertible into Volatus Common Shares immediately prior the Amalgamation.

**“Bridge Financing Warrants”** means the Volatus Common Share purchase warrants issued to subscribers in connection with the Bridge Financing.

**“Business Day”** means any day other than a Saturday or Sunday or a day when banks in the City of Toronto, Ontario are not generally open for business.

**“CBCA”** means the *Canada Business Corporations Act*, as from time to time amended or re-enacted and includes any regulations heretofore or hereafter made pursuant thereto.

**“CDS”** means CDS Clearing and Depository Services Inc.

**“Certificate of Amalgamation”** means the certificate of amalgamation for the Amalgamation issued pursuant to Section 178 of the OBCA.

**“Circular”** means the management information circular and any other disclosure document, prepared by Partner Jet in accordance with applicable Securities Laws in connection with the Amalgamation contemplated herein.

**“Closing”** means the completion of the Amalgamation.

**“Closing Date”** means the date of the Closing, which shall be within five (5) Business Days following the later of the satisfaction or waiver of all conditions precedent to the Amalgamation or such other date as Volatus and Partner Jet may collectively agree, acting reasonably, and in any event not later than the Termination Date.

**“Confidential Information”** means any information concerning a party to this Agreement (the **“Disclosing Party”**) or its business, properties and assets made available to another party or its representatives (the **“Receiving Party”**); provided that it does not include information which (i) is generally available to or known by the public other than as a result of improper disclosure by the Receiving Party, or (ii) is obtained by the Receiving Party from a source other than the Disclosing Party, provided that (to the reasonable knowledge of the Receiving Party) such source was not bound by a duty of confidentiality to the Disclosing Party or another party with respect to such information.

**“Continuance”** means the continuance of Volatus pursuant to Section 180 of the OBCA and 188 of the CBCA with the effect that it shall become a corporation incorporated pursuant to the OBCA.

**“Contract”** means all agreements, contracts or commitments of any nature, written or oral, including, for greater certainty and without limitation, leases, purchase agreements, manufacturing, supply and distribution agreements, loan documents and security documents.

**“Debt Instrument”** means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money;

**“Disclosing Party”** has the meaning ascribed thereto in the definition of **“Confidential Information”**.

**“Effective Date”** means the effective date of the Amalgamation, which shall be the date of the Certificate of Amalgamation.

**“Effective Time”** means the effective time of the Amalgamation on the Effective Date, being the time of filing the Articles of Amalgamation, or such other time specified in the Articles of Amalgamation.

**“Encumbrance”** means any charge, mortgage, hypothecation, lien, pledge, claim, restriction, security interest or other encumbrance whether created or arising by agreement, statute or otherwise pursuant to any applicable law, attaching to property, interests or rights and shall be construed in the widest possible terms and principles known under the laws applicable to such property, interests or rights and whether or not they constitute specific or floating charges as those terms are understood under the laws of the Province of Ontario.

**“Environmental Laws”** has the meaning ascribed thereto in Section 4.1(hh).

**“Environmental Permits”** has the meaning ascribed thereto in Section 4.1(ii).

**“Exchange Rate”** shall be the rate of exchange of Partner Jet Common Shares for Amalco Common Shares in connection with the Amalgamation, being one Amalco Common Shares for each 2.95454 Partner Jet Common Shares.

**“Governmental Entity”** means and includes any domestic or foreign federal, provincial, regional, state, municipal or other government, governmental department, agency, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory authority, including any securities regulatory authorities.

**“Governmental Licenses”** has the meaning ascribed thereto in Section 4.1(x).

**“Hazardous Substances”** means any substance, material or waste that is defined, judicially interpreted or identified in, or regulated, listed or prohibited by Environmental Laws, including pollutants, contaminants, chemicals, deleterious substances, dangerous goods, hazardous or industrial toxic wastes or substances, tailings, wasterock, radioactive materials, flammable substances, explosives, petroleum and petroleum products, polychlorinated biphenyls, chlorinated solvents and asbestos.

**“IFRS”** means International Financial Reporting Standards as issued by the International Accounting Standards Board, as applicable in Canada.

**“Indebtedness”** of any Person means all obligations of such Person:

- (a) for borrowed money;
- (b) evidenced by notes, bonds, debentures or similar instruments;
- (c) for the deferred purchase price of goods or services (other than trade payables or accruals incurred in the ordinary course of business);
- (d) under capital and operating leases;
- (e) under “vendor take-back” financing or deferred payments in connection with any acquisition; or
- (f) which are guarantees of the obligations described in clauses (a) through (e) above of any other Person if secured by any or all of the Assets and Properties of the guarantor.

**“Intellectual Property”** means, collectively, all domestic and foreign intellectual property rights which pertain to the business of a party as it is currently conducted and contemplated of whatsoever nature, kind or description including all: (i) patent rights and utility model rights, whether registered or not; (ii) unregistered trade-marks, registered trade-marks, trade names, brand names, trade dress, logos, slogans, certification marks, other trade-mark

rights and the goodwill associated with any of the foregoing; (iii) copyright and moral rights, whether registered or not; (iv) industrial designs, whether registered or not; (v) integrated circuit topographies, whether registered or not; (vi) mask works, whether registered or not; (vii) applications, registrations, renewals, continuations, extensions, divisions, reissues, modifications, developments and extensions of any of the items listed in clauses (i) through (vi) above; (viii) trade secrets and proprietary and confidential information including patterns, plans, designs, research data, other proprietary know-how, processes, drawings, technology, inventions, formulae, specifications, performance data, quality control information, unpatented blue prints, flow sheets, equipment and parts lists, instructions, manuals, records and procedures; (ix) all intranets, extranets, domain names, website names, URLs, as well as all website design and content; (x) computer programs and other software including any of their versions, updates, upgrades, object and source codes, any improvement and related documentation together with all translations thereof; and (xi) all licenses, sublicenses, agreements and other Contracts and commitments related to any of the foregoing.

**“Leased Premises”** means the premises which are material to a Person and which a Person occupies as a tenant.

**“Material Adverse Change”** or **“Material Adverse Effect”** with respect to Partner Jet or Volatus, or their respective subsidiaries, as the case may be, means any fact, effect, change, event, occurrence, or any development involving a change, that is or is reasonably likely to be materially adverse to the consolidated results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flows, income or business operations of Partner Jet or Volatus, as the case may be, and as a going concern.

**“OBCA”** means the *Business Corporations Act* (Ontario), as from time to time amended or re-enacted and includes any regulations heretofore or hereafter made pursuant thereto.

**“Partner Jet”** means Partner Jet Corp., a body corporate incorporated under the OBCA with its head office located in Mississauga, Ontario.

**“Partner Jet Common Shares”** means the class A common shares in the capital of Partner Jet, otherwise designated as common shares.

**“Partner Jet Disclosure Letter”** means a letter signed by Partner Jet and provided by Partner Jet to Volatus Jet as of the date hereof setting forth certain disclosures required herein.

**“Partner Jet Employee Plans”** has the meaning ascribed thereto in Section 4.1(oo).

**“Partner Jet Licensed Intellectual Property”** has the meaning ascribed thereto in Section 4.1(ee).

**“Partner Jet Material Agreement”** means any Contract, commitment, agreement (written or oral), instrument, lease or other document (including option agreements), to which Partner Jet is a party or otherwise bound and which is material to Partner Jet.

**“Partner Jet Meeting”** means the special meeting of Partner Jet shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the OBCA and the TSXV to consider the Partner Jet Shareholders’ Approval and for any other purpose as may be set out in the Circular and agreed to in writing by Volatus.

**“Partner Jet Options”** means the issued and outstanding options of Partner Jet pursuant to the Partner Jet Stock Option Plan.

**“Partner Jet Owned Intellectual Property”** has the meaning ascribed thereto in Section 4.1(ee).

**“Partner Jet Shareholders’ Approval”** means the approval of the shareholders of Partner Jet of, among other things, the Amalgamation and this Agreement pursuant to the OBCA and the adoption of the Amalco Option Plan and Amalco RSU Plan by Amalco at Closing.

**“Partner Jet Stock Option Plan”** means the stock option plan of Partner Jet.

**“Person”** shall be broadly interpreted and shall include any individual, corporation, partnership, joint venture, association, trust or other legal entity.

**“Receiving Party”** has the meaning ascribed thereto in the definition of **“Confidential Information”**.

**“Replacement Compensation Warrants”** means the warrants to purchase Amalco Common Shares that will be outstanding upon completion of the Amalgamation having been issued in exchange for the Volatus Compensation Warrants.

**“Replacement Options”** means the options to purchase Amalco Common Shares that will be outstanding upon completion of the Amalgamation pursuant to the Amalco Option Plan having been issued in exchange for the Volatus Options and Partner Jet Options.

**“Replacement Warrants”** means the warrants of Amalco that will be outstanding upon completion of the Amalgamation having been issued in exchange for the Bridge Financing Warrants and Volatus SR Warrants.

**“Securities Laws”** means all applicable securities laws, the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, multilateral and national instruments, orders, blanket rulings, notices and other regulatory instruments of the securities regulatory authorities in applicable jurisdictions having the force of law, including the rules and published policies of the TSXV.

**“Tax Act”** means the *Income Tax Act* (Canada) and the regulations thereunder, all as amended from time to time.

**“Taxes”** means all taxes (including income tax, sales tax, value add tax, capital tax, payroll taxes, employer health tax, workers’ compensation payments, property taxes and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or

withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto.

**“Termination Date”** means the date that is 120 days after the first closing of the Volatus Private Placement or such other date as the parties may agree upon in writing.

**“TSXV”** means the TSX Venture Exchange.

**“U.S. Securities Act”** means the United States Securities Act of 1933, as amended.

**“Volatus”** means Volatus Aerospace Corp., a body corporate incorporated under the CBCA with its registered office located at 4<sup>th</sup> Floor, 6500 TransCanada Service Road Pointe-Claire, QC, H9R 0A5, Canada.

**“Volatus’ Auditors”** means S&W LLP or such other firm of chartered accountants as Volatus may from time to time appoint as Auditors of Volatus.

**“Volatus Class A Preferred Shares”** means the class A preferred shares in the capital of Volatus.

**“Volatus Common Shares”** means the common shares in the capital of Volatus.

**“Volatus Compensation Warrants”** means warrants to purchase Volatus Common Shares issued and to be issued by Volatus to brokers and finders in connection with the Bridge Financing and the Volatus Private Placement.

**“Volatus Disclosure Letter”** means a letter signed by Volatus and provided by Volatus to Partner Jet as of the date hereof setting forth certain disclosures required herein.

**“Volatus Employee Plans”** has the meaning ascribed thereto in Section 4.2(nn).

**“Volatus Licensed Intellectual Property”** has the meaning ascribed thereto in Section 4.2(dd).

**“Volatus Material Agreements”** means any Contract, commitment, agreement (written or oral), instrument, lease or other document (including option agreements), to which Volatus is a party or otherwise bound and which is material to Volatus.

**“Volatus Options”** means the issued and outstanding options of Volatus pursuant to the Volatus Stock Option Plan.

**“Volatus Owned Intellectual Property”** has the meaning ascribed thereto in Section 4.2(dd).

**“Volatus Preferred Shares”** means the preferred shares, issuable in series in the capital of Volatus.

**“Volatus Private Placement”** means the proposed private placement of Volatus Subscription Receipts to take place prior to the Closing.

**“Volatus Subscription Receipts”** means the subscription receipts of Volatus issued under the Volatus Private Placement at a price of \$0.65 per Volatus Subscription Receipt, each being automatically converted, without any further action on the part of the holder and without payment of additional consideration, for one Volatus Common Share and one half of one Volatus SR Warrant immediately prior to the Amalgamation upon satisfaction of certain escrow release conditions.

**“Volatus Shareholders’ Approval”** means the approval of the shareholders of Volatus of, among other things, the Amalgamation and this Agreement pursuant to the OBCA and the adoption of the Amalco Option Plan and Amalco RSU Plan by Amalco at Closing.

**“Volatus SR Warrant”** means a warrant to purchase one Volatus Common Share at an exercise price of \$0.75 at any time prior to 24 months from the anniversary of the closing of the Amalgamation.

**“Volatus Stock Option Plan”** means the stock option plan of Volatus.

## **1.2 Interpretation Not Affected by Headings, etc.**

The division of this Agreement into articles, sections and subsections is for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms “this Agreement”, “hereof”, “herein”, and “hereunder” and similar expressions refer to this Agreement and not to any particular article, section or other portion hereof and include any Agreement or instrument supplementary or ancillary hereto.

## **1.3 Number, etc.**

Words importing the singular number shall include the plural and vice versa, words importing the use of any gender shall include all genders and words importing persons shall include firms and corporations and vice versa.

## **1.4 Date for Any Action**

In the event that any date on which any action is required to be taken hereunder by any of the parties is not a Business Day such action shall be required to be taken on the next succeeding day which is a Business Day.

## **1.5 Currency**

References to “\$” in this Agreement refer to lawful money of Canada.

## **1.6 Knowledge**

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of Partner Jet or Volatus, as applicable, it shall be deemed to refer to the actual knowledge of the officers thereof, after having made due inquiry.

## 1.7 Meanings

Words and phrases defined in the OBCA shall have the same meaning herein as in the OBCA, unless otherwise defined herein or the context otherwise requires. Unless otherwise specifically indicated or the context otherwise requires “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”.

## ARTICLE 2 AMALGAMATION

### 2.1 Amalgamation

On or before the Closing Date, subject to the terms and conditions of this Agreement and receipt of necessary approvals, each of Volatus and Partner Jet shall take all steps required of it to complete the Amalgamation and, without limitation, use all reasonable efforts to obtain the Partner Jet Shareholders’ Approval, the Volatus Shareholders’ Approval, complete the Continuance and to apply for and obtain all consents, orders or approvals as are necessary or desirable for the implementation of the Amalgamation and Volatus and Partner Jet shall jointly complete and file the Articles of Amalgamation, in the form agreed to between Volatus and Partner Jet, with the registrar pursuant to the OBCA.

### 2.2 Amalco

- (a) **Name.** The name of Amalco shall be “Volatus Aerospace Corp.”
- (b) **Registered Office.** The registered office of Amalco shall be 60 Airport Road, Oro Medonte, ON L0L 2E0 or such other address as Volatus and Partner Jet may determine prior to filing the Articles of Amalgamation.
- (c) **Authorized Capital.** Amalco shall be authorized to issue an unlimited number of Amalco Common Shares and an unlimited number of Amalco Preferred Shares.
- (d) **Restrictions on Share Transfer.** The transfer of shares of Amalco shall not be subject to any restrictions.
- (e) **Number of Directors.** The minimum number of directors of Amalco shall be one and the maximum number of directors of Amalco shall be ten.
- (f) **First Directors.** The number of directors of Amalco shall be 4. The first directors of Amalco shall hold office from the Effective Date until the first annual meeting of the shareholders of Amalco following the Amalgamation, or until his successor is elected or appointed in accordance with the by-laws of Amalco and the OBCA. The first directors shall manage or supervise the management of the business and affairs of Amalco, subject to the provisions of the OBCA. The first directors of Amalco shall be:

**Name**

Glen Lynch

Ian McDougall

Sam Ingram

Gordon Silverman

- (g) **Officers.** The officers of Amalco, until changed or added to by the board of directors of Amalco, shall be as follows:

**Office**

**Name**

Glen Lynch

President and Chief Executive Officer

Abhinav Singhvi

Chief Financial Officer

Luc Masse

Executive Vice President and Secretary

Robert Walker

Vice President, Business Development

- (h) **First Auditors.** The Auditors of Amalco shall be S&W LLP. The Auditors of Amalco shall hold office until the first annual meeting of shareholders of Amalco following the Amalgamation, or until their successor is appointed.
- (i) **Fiscal Year.** The fiscal year end of Amalco shall be 31 December.
- (j) **Restrictions on Business.** There shall be no restrictions on the business that Amalco may carry on.
- (k) **By-laws.** The by-laws of Amalco shall be the current by-laws of Partner Jet. Prior to the Effective Date, a copy of such by-laws may be examined at the current address of Partner Jet set out in Section 6.1 hereof.
- (l) **Amalco Equity Incentive Plans.** The Amalco Option Plan and Amalco RSU Plan, in forms acceptable to each of Partner Jet and Volatus, will be adopted by Amalco for use from Closing forward, subject to Partner Jet Shareholder Approval and Volatus Shareholder Approval.

## **2.3 Effect of Certificate of Amalgamation**

At the Effective Time and upon the issuance of the Certificate of Amalgamation:

- (a) Volatus and Partner Jet shall be amalgamated and continue as one corporation under the terms and conditions prescribed in this Agreement;
- (b) each of Volatus and Partner Jet shall cease to exist as entities separate from Amalco;

- (c) Amalco shall possess all the property, rights, privileges and franchises and is subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of Volatus and Partner Jet;
- (d) a conviction against, or ruling, order or judgment in favour or against either of Volatus or Partner Jet may be enforced by or against Amalco;
- (e) the Articles of Amalgamation shall be deemed to be the articles of incorporation of Amalco and, except for the purposes of subsection 117(1) of the OBCA, the Certificate of Amalgamation shall be deemed to be the certificate of incorporation of Amalco;
- (f) Amalco shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against Volatus or Partner Jet before the Amalgamation has become effective;
- (g) the aggregate stated capital of the Amalco Common Shares shall be an amount equal to the aggregate paid-up capital for purposes of the *Income Tax Act* (Canada) immediately prior to the Amalgamation of (i) the Partner Jet Common Shares, other than Partner Jet Common Shares held by holders that have validly exercised their dissent rights in connection with the Partner Jet Shareholders' Approval and each Partner Jet Common Share held by Volatus which shall be cancelled in accordance with subsection 2.4(d), and (ii) the Volatus Common Shares that are exchanged, or deemed to be exchanged, for Amalco Common Shares on the Amalgamation, other than Volatus Common Shares held by holders that have validly exercised their dissent rights in connection with the Volatus Shareholders' Approval; and
- (h) the aggregate stated capital of the Amalco Preferred Shares shall be an amount equal to the aggregate paid-up capital for purposes of the *Income Tax Act* (Canada) immediately prior to the Amalgamation of the Volatus Class A Preferred Shares that are exchanged, or deemed to be exchanged, for Amalco Preferred Shares on the Amalgamation, other than Volatus Class A Preferred Shares held by holders that have validly exercised their dissent rights in connection with the Volatus Shareholders' Approval.

## 2.4 Manner of Exchange of Issued Securities

Upon the terms and subject to the conditions set forth herein, at the time Effective Time and as a result of the Amalgamation,

- (a) notwithstanding the terms of any existing class of shares in the capital of Volatus, each Volatus Common Share outstanding immediately prior to the Amalgamation, including the Volatus Common Shares issuable on conversion of the Volatus Subscription Receipts and the Volatus Common Shares issuable upon conversion of the Bridge Financing Debentures, but excluding Volatus Common Shares held by holders that have validly exercised their dissent rights in connection with the Volatus Shareholders' Approval, shall be exchanged for one fully paid and non-assessable Amalco Common Share;

- (b) each Volatus Class A Preferred Share outstanding immediately prior to the Amalgamation, but excluding Volatus Class A Preferred Shares held by holders that have validly exercised their dissent rights in connection with the Volatus Shareholders' Approval, shall be exchanged for one fully paid and non-assessable Amalco Preferred Share;
- (c) each Partner Jet Common Share outstanding immediately prior to the Amalgamation, but excluding Partner Jet Common Shares held by Volatus and by holders that have validly exercised their dissent rights in connection with the Partner Jet Shareholders' Approval, shall be exchanged for fully paid and non-assessable Amalco Common Shares at the Exchange Rate;
- (d) each Partner Jet Common Share held by Volatus immediately prior to the Amalgamation shall be cancelled without any repayment of capital in respect of such Partner Jet Common Shares;
- (e) subject to receipt of all required regulatory approvals, each Volatus Option that remains outstanding and unexercised, whether or not vested, immediately prior to the Amalgamation, if any, shall be exchanged for a Replacement Option to purchase one Amalco Common Share, on substantially the same terms and conditions as were applicable to such Volatus Option immediately prior to the Amalgamation, including the exercise price, and each such Volatus Option shall be cancelled;
- (f) subject to receipt of all required regulatory approvals, pursuant to the terms of the Partner Jet Option Plan, each Partner Jet Option that remains outstanding and unexercised, whether or not vested, immediately prior to the Amalgamation, if any, shall be exchanged for a Replacement Option to purchase the corresponding number of Amalco Common Shares based on the Exchange Rate, on substantially the same terms and conditions as were applicable to such Partner Jet Option immediately prior to the Amalgamation and each such Partner Jet Option shall be cancelled. The exercise price for each Amalco Share underlying each such Replacement Option will be equal to the exercise price per Partner Jet Common Share under the Partner Jet Option in effect immediately prior to the Amalgamation multiplied by the Exchange Rate. Notwithstanding the foregoing, if required for purposes of meeting the requirements of paragraph 7(1.4)(c) of the Tax Act, the exercise price of each Replacement Option of any particular holder shall be, and shall be deemed to be, adjusted at the time of the exchange by the amount, and only to the extent, necessary to ensure that the aggregate fair market value of the Amalco Common Shares subject to the Replacement Option immediately after the exchange over the aggregate exercise price for such Amalco Common Shares pursuant to the Replacement Option does not exceed the excess of the aggregate fair market value of Partner Jet Common Shares subject to the Partner Jet Option immediately before the exchange over the aggregate exercise price for such Partner Jet Common Shares under the Partner Jet Option;
- (g) subject to receipt of all required regulatory approvals, each outstanding Volatus Compensation Warrant immediately prior to the Amalgamation shall be exchanged

for a Replacement Compensation Warrant entitling the holder thereof to purchase an equal number of Amalco Common Shares, on substantially the same terms and conditions as were applicable to such Volatus Compensation Warrant immediately prior to the Amalgamation under the agreement or certificate evidencing such grant, including the exercise price, and each such Volatus Compensation Warrant shall be cancelled; and

- (h) subject to receipt of all required regulatory approvals, each outstanding Bridge Financing Warrant and each Volatus SR Warrant immediately prior to the Amalgamation shall be exchanged for a Replacement Warrant entitling the holder thereof to purchase an equal number of Amalco Shares, on substantially the same terms and conditions as were applicable to such Bridge Financing Warrant or Volatus SR Warrant, as applicable, immediately prior to the Amalgamation under the agreement or certificate evidencing such grant, including the exercise price, and each such Bridge Financing Warrant and Volatus SR Warrant shall be cancelled.

Volatus Common Shares, Volatus Class A Preferred Shares and Partner Jet Common Shares held by holders who have validly exercised their dissent rights pursuant to the OBCA in connection with the shareholder resolution to approve the Amalgamation will not be exchanged pursuant to this Section 2.4. A holder of Volatus Common Shares, Volatus Class A Preferred Shares and Partner Jet Common Shares who duly exercises such dissent rights (including the sending of a notice of dissent to Volatus or Partner Jet, as applicable) ceases to have any rights as a holder of Volatus Common Shares, Volatus Class A Preferred Shares and Partner Jet Common Shares, as applicable, other than the right to be paid the fair value of such holder's Volatus Common Shares, Volatus Class A Preferred Shares and Partner Jet Common Shares, as applicable, pursuant to the OBCA, net of any Taxes required to be withheld. However, if any such dissenting holder fails to perfect or effectively withdraws its claim pursuant to applicable law, or forfeits its right to make a claim under applicable law, or if its rights as a shareholder of Volatus or Partner Jet, as applicable, are otherwise reinstated, the Volatus Common Shares, Volatus Class A Preferred Shares and Partner Jet Common Shares held by such holders shall thereupon be deemed to have been exchanged as of the time of the Amalgamation in accordance with this Section.

## **2.5 Certificates**

At the Effective Time and as a result of the Amalgamation:

- (a) the registered holders of Volatus Common Shares shall cease to be holders of such shares, and shall become registered holders of the Amalco Common Shares to which they are entitled in accordance with Section 2.4 hereof, all certificates evidencing Volatus Common Shares shall be null and void and, on or after the Effective Time, subject to Section 2.7 hereof, subject to any mandatory or voluntary escrow provided for hereunder, Amalco shall provide instructions to its transfer agent to deliver to each registered holder of Volatus Common Shares a physical certificate, DRS notice or electronic deposit through CDS representing the Amalco Common Shares they are entitled to receive pursuant to this Agreement;

- (b) the registered holders of Volatus Class A Preferred Shares shall cease to be holders of such shares, and shall become registered holders of the Amalco Preferred Shares to which they are entitled in accordance with Section 2.4 hereof, all certificates evidencing Volatus Class A Preferred Shares shall be null and void and, on or after the Effective Time, subject to Section 2.7 hereof, subject to any mandatory or voluntary escrow provided for hereunder, Amalco shall provide instructions to its transfer agent to deliver to each registered holder of Volatus Class A Preferred Shares a physical certificate or DRS notice representing the Amalco Preferred Shares they are entitled to receive pursuant to this Agreement;
- (c) the registered holders of Partner Jet Common Shares shall cease to be holders of such shares, and shall become registered holders of the Amalco Common Shares to which they are entitled in accordance with Section 2.4 hereof, all certificates evidencing Partner Jet Common Shares shall be null and void and, on or after the Effective Time, subject to Section 2.7 hereof, subject to any mandatory or voluntary escrow provided for hereunder, Amalco shall provide instructions to its transfer agent to deliver to each registered holder of Partner Jet Common Shares an appropriate form of letter of transmittal, a physical certificate, DRS notice or electronic deposit through CDS representing the Amalco Common Shares they are entitled to receive pursuant to this Agreement;
- (d) the registered holders of the Volatus Options, Partner Jet Options, Volatus Compensation Warrants, Bridge Financing Warrants and Volatus SR Warrants shall become the registered holders of the Replacement Options, Replacement Compensation Warrants and Replacement Warrants, respectively, to which they are entitled in accordance with Section 2.4 hereof, all certificates and/or agreements evidencing such securities shall, in accordance with their terms, evidence such securities of Amalco and Amalco shall deliver notice to the holders of such options and warrants of the foregoing or deliver amended certificates or agreements evidencing such securities of Amalco as required;
- (e) notwithstanding the foregoing, all certificates representing Volatus Common Shares or Partner Jet Common Shares held by persons who have validly exercised their dissent rights in connection with the Volatus Shareholders' Approval or Partner Jet Shareholders' Approval, respectively, shall represent only the right to receive fair value of such shares formerly represented by such certificates in accordance with the OBCA; and
- (f) notwithstanding anything to the contrary in this Agreement, no Amalco Common Shares or Amalco Preferred Shares shall be delivered to any person in the United States if Amalco determines, in its sole discretion that doing so may result in any contravention of the United States Securities Act of 1933 or any applicable state securities laws and Amalco may instead, in the case of the Amalco Common Shares and Amalco Preferred Shares, appoint an agent to sell the Amalco Common Shares or Amalco Preferred Shares of such person on behalf of that person and deliver an amount of cash representing the proceeds of the sale of such Amalco Common Shares or Amalco Preferred Shares, net of expenses of sale.

## **2.6 Fractional Securities**

No fractional securities of Amalco will be issued. If a securityholder of Volatus or Partner Jet would otherwise be entitled to a fractional security upon the Amalgamation, the number of securities of Amalco issued to such securityholder shall be rounded up to the next whole number of such security. In calculating such fractional interests, all securities registered in the name of a Partner Jet or Volatus securityholder or their nominee shall be aggregated.

## **2.7 Acknowledgment of Escrow and Resale Restrictions**

Volatus acknowledges and agrees that in accordance with the policies of the TSXV, the Amalco Common Shares and Amalco Preferred Shares issued to certain shareholders of Volatus will be subject to escrow. It shall be a condition of Closing that all such shareholders of Volatus enter into such escrow agreement(s) as may be required by the policies of the TSXV.

# **ARTICLE 3 COVENANTS**

## **3.1 Covenants of Partner Jet**

Partner Jet covenants and agrees with Volatus from the date of execution hereof and until the earlier of the Effective Date or the date this Agreement is terminated in accordance with its terms:

- (a) not to, directly or indirectly, solicit, initiate, knowingly encourage, co-operate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Amalgamation, and without limiting the generality of the foregoing, not to induce or attempt to induce any other Person to initiate any shareholder proposal or “take-over bid,” exempt or otherwise, within the meaning of the *Securities Act* (Ontario), for securities or assets of Partner Jet, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Amalgamation, including allowing access to any third party (other than its representatives) to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations or in respect of which the Partner Jet board of directors determines, in its good faith judgment, after receiving advice from its legal advisors, that failure to recommend such alternative transaction to the Partner Jet shareholders would be a breach of its fiduciary duties under applicable law. In the event Partner Jet or any of its affiliates, including any of their officers or directors, receives any form of offer or inquiry in respect of any of the foregoing, Partner Jet shall forthwith (in any event within one Business Day following receipt) notify Volatus of such offer or inquiry and provide Volatus with such details as it may request;

- (b) to co-operate fully with Volatus and to use all commercially reasonable efforts to assist Volatus in its efforts to complete the Amalgamation, unless such co-operation and/or efforts would subject Partner Jet to liability or would be in breach of applicable statutory or regulatory requirements;
- (c) to operate its business in a prudent and business-like manner in the ordinary course and in a manner consistent with past practice; and
- (d) not to, without Volatus' prior written consent (such consent not to be unreasonably withheld, conditioned or delayed):
  - (i) issue any debt, equity or other securities, except pursuant to the Amalgamation or pursuant to any securities exercisable to acquire Partner Jet Common Shares outstanding as of the date hereof;
  - (ii) borrow money or incur any Indebtedness for money borrowed;
  - (iii) make loans, advances, or any other payments, excluding routine advances to employees of Partner Jet for expenses incurred in the ordinary course and payment of professional fees and other expenses in connection with or ancillary to the Amalgamation or in the ordinary course;
  - (iv) declare or pay any dividends or distribute any of Partner Jet's properties or assets to shareholders or otherwise;
  - (v) alter or amend Partner Jet's articles or by-laws in any manner, except as contemplated herein or required to give effect to the matters contemplated herein; and
  - (vi) except as otherwise permitted or contemplated herein, enter into any transaction or material Contract which is not in the ordinary course of business or engage in any business enterprise or activity materially different from that carried on by Partner Jet as of the date hereof.

### **3.2 Further Covenants of Partner Jet**

Partner Jet covenants and agrees with Volatus that Partner Jet will from the date of execution hereof and until the earlier of the Effective Date or the date this Agreement is terminated in accordance with its terms:

- (a) use all commercially reasonable efforts to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement;
- (b) use its commercially reasonable efforts to obtain the Partner Jet Shareholders' Approval and the approval of the TSXV as necessary to complete the Amalgamation, each prior to the Effective Date;

- (c) promptly advise Volatus of any written notice of dissent or purported exercise by any holder of Partner Jet Common Shares of dissent rights under applicable law received by Partner Jet in relation to the Amalgamation and any withdrawal of dissent rights received by Partner Jet and, subject to applicable law, any written communications sent by or on behalf of Partner Jet to any holder of Partner Jet Common Shares exercising or purporting to exercise dissent rights in relation to the Amalgamation;
- (d) make necessary filings and applications under applicable federal and provincial laws and regulations required on the part of it in connection with the transactions contemplated herein, and take all reasonable action necessary to be in compliance with such laws and regulations;
- (e) use all commercially reasonable efforts to conduct its affairs so that all of its representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made on the Effective Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (f) immediately notify Volatus of any legal or governmental actions, suits, judgments, investigations, injunction, complaint, motion, regulatory investigation, regulatory proceeding or similar proceeding by any Person, Governmental Entity or other regulatory body, whether actual or threatened, with respect to the Amalgamation or which could otherwise delay or impede the transactions contemplated hereby;
- (g) notify Volatus immediately upon becoming aware that any of the representations and warranties of Partner Jet contained herein are no longer true and correct in any material respect;
- (h) immediately upon receipt of any written audit inquiry, assessment, reassessment, confirmation or variation of an assessment, indication that an assessment is being considered, request for filing of a waiver or extension of time or any other notice in writing relating to Taxes (an “**Assessment**”) of Partner Jet, deliver to Volatus a copy thereof together with a statement setting out, to the extent then determinable, an estimate of the obligations, if any, of Partner Jet on the assumption that such Assessment is valid and binding;
- (i) use all commercially reasonable efforts to cause each of the conditions precedent set forth in Section 5.1 hereof to be satisfied on or prior to the Effective Date (to the extent the satisfaction of such condition is within the control of Partner Jet);
- (j) advise Volatus if there are any circumstances, individually or in the aggregate, that may materially and adversely affect the transactions contemplated by this Agreement;
- (k) subject to the satisfaction of the conditions in Section 5.2 hereof, file together with Volatus with the registrar under the OBCA the Articles of Amalgamation and such

other documents as may be required to give effect to the Amalgamation on or before the Termination Date; and

- (l) Cooperate with Volatus to prepare and file any necessary documentation in connection with the issuance of securities to United States securityholders of Partner Jet and Volatus.

### **3.3 Covenants of Volatus**

Volatus covenants and agrees with Partner Jet from the date of execution hereof and until the earlier of the Effective Date or the date this Agreement is terminated in accordance with its terms:

- (a) not to, directly or indirectly, solicit, initiate, knowingly encourage, co-operate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Amalgamation, and without limiting the generality of the foregoing, not to induce or attempt to induce any other Person to initiate any shareholder proposal or “take-over bid,” exempt or otherwise, within the meaning of the *Securities Act* (Ontario) for securities or assets of Volatus, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Amalgamation, including allowing access to any third party (other than its representatives) to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations or in respect of which the Volatus board of directors determines, in its good faith judgment, after receiving advice from its legal advisors, that failure to recommend such alternative transaction to the securityholders of Volatus would be a breach of its fiduciary duties under applicable law. In the event Volatus or any of its affiliates or associates, including any of their officers or directors, receives any form of offer or inquiry in respect of the foregoing, Volatus shall forthwith (in any event within one Business Day following receipt) notify Partner Jet of such offer or inquiry and provide Partner Jet with such details in respect thereof that Partner Jet may request;
- (b) to co-operate fully with Partner Jet and to use all commercially reasonable efforts to assist Partner Jet in its efforts to complete the Amalgamation unless such co-operation and efforts would subject Volatus to liability or would be in breach of applicable statutory or regulatory requirements;
- (c) to operate its business in a prudent and business-like manner in the ordinary course and in a manner consistent with past practice;
- (d) that Volatus shall not, without Partner Jet’s prior written consent (such consent not to be unreasonably withheld, conditioned or delayed):

- (i) issue any equity or convertible debt securities, except in connection with the issuance of Volatus Common Shares pursuant to any securities exercisable to acquire common shares of Volatus (including the Volatus Options) outstanding as of the date hereof, the Bridge Financing, the Volatus Private Placement and the issuance of shares or convertible instruments on terms acceptable to Partner Jet, acting reasonably;
- (ii) borrow money or incur any Indebtedness for money borrowed except pursuant to the Bridge Financing and in the ordinary course of business;
- (iii) make loans, advances, or any other payments, excluding routine advances to employees of Volatus and its subsidiaries for expenses incurred in the ordinary course and payment of professional fees and other expenses in connection with or ancillary to the Amalgamation or in the ordinary course;
- (iv) declare or pay any dividends or distribute any properties or assets of Volatus to shareholders or otherwise dispose of any of such properties or assets;
- (v) alter or amend the articles or by-laws of Volatus in any manner which may adversely affect the success of the Amalgamation, except as required to give effect to the matters contemplated herein including the Continuance;
- (vi) make capital expenditures out of the ordinary course of business except as may be reasonable required in connection with facilities and leasehold improvements; and
- (vii) except as otherwise permitted or contemplated herein, enter into any transaction or material Contract which is not in the ordinary course of business or engage in any business enterprise or activity materially different from that carried on by Volatus as of the date hereof

### **3.4 Further Covenants of Volatus**

Volatus covenants and agrees with Partner Jet that it will from the date of execution hereof and until the earlier of the Effective Date or the date this Agreement is terminated in accordance with its terms:

- (a) use all commercially reasonable efforts to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement, to provide all notices required in connection with the Amalgamation and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement;
- (b) use its commercially reasonable efforts to obtain the Volatus Shareholders' Approval prior to the Effective Date;
- (c) promptly advise Partner Jet of any written notice of dissent or purported exercise by any Volatus shareholder of dissent rights under applicable law received by

Volatus in relation to the Continuance or the Amalgamation and any withdrawal of dissent rights received by Volatus and, subject to applicable law, any written communications sent by or on behalf of Volatus to any Volatus shareholder exercising or purporting to exercise dissent rights in relation to the Continuance or the Amalgamation;

- (d) make necessary filings and applications under applicable federal, state and provincial laws and regulations required on the part of Volatus in connection with the transactions contemplated herein, including in relation to the Continuance, and take all reasonable action necessary to be in compliance with such laws and regulations;
- (e) use all commercially reasonable efforts to conduct its affairs so that Volatus' representations and warranties contained herein shall be true and correct on and as of the Effective Date as if made on the Effective Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (f) immediately notify Partner Jet of any legal or governmental actions, suits, judgments, investigations, injunction, complaint, motion, regulatory investigation, regulatory proceeding or similar proceeding by any Person, Governmental Entity or other regulatory body, whether actual or threatened, with respect to the Amalgamation or which could otherwise delay or impede the transactions contemplated hereby or result in a Material Adverse Effect;
- (g) notify Partner Jet immediately upon becoming aware that any of the representations and warranties of Volatus contained herein are no longer true and correct in any material respect;
- (h) immediately upon receipt of any Assessment relating to Volatus, deliver to Partner Jet a copy thereof together with a statement setting out, to the extent then determinable, an estimate of the obligations, if any, of Volatus on the assumption that such Assessment is valid and binding;
- (i) use all commercially reasonable efforts to cause each of the conditions precedent set forth in Section 5.2 hereof to be satisfied on or prior to the Effective Date (to the extent the satisfaction of such condition is within the control of Volatus);
- (j) advise Partner Jet if there are any circumstances, individually or in the aggregate, that may materially and adversely affect the transactions contemplated by this Agreement;
- (k) use its commercially reasonable best efforts to prepare the required audited and interim financial statements of Volatus to satisfy the financial statement requirements for the Circular as prescribed by Securities Laws; and
- (l) subject to the satisfaction of the conditions precedent in Section 5.1 hereof, thereafter together with Partner Jet file with the registrar under the OBCA the

Articles of Amalgamation and such other documents as may be required to give effect to the Amalgamation on or before the Termination Date.

- (m) Cooperate with Partner Jet to prepare and file any necessary documentation in connection with the issuance of securities to United States securityholders of Partner Jet and Volatus.

### **3.5 Circular, Partner Jet Meeting and Listing**

- (a) Partner Jet will:
  - (i) as soon as reasonably practicable after the execution of this Agreement, prepare the Circular together with any other documents required by the TSXV, OBCA and other applicable laws in connection with the approval of the Amalgamation by the Partner Jet shareholders including a recommendation that the Partner Jet shareholders approve the Amalgamation and solicitation of proxies in favour of the Amalgamation;
  - (ii) provide legal counsel to Volatus with a reasonable opportunity to review and comment on all drafts of the Circular prior to filing the Circular with the TSXV or applicable Governmental Entities and printing and mailing the Circular to the Partner Jet shareholders and will give reasonable consideration to such comments;
  - (iii) as soon as reasonably practicable after the execution of this Agreement and with regard to expected timing for preparation of the Circular and TSXV approval of the Amalgamation, schedule the Partner Jet Meeting in compliance with *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”) and other applicable laws;
  - (iv) make an application to the TSXV for approval of the Amalgamation and the listing of Amalco Common Shares (including the Amalco Common Shares issuable upon exercise of the Replacement Options, Replacement Compensation Warrants and Replacement Warrants) and the Replacement Warrants issuable in replacement of the Volatus SR Warrants on Closing of the Amalgamation; and
  - (v) cause the Circular and such other documents to be sent to the Partner Jet shareholders in compliance with NI 54-101 and filed as required by the TSXV and applicable laws.
- (b) Partner Jet shall ensure that the Circular complies in all material respects with applicable laws and policies of the TSXV, and, without limiting the generality of the foregoing, that the disclosure in the Circular (including with respect to any information incorporated therein by reference) required to be provided in respect of the Partner Jet Meeting (other than information furnished by Volatus) will not contain any misrepresentation and will provide the Partner Jet shareholders with

information in sufficient detail to permit them to form a reasoned judgement concerning the matters to be placed before them at the Partner Jet Meeting.

- (c) Volatus will:
  - (i) in a timely and expeditious manner, assist Partner Jet in the preparation of the Circular, including providing certain financial statements and such information in relation to the business, affairs, assets and properties of Volatus as may be necessary to comply with applicable laws and the policies of the TSXV;
  - (ii) ensure that the Circular contains full, true and plain disclosure relating to Volatus and does not contain a misrepresentation as it relates to Volatus, including in respect of its assets, liabilities, operations, business and properties; and
  - (iii) deliver to Partner Jet (for further delivery by Partner Jet to the TSXV) an appropriate form of Personal Information Form duly completed by each of the proposed directors and officers to be appointed by Amalco at Closing of the Amalgamation.
- (d) Volatus shall indemnify and save harmless Partner Jet and its directors, officers, employees, agents, advisors and representatives from and against any and all respective liabilities, claims, demands, losses, costs, damages and expenses to which Partner Jet or its directors, officers, employees, agents, advisors or representatives may be subject or may suffer, in any way caused by, or arising, directly or indirectly, from or in consequence of:
  - (i) any misrepresentation or alleged misrepresentation in any information included in the Circular that is provided by Volatus for inclusion therein; and
  - (ii) any order made, or any inquiry, investigation or proceeding by any securities regulatory authority or other Governmental Entity, to the extent based on any misrepresentation or any alleged misrepresentation in any information related to Volatus and provided for inclusion in the Circular.
- (e) Volatus shall promptly notify Partner Jet if, at any time before the Closing, the Circular contains an untrue statement of a material fact about Volatus or omits to state a material fact about Volatus required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Circular and the parties shall co-operate in the preparation and filing of any amendment or supplement to the Circular as required or as appropriate.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES**

### **4.1 Representations and Warranties of Partner Jet**

Partner Jet represents and warrants to and in favour of Volatus as follows, and acknowledges that Volatus is relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) Partner Jet (i) is validly existing under the laws of the province of Ontario and is up-to-date in respect of all material corporate filings and in good standing under the OBCA; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own or lease and operate its properties and assets; and (iii) has all requisite corporate power and authority to enter into and carry out its obligations under this Agreement.
- (b) Except for a wholly owned subsidiary, Partner Jet Inc., Partner Jet does not beneficially own, or exercise control or direction over, directly or indirectly, any interest in any other person.
- (c) No proceedings have been taken, instituted or, to the knowledge of Partner Jet, are pending for the dissolution or liquidation of Partner Jet.
- (d) Partner Jet is, in all material respects, conducting its business in compliance with all applicable laws, rules and regulations (including all material applicable federal, provincial, state, municipal and local laws, regulations and other lawful requirements of any Governmental Entity) of each jurisdiction in which its business is carried on and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as now conducted and its property and assets to be owned or leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which would reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.
- (e) Each of the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been authorized by all necessary corporate action of Partner Jet and upon the execution and delivery hereof, this Agreement shall constitute a valid and binding obligation of Partner Jet, enforceable against Partner Jet in accordance with its terms, provided that enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable.

- (f) All consents, approvals, permits, authorizations or filings necessary for the execution and delivery of this Agreement by Partner Jet and the consummation by Partner Jet of the transactions contemplated hereby (including the Amalgamation) have been made or obtained, as applicable other than: (i) the Partner Jet Shareholders' Approval; (ii) the filing and approval of the Circular by the TSXV; (iii) the necessary filings with and approval of the TSXV for the listing of the Amalco Common Shares (including the Amalco Common Shares issuable upon exercise of the Replacement Options, Replacement Compensation Warrants and Replacement Warrants) and the Replacement Warrants on the TSXV; (iv) the filing of the Articles of Amalgamation under the OBCA and the issuance of a certificate in respect thereof; and (v) such registrations and other actions required under applicable Securities Laws as are contemplated by this Agreement and registrations and applications required as a result of the formation of a new corporation on the Amalgamation.
- (g) The execution and delivery of this Agreement by Partner Jet and, provided that the consents described in Section 4.1(f) are obtained, the performance by Partner Jet of its obligations hereunder and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach or violation of any of the terms of or provisions of, or constitute a default under (whether after notice or lapse of time or both), and Partner Jet is not currently in breach or default of, (A) any statute, rule or regulation applicable to Partner Jet; (B) the constating documents or resolutions of Partner Jet which are in effect at the date of hereof; (C) any Debt Instrument or Partner Jet Material Agreement; or (D) any judgment, decree or order binding Partner Jet or the properties or assets thereof, except where such breach, violation or default would not reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.
- (h) The authorized capital of Partner Jet consists of an unlimited number of Partner Jet Common Shares, an unlimited number of class B shares and an unlimited number of class C shares, of which 9,078,774 Partner Jet Common Shares and no other shares are issued and outstanding as fully paid and non-assessable shares as of the date hereof.
- (i) Except for 575,000 Partner Jet Options which are outstanding pursuant to the Partner Jet Option Plan, no person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of Partner Jet and a sufficient number of Partner Jet Common Shares were reserved for issuance pursuant to outstanding Partner Jet Options.
- (j) Partner Jet is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will have a Material Adverse Effect on Partner Jet.
- (k) No order ceasing or suspending trading in any securities of Partner Jet or prohibiting the sale of any of Partner Jet's issued securities has been issued and, to

the knowledge of Partner Jet, no proceedings for such purpose have been threatened or are pending.

- (l) Since February 28, 2021, other than in connection with the Amalgamation and as set out in the Partner Jet Disclosure Letter:
  - (i) there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of Partner Jet;
  - (ii) there has not been any material change in the share capital or long-term debt of Partner Jet; and
  - (iii) Partner Jet has carried on its business in the ordinary course.
- (m) The Partner Jet financial statements for the year ended 30 November 2020 present, and the Partner Jet financial statements that will be included in the Circular will present, fairly, in all material respects, the financial condition of Partner Jet for the period then ended and are prepared in accordance with IFRS;
- (n) There are no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) of Partner Jet or other persons that would reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.
- (o) There are no actions, proceedings or investigations (whether or not purportedly by or on behalf of Partner Jet) commenced or, to the knowledge of Partner Jet, threatened or pending against Partner Jet at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any Governmental Entity, that would reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.
- (p) The currently issued and outstanding securities of Partner Jet have been issued in compliance with Securities Laws.
- (q) Partner Jet is a “reporting issuer” (as that term is defined under applicable Securities Laws in each of British Columbia, Alberta and Ontario) and is not in default of the requirements of the applicable Securities Laws in such jurisdictions in any material respect and the Partner Jet Common Shares are listed for trading on the TSXV.
- (r) Partner Jet has filed all material documents and information required to be filed by it pursuant to applicable Securities Laws with the applicable securities commissions (the “**Disclosure Documents**”), except where non-compliance has not had, and would not reasonably be expected to have, a Material Adverse Effect, and Partner Jet does not have any confidential filings with any securities authorities. As of the time the Disclosure Documents were filed with the applicable securities regulators and on SEDAR (System for Electronic Document Analysis and Retrieval) (or, if amended or superseded by a filing prior to the date of this Agreement, then on the

date of such filing): (i) each of the Disclosure Documents complied in all material respects with the requirements of the applicable Securities Laws in the jurisdictions they were filed; and (ii) to the extent required by applicable Securities Laws, none of the Disclosure Documents contained any untrue statement of a material fact regarding Partner Jet or omitted to state a material fact regarding Partner Jet required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

- (s) To the knowledge of Partner Jet, Partner Jet's Auditors are independent public accountants as required by the Securities Laws.
- (t) Partner Jet is not a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Partner Jet to compete in any line of business, transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Partner Jet.
- (u) Except for the voting agreement dated August 27, 2020 between Ian A McDougall and Partner Jet, Partner Jet is not party to any agreement, nor is Partner Jet aware of any agreement, which in any manner affects the voting control of any of the securities of Partner Jet.
- (v) All Taxes which are due and payable by Partner Jet, have been paid, except where the failure to pay such Taxes would not reasonably be expected to result in a Material Adverse Change in respect of Partner Jet. All Tax returns, declarations, remittances and filings required to be filed by Partner Jet have been filed with all appropriate Governmental Entities and all such returns, declarations, remittances and filings did not contain a misrepresentation as at the respective dates thereof except where the failure to file such documents or such misrepresentation would not reasonably be expected to result in a Material Adverse Change in respect of Partner Jet. To the knowledge of Partner Jet, no investigation of any Tax return of Partner Jet is currently in progress and there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by Partner Jet, in any case, except where such investigations, issues or disputes would not reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.
- (w) Neither Partner Jet nor, to Partner Jet's knowledge, any other person, is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by Partner Jet or such other person under any Debt Instrument or Partner Jet Material Agreement, and no event has occurred which with notice or lapse of time or both would constitute such a default by Partner Jet or, to Partner Jet's knowledge, any other party, except where such default or event would not reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.
- (x) Partner Jet possesses all permits, licenses, approvals, consents and other authorizations (collectively, "**Governmental Licenses**") issued by the appropriate

federal, provincial, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure to hold such Governmental Licenses would not, individually or in the aggregate, result in a Material Adverse Effect in respect of Partner Jet. Partner Jet is in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, individually or in the aggregate, result in a Material Adverse Effect in respect of Partner Jet.

- (y) Except for the transactions contemplated by this Agreement and as disclosed in the Partner Jet Disclosure Letter, none of the directors, officers or employees of Partner Jet, any known holder of more than 10% of any class of shares of Partner Jet, or any known associate or affiliate of any of the foregoing persons or companies, has had any material interest, direct or indirect, in any material transaction since the incorporation of Partner Jet or any proposed material transaction with Partner Jet which, as the case may be, materially affected, is material to or will materially affect Partner Jet.
- (z) There is no person acting or purporting to act at the request of Partner Jet who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the transactions contemplated by this Agreement.
- (aa) To the knowledge of Partner Jet, none of Partner Jet's directors or officers is now, or has ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange.
- (bb) The assets of Partner Jet and its business and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable business, and such coverage is in full force and effect, and Partner Jet has not failed to promptly give any notice or present any material claim thereunder.
- (cc) With respect to each of the Leased Premises used by Partner Jet, Partner Jet occupies the Leased Premises and has the right to occupy and use the Leased Premises, subject to the terms of the respective leases, and each of the leases pursuant to which Partner Jet occupies the Leased Premises is in good standing and in full force and effect.
- (dd) The minute books and records of Partner Jet made available to Volatus and its counsel in connection with their due diligence investigation contain full, true and correct copies of all constating documents, including all amendments thereto, and contain copies of all proceedings of securityholders and directors (and committees thereof), other than those which are not material to Partner Jet, and are complete in all material respects. Notwithstanding the foregoing, complete copies of the minute books and records of Partner Jet are not available prior to 1998.
- (ee) Partner Jet is the sole and exclusive owner of the material Intellectual Property that is owned by Partner Jet (the "**Partner Jet Owned Intellectual Property**") with

good, valid and marketable title thereto, free and clear of all Encumbrances. Partner Jet has valid and enforceable licences to use all of the material Intellectual Property that is duly licensed by Partner Jet as part of its business as presently conducted (the “**Partner Jet Licensed Intellectual Property**” and collectively with the Partner Jet Owned Intellectual Property the “**Partner Jet Intellectual Property**”) used by it in connection with, and as required for, its business as presently conducted. Partner Jet has no knowledge to the effect that it will be unable to obtain any rights or licenses to use all Intellectual Property necessary for the conduct of its business. To the best knowledge of Partner Jet, no third parties have rights to any Partner Jet Intellectual Property, except for the ownership rights of the owners of the Partner Jet Licensed Intellectual Property which is licensed to Partner Jet. To the best knowledge of Partner Jet, there is no infringement, misappropriation or misuse by third parties of any Partner Jet Intellectual Property. There is no pending or, to the best knowledge of Partner Jet, threatened action, suit, proceeding or claim by others challenging Partner Jet’s rights in or to any Partner Jet Intellectual Property, and Partner Jet is not aware of any facts which form a reasonable basis for any such claim. There is no pending or, to the best knowledge of Partner Jet, threatened action, suit, proceeding or claim by others challenging the validity or enforceability of any Partner Jet Intellectual Property, and Partner Jet is not aware of any allegations or finding of unenforceability or invalidity of the Partner Jet Intellectual Property. There is no pending or, to the best knowledge of Partner Jet, threatened action, suit, proceeding or claim by others that Partner Jet infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of others. To the best knowledge of Partner Jet, the business of Partner Jet does not infringe on any patent, trademark, copyright, trade secret or other proprietary rights of others and, without limiting the foregoing, to the best knowledge of Partner Jet, there is no patent or patent application by others that contains claims that interfere with the issued or pending claims of any of the Partner Jet Intellectual Property.

- (ff) The Partner Jet Disclosure Letter contains a list of all employees of, and consultants to, Partner Jet have entered into proprietary rights or similar agreements with Partner Jet, whereby any Intellectual Property created by them in the course of the performance of their services has been fully and irrevocably assigned to Partner Jet without additional consideration, and any applicable moral rights have been waived, and no employee of, or consultant to, Partner Jet is in violation of such agreements.
- (gg) All persons having access to or knowledge of the Partner Jet Intellectual Property or any information of a confidential nature that is necessary or required or otherwise used for or in connection with the conduct or operation or proposed conduct or operation of Partner Jet’s business have entered into non-disclosure agreements with Partner Jet preventing the disclosure of the Partner Jet Intellectual Property, and there has been no breach of any such agreement. To the best knowledge of Partner Jet, the employment or engagement by Partner Jet of such persons does not violate any non-disclosure or non-competition agreement between any such person and a third party.

- (hh) Partner Jet is in compliance in all material respects with all applicable federal, provincial, state, municipal and local laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign, including laws, ordinances, regulations or orders, relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any Hazardous Substance (the “**Environmental Laws**”).
- (ii) Partner Jet has obtained all material licences, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the “**Environmental Permits**”) necessary as at the date hereof for the operation of the business carried by Partner Jet, and each such Environmental Permit is valid, subsisting and in good standing in all material respects and Partner Jet is not in default or breach of any Environmental Permit in any material respect and no proceeding is outstanding or, to the knowledge of Partner Jet, has been threatened or is pending to revoke or limit any Environmental Permit.
- (jj) Partner Jet has not used, except in compliance in all material respects with all Environmental Laws and Environmental Permits, any property or facility which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Hazardous Substance.
- (kk) Partner Jet has not received any notice of, or been prosecuted for, an offence alleging, non-compliance in any material respect with any Environmental Laws, and Partner Jet has not settled any allegation of material non-compliance short of prosecution. There are no orders or directions issued against Partner Jet under Environmental Laws requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of Partner Jet, nor has Partner Jet received notice of any of the same.
- (ll) There are no past unresolved or, to the knowledge of Partner Jet, any threatened or pending claims, complaints, notices or requests for information received by Partner Jet with respect to any alleged violation of any Environmental Laws which would reasonably be expected to result in a Material Adverse Change in respect of Partner Jet; and no conditions exist at, on or under any property now or previously owned, operated, optioned or leased by Partner Jet which, with the passage of time, or the giving of notice or both, would give rise to liability under Environmental Laws that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.
- (mm) Except as ordinarily or customarily required by applicable Environmental Permits, Partner Jet has not received any notice wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under Environmental Laws that would reasonably be expected to result in a Material Adverse Change in respect of Partner Jet.

- (nn) There are no material environmental audits, evaluations, assessments, studies or tests relating to Partner Jet, except for ongoing assessments conducted by or on behalf of Partner Jet in the ordinary course.
- (oo) Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by Partner Jet for the benefit of any current or former director, officer, employee or consultant of Partner Jet (the “**Partner Jet Employee Plans**”) has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Partner Jet Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Securities Laws.
- (pp) All material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of Partner Jet.
- (qq) There is not currently any labour disruption, dispute, slowdown, stoppage, complaint or grievance or, to the knowledge of Partner Jet, threatened or pending which is adversely affecting or would reasonably be expected to adversely affect, in a material manner, the carrying on of the business of Partner Jet, and Partner Jet is not aware of any proposal to unionize its employees and no collective bargaining agreements are in place or currently being negotiated by Partner Jet.
- (rr) There is no claim, action, suit or proceeding pending or, to the knowledge of Partner Jet, threatened against Partner Jet or its assets which, if adversely determined, will affect or can reasonably be expected to affect materially and adversely, Partner Jet, or which seeks to prohibit, restrict or delay consummation of the Amalgamation or any of the conditions to consummation of the Amalgamation, nor is there any judgment, decree, injunction, ruling or order of any court, or Governmental Entity outstanding against Partner Jet having, or which may in the future have, any such effect. Partner Jet is not under investigation with respect to, any violation of any provision of any federal or provincial law or administrative regulation in respect of the business of Partner Jet.
- (ss) Partner Jet (i) is a “foreign private issuer” (as defined in the U.S. Securities Act) (ii) is not registered or required to be registered as an “investment company” pursuant to the United States Investment Company Act of 1940, as amended (the “1940 Act”) and (iii) does not have a class of securities registered or required to be registered under Section 12 of the United States Exchange Act of 1934, as amended (the “1934 Act”), nor does it have a reporting obligation under Section 15(d) of the 1934 Act.

## **4.2 Representations and Warranties of Volatus**

Volatus represents and warrants to and in favour of Partner Jet as follows, and acknowledges that Partner Jet is relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) Volatus (i) has been duly incorporated and is validly existing under the federal laws of Canada and is up-to-date in respect of all material corporate filings and in good standing under the CBCA; (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own or lease and operate its properties and assets; and (iii) has all requisite corporate power and authority to enter into and carry out its obligations under this Agreement.
- (b) Except as set out in Section 4.2(b) of the Volatus Disclosure Letter, Volatus does not beneficially own, or exercise control or direction over, directly or indirectly, any interest in any other person.
- (c) No proceedings have been taken, instituted or, to the knowledge of Volatus, are pending for the dissolution or liquidation of Volatus.
- (d) Volatus is, in all material respects, conducting its business in compliance with all applicable laws, rules and regulations (including all material applicable federal, provincial, state, municipal and local laws, regulations and other lawful requirements of any Governmental Entity) of each jurisdiction in which its business is carried on and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its business to be carried on as now conducted and its property and assets to be owned or leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which would reasonably be expected to result in a Material Adverse Change in respect of Volatus.
- (e) Each of the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been authorized by all necessary corporate action of Volatus and upon the execution and delivery hereof, this Agreement shall constitute a valid and binding obligation of Volatus, enforceable against Volatus in accordance with its terms, provided that enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable.
- (f) Except as set out in Section 4.2(f) of the Volatus Disclosure Letter, all consents, approvals, permits, authorizations or filings necessary for the execution and delivery of this Agreement by Volatus and the consummation by Volatus of the transactions contemplated hereby (including the Amalgamation) have been made

or obtained, as applicable other than: (i) the Volatus Shareholders' Approval; (ii) the completion of the Continuance and any filings under the CBCA and OBCA required in connection therewith, (iii) the filing of the Articles of Amalgamation under the OBCA and the issuance of a certificate in respect thereof; and (iii) any filings with the registrar under the OBCA.

- (g) The execution and delivery of this Agreement by Volatus and, provided that the consents described in Section 4.2(f) are obtained, the performance by Volatus of its obligations hereunder and the consummation of the transactions contemplated hereby do not and will not conflict with or result in a breach or violation of any of the terms of or provisions of, or constitute a default under (whether after notice or lapse of time or both), and Volatus is not currently in breach or default of, (A) any statute, rule or regulation applicable to Volatus; (B) the constating documents or resolutions of Volatus which are in effect at the date of hereof; (C) any Debt Instrument or Volatus Material Agreement; or (D) any judgment, decree or order binding Volatus or the properties or assets thereof, except where such breach, violation or default would not reasonably be expected to result in a Material Adverse Change in respect of Volatus.
- (h) The authorized capital of Volatus consists of an unlimited number of Volatus Common Shares, an unlimited number of Volatus Class A Preferred Shares and an unlimited number of Volatus Preferred Shares of which 76,923,333 Volatus Common Shares, 412,376 Volatus Class A Preferred Shares and zero Volatus Preferred Shares are issued and outstanding as fully paid and non-assessable shares as of the date hereof.
- (i) Except as set forth in Section 4.2(i) to the Volatus Disclosure Letter, no person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of Volatus and a sufficient number of Volatus Common Shares were reserved for issuance pursuant to outstanding options, warrants, share incentive plans, convertible, exercisable and exchangeable securities and other rights to acquire Volatus Common Shares.
- (j) Volatus is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will have a Material Adverse Effect on Volatus.
- (k) No order ceasing or suspending trading in any securities of Volatus or prohibiting the sale of any of Volatus' issued securities has been issued and, to the knowledge of Volatus, no proceedings for such purpose have been threatened or are pending.
- (l) Since December 31, 2020, other than in connection with the Amalgamation, the Bridge Financing or as disclosed in Section 4.2(l) to the Volatus Disclosure Letter:

- (i) there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of Volatus;
  - (ii) there has not been any material change in the share capital or long-term debt of Volatus; and
  - (iii) Volatus has carried on its business in the ordinary course.
- (m) The Volatus financial statements for the year ended 31 December 2020 present, and the financial statements of Volatus provided for inclusion in the Circular will present, fairly, in all material respects, the financial condition of Volatus for the period then ended and are prepared in accordance with IFRS;
- (n) There are no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) of Volatus or other persons that would reasonably be expected to result in a Material Adverse Change in respect of Volatus.
- (o) There are no actions, proceedings or investigations (whether or not purportedly by or on behalf of Volatus) commenced or, to the knowledge of Volatus, threatened or pending against Volatus at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any Governmental Entity, that would reasonably be expected to result in a Material Adverse Change in respect of Volatus.
- (p) The currently issued and outstanding securities of Volatus have been issued in compliance with Securities Laws.
- (q) All material filings and fees required to be made and paid by Volatus pursuant to Securities Laws and general corporate laws have been made and paid.
- (r) To the knowledge of Volatus, Volatus' Auditors are independent public accountants as required by the Securities Laws.
- (s) Except as set out in Section 4.2(s) of the Volatus Disclosure Letter, Volatus is not a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Volatus to compete in any line of business, transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Volatus.
- (t) Volatus is not party to any agreement, nor is Volatus aware of any agreement, which in any manner affects the voting control of any of the securities of Volatus.
- (u) All Taxes which are due and payable by Volatus, have been paid, except where the failure to pay such Taxes would not reasonably be expected to result in a Material Adverse Change in respect of Volatus. All Tax returns, declarations, remittances and filings required to be filed by Volatus have been filed with all appropriate

Governmental Entities and all such returns, declarations, remittances and filings did not contain a misrepresentation as at the respective dates thereof except where the failure to file such documents or such misrepresentation would not reasonably be expected to result in a Material Adverse Change in respect of Volatus. To the knowledge of Volatus, no investigations of any Tax return of Volatus is currently in progress and there are no issues or disputes outstanding with any Governmental Entity respecting any Taxes that have been paid, or may be payable, by Volatus, in any case, except where such investigations, issues or disputes would not reasonably be expected to result in a Material Adverse Change in respect of Volatus.

- (v) Neither Volatus nor, to Volatus' knowledge, any other person, is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by Volatus or such other person under any Debt Instrument or Volatus Material Agreement, and no event has occurred which with notice or lapse of time or both would constitute such a default by Volatus or, to Volatus' knowledge, any other party, except where such default or event would not reasonably be expected to result in a Material Adverse Change in respect of Volatus.
- (w) Volatus possesses all Governmental Licenses issued by the appropriate federal, provincial, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure to hold such Governmental Licenses would not, individually or in the aggregate, result in a Material Adverse Effect in respect of Volatus. Volatus is in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply would not, individually or in the aggregate, result in a Material Adverse Effect in respect of Volatus.
- (x) Except as disclosed in Section 4.2(x) of the Volatus Disclosure Letter or disclosed in the unaudited financial statements of Volatus as attached to the Volatus Disclosure Letter as Section 4.2(l), none of the directors, officers or employees of Volatus, any known holder of more than 10% of any class of shares of Volatus, or any known associate or affiliate of any of the foregoing persons or companies, has had any material interest, direct or indirect, in any material transaction since the incorporation of Volatus or any proposed material transaction with Volatus which, as the case may be, materially affected, is material to or will materially affect Volatus.
- (y) Other than as set out in Section 4.2(y) of the Volatus Disclosure Letter, there is no person acting or purporting to act at the request of Volatus who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the transactions contemplated by this Agreement.
- (z) To the knowledge of Volatus, none of Volatus' directors or officers is now, or has ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange.

- (aa) The assets of Volatus and its business and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable business, and such coverage is in full force and effect, and Volatus has not failed to promptly give any notice or present any material claim thereunder.
- (bb) With respect to each of the Leased Premises occupied by Volatus, Volatus occupies the Leased Premises and has the right to occupy and use the Leased Premises, subject to the terms of the respective leases, and each of the leases pursuant to which Volatus occupies the Leased Premises is in good standing and in full force and effect.
- (cc) The minute books and records of Volatus made available to Partner Jet and their counsel in connection with their due diligence investigation contain full, true and correct copies of all constating documents, including all amendments thereto, and contain copies of all proceedings of securityholders and directors (and committees thereof), other than those which are not material to Volatus, and are complete in all material respects.
- (dd) Volatus is the sole and exclusive owner of the material Intellectual Property that is owned by Volatus (the “**Volatus Owned Intellectual Property**”) with good, valid and marketable title thereto, free and clear of all Encumbrances. Volatus has valid and enforceable licences to use all of the material Intellectual Property that is duly licensed by Volatus as part of its business as presently conducted (the “**Volatus Licensed Intellectual Property**” and collectively with the Volatus Owned Intellectual Property the “**Volatus Intellectual Property**”) used by it in connection with, and as required for, its business as presently conducted. Volatus has no knowledge to the effect that it will be unable to obtain any rights or licenses to use all Intellectual Property necessary for the conduct of its business. To the best knowledge of Volatus, no third parties have rights to any Volatus Intellectual Property, except for the ownership rights of the owners of the Volatus Licensed Intellectual Property which is licensed to Volatus. To the best knowledge of Volatus, there is no infringement, misappropriation or misuse by third parties of any Volatus Intellectual Property. There is no pending or, to the best knowledge of Volatus, threatened action, suit, proceeding or claim by others challenging Volatus’ rights in or to any Volatus Intellectual Property, and Volatus is not aware of any facts which form a reasonable basis for any such claim. There is no pending or, to the best knowledge of Volatus, threatened action, suit, proceeding or claim by others challenging the validity or enforceability of any Volatus Intellectual Property, and Volatus is not aware of any allegations or finding of unenforceability or invalidity of the Volatus Intellectual Property. There is no pending or, to the best knowledge of Volatus, threatened action, suit, proceeding or claim by others that Volatus infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of others. To the best knowledge of Volatus, the business of Volatus does not infringe on any patent, trademark, copyright, trade secret or other proprietary rights of others and, without limiting the foregoing, to the best knowledge of Volatus, there is no patent or patent application by others

that contains claims that interfere with the issued or pending claims of any of the Volatus Intellectual Property.

- (ee) Except as set out in Section 4.2(ee) of the Volatus Disclosure Letter, all employees of, and consultants to, Volatus have entered into proprietary rights or similar agreements with Volatus, whereby any Intellectual Property created by them in the course of the performance of their services has been fully and irrevocably assigned to Volatus without additional consideration, and any applicable moral rights have been waived, and no employee of, or consultant to, Volatus is in violation of such agreements.
- (ff) All persons having access to or knowledge of the Volatus Intellectual Property or any information of a confidential nature that is necessary or required or otherwise used for or in connection with the conduct or operation or proposed conduct or operation of Volatus' business have entered into non-disclosure agreements with Volatus preventing the disclosure of the Volatus Intellectual Property, and there has been no breach of any such agreement. To the best knowledge of Volatus, the employment or engagement by Volatus of such persons does not violate any non-disclosure or non-competition agreement between any such person and a third party.
- (gg) Volatus is in compliance in all material respects with all Environmental Laws.
- (hh) Volatus has obtained all material Environmental Permits necessary as at the date hereof for the operation of the business carried by Volatus, and each Environmental Permit is valid, subsisting and in good standing in all material respects and Volatus is not in default or breach of any Environmental Permit in any material respect and no proceeding is outstanding or, to the knowledge of Volatus, has been threatened or is pending to revoke or limit any Environmental Permit.
- (ii) Volatus has not used, except in compliance in all material respects with all Environmental Laws and Environmental Permits, any property or facility which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Hazardous Substance.
- (jj) Volatus has not received any notice of, or been prosecuted for, an offence alleging, non-compliance in any material respect with any Environmental Laws, and Volatus has not settled any allegation of material non-compliance short of prosecution. There are no orders or directions issued against Volatus under Environmental Laws requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of Volatus, nor has Volatus received notice of any of the same.
- (kk) There are no past unresolved or, to the knowledge of Volatus, any threatened or pending claims, complaints, notices or requests for information received by Volatus with respect to any alleged violation of any Environmental Laws which would reasonably be expected to result in a Material Adverse Change in respect of

Volatus; and no conditions exist at, on or under any property now or previously owned, operated, optioned or leased by Volatus which, with the passage of time, or the giving of notice or both, would give rise to liability under Environmental Laws that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Change in respect of Volatus.

- (ll) Except as ordinarily or customarily required by applicable Environmental Permits, Volatus has not received any notice wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under Environmental Laws that would reasonably be expected to result in a Material Adverse Change in respect of Volatus.
- (mm) There are no material environmental audits, evaluations, assessments, studies or tests relating to Volatus, except for ongoing assessments conducted by or on behalf of Volatus in the ordinary course.
- (nn) Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by Volatus for the benefit of any current or former director, officer, employee or consultant of Volatus (the “**Volatus Employee Plans**”) has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Volatus Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Securities Laws.
- (oo) All material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of Volatus.
- (pp) Except as set out in Section 4.2(pp) of the Volatus Disclosure Letter, there is not currently any labour disruption, dispute, slowdown, stoppage, complaint or grievance or, to the knowledge of Volatus, threatened or pending which is adversely affecting or would reasonably be expected to adversely affect, in a material manner, the carrying on of the business of Volatus, and Volatus is not aware of any proposal to unionize its employees and no collective bargaining agreements are in place or currently being negotiated by Volatus.
- (qq) There is no claim, action, suit or proceeding pending or, to the knowledge of Volatus, threatened against Volatus or its assets which, if adversely determined, will affect or can reasonably be expected to affect materially and adversely, Volatus, or which seeks to prohibit, restrict or delay consummation of the Amalgamation or any of the conditions to consummation of the Amalgamation, nor is there any judgment, decree, injunction, ruling or order of any court, or Governmental Entity outstanding against Volatus having, or which may in the future have, any such effect. Volatus is not under investigation with respect to, any

violation of any provision of any federal or provincial law or administrative regulation in respect of the business of Volatus.

- (rr) Volatus (i) is a “foreign private issuer” (ii) is not registered or required to be registered as an “investment company” pursuant to the 1940 Act and (iii) does not have a class of securities registered or required to be registered under Section 12 of the 1934 Act, nor does it have a reporting obligation under Section 15(d) of the 1934 Act.

## **ARTICLE 5**

### **CONDITIONS PRECEDENT AND OTHER MATTERS**

#### **5.1 Conditions to Obligations of Volatus**

The obligation of Volatus to consummate the transactions contemplated herein is subject to the satisfaction, on or before the Closing Date, of the following conditions:

- (a) except as affected by the transactions contemplated herein, the representations and warranties of Partner Jet contained in Section 4.1 hereof shall be true in all material respects on the Closing Date with the same effect as though such representations and warranties had been made at and as of such time, other than in respect of representations and warranties qualified by materiality which representations and warranties shall be true and correct, or except to the extent such representation and warranties as affected by transactions specifically permitted or contemplated by this Agreement, and Volatus shall have received a certificate to that effect, dated the Closing Date, from an officer or director of Partner Jet acceptable to Volatus, to the best of his or her knowledge, having made reasonable inquiry;
- (b) Partner Jet shall have performed, fulfilled or complied with, in all material respects, all of its obligations, covenants and agreements contained in this Agreement to be fulfilled or complied with by it at or prior to the Closing and Volatus shall have received a certificate of an officer or director of Partner Jet to such effect;
- (c) Partner Jet shall have furnished Volatus with:
  - (i) a certified copy of the resolutions passed by the board of directors of Partner Jet approving this Agreement and the consummation of the transactions contemplated herein; and
  - (ii) a certified copy of the special resolution of the shareholders of Volatus authorizing and approving the Amalgamation;
- (d) all required approvals, consents and authorizations of third parties in respect of the transactions contemplated herein, including without limitation all necessary shareholder and regulatory approvals, will have been obtained on terms acceptable to Volatus acting reasonably, including the conditional approval of the TSXV for the listing of the Amalco Common Shares (including the Amalco Common Shares

issuable upon exercise of the Replacement Options, Replacement Compensation Warrants and Replacement Warrants) and the Replacement Warrants;

- (e) the Amalco Common Shares that are issued as consideration for the Volatus Common Shares shall be issued as fully paid and non-assessable Amalco Common Shares in the capital of Amalco, free and clear of any and all Encumbrances and demands of whatsoever nature, except those imposed pursuant to escrow restrictions under applicable Securities Laws;
- (f) the Amalco Preferred Shares that are issued as consideration for the Volatus Class A Preferred Shares shall be issued as fully paid and non-assessable Amalco Preferred Shares in the capital of Amalco, free and clear of any and all Encumbrances and demands of whatsoever nature, except those imposed pursuant to escrow restrictions under applicable Securities Laws;
- (g) no Material Adverse Change shall have occurred in the business, results of operations, assets, capital, liabilities, financial conditions or affairs of Partner Jet since the date of this Agreement;
- (h) the shareholders of Partner Jet and Volatus shall have approved the Amalgamation and this Agreement;
- (i) holders of Partner Jet Common Shares shall not have exercised dissent rights, or have instituted proceedings to exercise dissent rights, in connection with the Amalgamation in respect of Partner Jet Common Shares representing more than 5% of the issued and outstanding Partner Jet Shares;
- (j) Volatus shall have completed the Continuance;
- (k) Volatus shall have completed the Volatus Private Placement with minimum gross proceeds of \$7,500,000;
- (l) all of the conditions to the release of Volatus Private Placement proceeds from escrow and the Volatus Subscription Receipts and Bridge Financing Debentures shall have been converted to Volatus Common Shares and Volatus SR Warrants, as applicable;
- (m) there being no legal proceeding or regulatory actions or proceedings against any Person to enjoin, restrict or prohibit the Amalgamation or which could reasonably be expected to result in a Material Adverse Effect on Partner Jet or Amalco;
- (n) there being no cease trade order or similar restraining order of any other provincial securities administrator relating to the Partner Jet Common Shares, the Volatus Common Shares, the Volatus Class A Preferred Shares, the Amalco Common Shares or the Amalco Preferred Shares shall be in effect; and
- (o) there being no prohibition at law against completion of Amalgamation.

The conditions described above are for the exclusive benefit of Volatus and may be asserted by Volatus regardless of the circumstances, or may be waived by Volatus in its sole discretion, in whole or in part, at any time and from time to time prior to the Amalgamation without prejudice to any other rights which Volatus may have hereunder or at law and notwithstanding the approval of this Agreement by the shareholders of Volatus and/or Partner Jet.

## **5.2 Conditions to Obligations of Partner Jet**

The obligations of Partner Jet to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Closing Date, of the following conditions:

- (a) except as affected by the transactions contemplated herein, the representations and warranties of Volatus contained in Section 4.2 hereof shall be true in all material respects on the Closing Date with the same effect as though such representations and warranties had been made at and as of such time, other than in respect of representations and warranties qualified by materiality which representations and warranties shall be true and correct, and Partner Jet shall have received a certificate to such effect, dated the Closing Date, of a senior officer of Volatus to the best of his knowledge having made reasonable inquiry;
- (b) Volatus shall have performed, fulfilled or complied with, in all material respects, all of its obligations, covenants and agreements contained in this Agreement to be fulfilled or complied with by it at or prior to the time of the Closing and Partner Jet shall have received a certificate of an officer of Volatus to such effect;
- (c) Volatus shall have furnished Partner Jet with:
  - (i) certified copies of the directors' resolutions passed by the board of directors of Volatus approving this Agreement, as well as the consummation of the transactions contemplated herein;
  - (ii) certified copies of the special resolutions of the shareholders of Volatus authorizing and approving the Continuance, the Amalgamation and this Agreement; and
  - (iii) a certificate of Volatus setting forth the number of issued and outstanding Volatus securities immediately prior to the Amalgamation;
- (d) all required approvals, consents and authorizations of third parties in respect of the transactions contemplated herein, including without limitation all necessary shareholder and regulatory approvals, will have been obtained on terms acceptable to the Partner Jet acting reasonably, including the conditional approval of the TSXV for the listing of the Amalco Common Shares (including the Amalco Common Shares issuable upon exercise of the Replacement Options, Replacement Compensation Warrants and Replacement Warrants) and the Replacement Warrants;

- (e) no Material Adverse Change shall have occurred in the business, results of operations, assets, liabilities, financial condition or affairs of Volatus since the date of this Agreement;
- (f) the shareholders of Partner Jet and Volatus shall have approved the Amalgamation and this Agreement;
- (g) Volatus shall have completed the Continuance;
- (h) Volatus shall have completed the Volatus Private Placement with minimum gross proceeds of \$7,500,000;
- (i) all of the conditions to the release of Volatus Private Placement proceeds from escrow and the Volatus Subscription Receipts and Bridge Financing Debentures shall have been converted to Volatus Common Shares and Volatus SR Warrants, as applicable;
- (j) there being no legal proceeding or regulatory actions or proceedings against any Person to enjoin, restrict or prohibit the Amalgamation or which could reasonably be expected to result in a Material Adverse Effect on Volatus;
- (k) there being no cease trade order or similar restraining order of any other provincial securities administrator relating to the Partner Jet Common Shares, the Volatus Common Shares, the Volatus Class A Preferred Shares, the Amalco Common Shares or the Amalco Preferred Shares shall be in effect; and
- (l) there being no prohibition at law against the completion of the transactions contemplated hereby.

The conditions described above are for the exclusive benefit of Partner Jet and may be asserted by Partner Jet, regardless of the circumstances, or may be waived by Partner Jet, in its sole discretion, in whole or in part, at any time and from time to time prior to the Amalgamation without prejudice to any other rights which Partner Jet may have hereunder or at law and notwithstanding the approval of this Agreement by the shareholders of Partner Jet and/or Volatus.

### **5.3 Merger of Conditions**

The conditions set out in Sections 5.1 and 5.2 hereof shall be conclusively deemed to have been satisfied, waived or released on the filing by Volatus and Partner Jet of the Articles of Amalgamation with the registrar.

## **ARTICLE 6 NOTICES**

### **6.1 Notices**

All notices, requests and demands hereunder, which may or are required to be given pursuant to any provision of this Agreement, shall be given or made in writing and shall be delivered by courier, facsimile or e-mail as follows:

(a) to Partner Jet, addressed to:

2450 Derry Road E., Hangar 9,  
Mississauga, ON L5S 1B2

Attn: Sam Ingram  
Email: [swingram@rogers.com](mailto:swingram@rogers.com)

with a copy to (such copy shall not constitute notice):

Wildeboer Dellelce LLP  
Suite 800, 365 Bay Street  
Toronto, ON M5H 2V1

Attn: Rory Cattanach  
Email: [Rory@wildlaw.ca](mailto:Rory@wildlaw.ca)

(b) to Volatus, addressed to:  
6500 Trans Canada Highway, Suite 400  
Pointe-Claire, QC

Attn: Glen Lynch  
Email: [glen.lynch@volatusaerospace.com](mailto:glen.lynch@volatusaerospace.com)

with a copy to (such copy shall not constitute notice):

LaBarge Weinstein LLP  
515 Legget Drive Suite 800  
Ottawa, ON K2K 3G4

Attn: Shane McLean  
Email: [smclean@lwlaw.com](mailto:smclean@lwlaw.com)

or to such other addresses or e-mail addresses as the parties may, from time to time, advise to the other parties hereto by notice in writing. All notices, requests and demands hereunder shall be deemed to have been received, if delivered personally or by prepaid courier on the date of delivery and if sent by e-mail, on the next Business Day after the e-mail was sent.

**ARTICLE 7**  
**AMENDMENT AND TERMINATION OF AGREEMENT**

**7.1 Amendment**

This Agreement may, at any time and from time to time before the date of the Partner Jet Shareholders' Approval and/or Volatus Shareholders' Approval, be amended by written agreement of the parties hereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the parties hereto;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties hereto;
- (d) waive compliance with or modify any other conditions precedent contained herein,

provided that no such amendment shall change the provisions hereof regarding the consideration to be received by shareholders of Partner Jet or Volatus without approval by such shareholders given in the same manner as required for the approval of the Amalgamation.

**7.2 Rights of Termination**

This Agreement may be terminated at any time prior to the Effective Time as follows:

- (a) by mutual agreement of the parties hereto in writing;
- (b) by Volatus (i) by notice to Partner Jet if any of the conditions contained in Section 5.1 hereof shall not be fulfilled or performed by the Termination Date or (ii) upon a breach by Partner Jet of Subsection 3.1(a) hereof that could reasonably result in a condition set forth in Section 5.1 which condition has not been waived to be incapable of being satisfied on or before the Termination Date;
- (c) by Partner Jet (i) by notice to Volatus if any of the conditions contained in Section 5.2 hereof shall not be fulfilled or performed by the Termination Date or (ii) upon a breach by Volatus of Subsection 3.3(a) hereof that could reasonably result in a condition set forth in Section 5.2 which condition has not been waived to be incapable of being satisfied on or before the Termination Date;
- (d) by any party if the Amalgamation is not completed by the Termination Date; or
- (e) by any party if the TSXV or any applicable Governmental Entity has notified any of Partner Jet or Volatus that it will not permit the Amalgamation to proceed, in

whole or in part.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement other than the obligations that by their terms survive the termination of this Agreement (including this Section 7.2, the obligations with respect to confidentiality under Section 8.6 and the obligations with respect to expenses under Section 8.7), all rights of specific performance against such party shall terminate and, unless such party can show that the condition or conditions the non-performance of which has caused such party to terminate this Agreement were reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder, except any liability expressly contemplated hereby; and further provided that any of such conditions may be waived in full or in part by either of the parties without prejudice to its rights of termination in the event of the non-fulfilment or non-performance of any other condition.

### **7.3 Notice of Unfulfilled Conditions**

If either of Volatus or Partner Jet shall determine at any time prior to the Effective Date that it intends to refuse to consummate the Amalgamation or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this Agreement on the part of the other of them to be fulfilled or performed, Volatus or Partner Jet, as the case may be, shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

## **ARTICLE 8 GENERAL**

### **8.1 Entire Agreement**

The terms and provisions herein contained constitute the entire agreement between the parties with respect to the subject matter herein and shall supersede all previous oral or written communications, representations, undertakings and agreements with respect to such subject matter.

### **8.2 Binding Effect**

This Agreement shall be binding upon and enure to the benefit of the parties hereto.

### **8.3 Waiver and Modification**

Partner Jet and Volatus may waive or consent to the modification of, in whole or in part, any inaccuracy of any representation or warranty made to them hereunder or in any document to be delivered pursuant hereto and may waive or consent to the modification of any of the covenants or agreements herein contained for their respective benefit or waive or consent to the modification of any of the obligations of the other parties hereto. No

waiver, or consent to the modification of any inaccuracy of any provision of this Agreement constitutes a waiver of or consent to any proceeding, continuing or succeeding inaccuracy of such provision or of any other provision of this Agreement. Any waiver or consent to the modification of any of the provisions of this Agreement, to be effective, must be in writing executed by the party granting such waiver or consent.

#### **8.4 No Personal Liability**

- (a) No director, officer, employee or agent of Volatus shall have any personal liability whatsoever to Partner Jet under this Agreement, or under any other document delivered in connection with the Amalgamation on behalf of Volatus.
- (b) No director, officer, employee or agent of Partner Jet shall have any personal liability whatsoever to Volatus under this Agreement, or under any other document delivered in connection with the Amalgamation on behalf of Partner Jet.

#### **8.5 Assignment**

No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other party hereto.

#### **8.6 Confidentiality**

- (a) No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated hereby will be made by Partner Jet, Volatus or their representatives without the prior agreement of the other parties hereto as to timing, content and method, provided that the obligations herein will not prevent a party from making, after consultation with the other parties, such disclosure as its counsel advises is required by applicable law or the rules and policies of the TSXV or Securities Laws.
- (b) Except as and only to the extent required by applicable law, a Receiving Party will not disclose or use, and it will cause its representatives not to disclose or use, any Confidential Information furnished, or to be furnished, by a Disclosing Party or its representatives to the Receiving Party or its representatives at any time or in any manner other than for purposes of evaluating the transactions proposed in this Agreement.
- (c) If this Agreement is terminated pursuant to Article 7, each Receiving Party will promptly return to the Disclosing Party or destroy any Confidential Information and any work product produced from such Confidential Information in its possession or in the possession of any of its representatives.

#### **8.7 Costs**

Each of the parties hereto shall be responsible for their own costs and charges incurred with respect to the transactions contemplated herein including, without limitation, all costs and charges incurred prior to the date of this Agreement and all legal and accounting fees and

disbursements relating to preparing the documents relating to the transactions contemplated herein or otherwise relating to the transactions contemplated herein.

#### **8.8 Time of Essence**

Time shall be of the essence of this Agreement.

#### **8.9 Survival**

The representations and warranties of each of Volatus and Partner Jet contained herein shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the termination of this Agreement in accordance with its terms or the Effective Date.

#### **8.10 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without giving effect to the principles of conflicts of laws thereof, and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario in respect of any matter arising hereunder or in connection herewith.

#### **8.11 Severability**

In the event that any provisions contained in this Agreement shall be declared invalid, illegal or unenforceable by a court or other lawful authority of competent jurisdiction, this Agreement shall continue in force with respect to the enforceable provisions and all rights and remedies accrued under the enforceable provisions shall survive any such declaration, and any non-enforceable provision shall, to the extent permitted by law, be replaced by a provision which, being valid, comes closest to the intention underlying the invalid, illegal and unenforceable provision.

#### **8.12 Further Assurances**

Each party hereto shall, from time to time, and at all times hereafter, at the request of the other party hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

#### **8.13 Counterparts and Electronic Copies**

This Agreement may be executed in separate counterparts, and all such counterparts when taken together shall constitute one (1) agreement. The parties shall be entitled to rely on delivery of a facsimile, email in pdf or other electronic copy of the executed Agreement and such copy shall be legally effective to create a valid and binding Agreement.

*[Remainder of Page Intentionally Left Blank]*

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the date first above written.

**PARTNER JET CORP.**

**VOLATUS AEROSPACE CORP.**

Per: "Richard Gage"  
Name: Richard Gage  
Title: Chairman

Per: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF** the parties have executed this Agreement as of the date first above written.

**PARTNER JET CORP.**

**VOLATUS AEROSPACE CORP.**

Per: \_\_\_\_\_  
Name:  
Title:

"Glen Lynch"  
Per: \_\_\_\_\_  
Name: Glen Lynch  
Title: Chief Executive Officer