EXECUTION VERSION

NOVOHEART HOLDINGS INC.

- and -

NOVOMED LIMITED

ARRANGEMENT AGREEMENT

SEPTEMBER 15, 2020

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ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT is made as of September 15, 2020.

BETWEEN:

NOVOHEART HOLDINGS INC., a corporation continued under the laws of the Province of British Columbia (the **Corporation**).

- and -

NOVOMED LIMITED, a corporation incorporated under the laws of the British Virgin Islands (the **Purchaser**)

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

ARTICLE 1
INTERPRETATION

Section 1.1 Defined Terms

As used in this Agreement, unless the context otherwise requires, the following terms have the following meanings:

Acquisition Proposal means, other than the transactions contemplated by this Agreement, any bona fide offer or proposal (written or oral) from any Person or group of Persons other than the Purchaser (or any of its affiliates) relating to: (a) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Corporation and/or any of its Subsidiaries owning 20% or more of the consolidated assets of the Corporation; (b) any direct or indirect sale or disposition (or any license, lease or other arrangement having the same economic effect as a sale or disposition) in a single transaction or a series of transactions, of assets representing 20% or more of the consolidated assets of the Corporation, 20% or more of the consolidated revenues of the Corporation, or 20% or more of the voting or equity securities of the Corporation (or rights or interests therein or thereto); (c) any direct or indirect take over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities of the Corporation, or any of its Subsidiaries owning 20% or more of the consolidated assets of the Corporation (or securities convertible into or exchangeable or exercisable for such voting or equity securities assuming, if applicable, the conversion, exchange or exercise of such securities convertible into or exchangeable or exercisable for such voting or equity securities); or (d) any other similar transaction or series of transactions involving the Corporation; provided that, in each case, the consolidated assets of the Corporation shall be deemed to include its Subsidiaries.

Action means any litigation, legal action, lawsuit, claim, grievance, complaint, investigation, reassessment, audit or other proceeding (whether civil, administrative, quasi-criminal or criminal) by or before any Governmental Entity.

affiliate has the meaning specified in the BCBCA.

Agreement means this arrangement agreement between the Purchaser and the Corporation (including the Schedules hereto) as it may be amended, modified or supplemented from time to time in accordance with its terms.

Arrangement means an arrangement under Section 288 of the BCBCA in accordance with the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of this Agreement, the Plan of Arrangement and the Interim Order (once issued) or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

Arrangement Resolution means the special resolution of the Shareholders approving the Plan of Arrangement to be considered at the Meeting, substantially in the form of Schedule B.

associate has the meaning specified in the *Securities Act* (British Columbia) as in effect on the date of this Agreement.

Authorization means, with respect to any Person, any order, permit, approval, registration, right, consent, waiver, license or similar authorization of any Governmental Entity, whether by expiry or termination of an applicable waiting period or otherwise, that is binding upon or applicable to such Person, or its business, assets or securities.

BCBCA means the *Business Corporations Act* (British Columbia) including all regulations made thereunder, as promulgated or amended from time to time.

BCSC means the British Columbia Securities Commission.

Board means the board of directors of the Corporation, as constituted from time to time.

Board Recommendation has the meaning specified in Section 2.2.

Books and Records means the books and records of the Corporation and its Subsidiaries, including books of account and Tax records, whether in written or electronic form.

Breaching Party has the meaning specified in Section 4.7(3).

Business Day means any day of the year, other than a Saturday, Sunday or any day on which major banks are generally closed for business in Vancouver, British Columbia.

CASL means *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications*

Commissions Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act (Canada).

Change in Recommendation has the meaning specified in Section 7.2(4)(b).

Circular means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto, to be sent or otherwise made available to the Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of this Agreement and the Interim Order (once issued).

Computer Systems means all Software, hardware, databases, computer equipment, networks, interfaces, platforms, systems and other information technology that are used in and necessary for, and are material to, the conduct of the business of the Corporation and its Subsidiaries.

Consideration means $0.53 in cash per Share pursuant to the Plan of Arrangement.

Constating Documents means articles of incorporation, amalgamation, or continuation, as applicable, by-laws, limited partnership agreement or other constating documents and all amendments thereto.

Contract means any legally binding written or oral agreement, commitment, engagement, contract, license, lease, obligation or undertaking to which the Corporation or any of its Subsidiaries is a party or by which the Corporation or any of its Subsidiaries is bound or affected, or to which any of their respective properties or their assets is subject.

Corporation means Novoheart Holdings Inc., a corporation continued under the Laws of the Province of British Columbia.

Corporation Disclosure Letter means the disclosure letter dated the date of this Agreement and delivered by the Corporation to the Purchaser contemporaneously with the execution of this Agreement.

Corporation Employees means the employees, including part time and full time employees of the Corporation or any of its Subsidiaries, as the case may be.

Corporation's Current Public Disclosure Record means (a) the annual information form of the Corporation dated April 29, 2020 for the year ended December 31, 2019; (b) the audited consolidated financial statements of the Corporation as at and for the six months ended December 31, 2019 and year ended June 30, 2019, including the notes thereto and management's discussion and analysis thereof; (c) the interim consolidated financial statements of the Corporation as at and for the period ended June 30, 2020, including the notes thereto, and management's discussion and analysis thereof; and (d) the management information circular dated March 31, 2020 for the annual meeting of the holders of Shares of the Corporation held on April 29, 2020.

Corporation's Public Disclosure Record means all documents filed under the profile of the Corporation on the System for Electronic Document Analysis and Retrieval (SEDAR) after December 31, 2018.

Court means the Supreme Court of British Columbia, or other court as applicable.

COVID-19 Measures has the meaning specified in Section 4.1(1).

Depositary means such Person that the Corporation and the Purchaser agree to engage as depositary for the Arrangement.

Depositary Agreement means the agreement to be entered into between the Depositary and the Parties prior to the Effective Date relating to among other things the deposit of Shares by the Shareholders, the terms and conditions of which must be satisfactory to the Parties, each acting reasonably.

Disclosing Party has the meaning specified in Section 4.4(2).

Dissent Rights means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

Effective Date has the meaning specified in the Plan of Arrangement.

Effective Time has the meaning specified in the Plan of Arrangement.

Employee Plans means all employee benefit, health, welfare, supplemental unemployment benefit, profit sharing, option, stock appreciation, savings, insurance, deferred compensation, share purchase, share compensation, disability, pension, supplemental retirement plans and other employee or director benefit plans, policies, trusts or funds for the benefit of directors or former directors of the Corporation or any of its Subsidiaries, Corporation Employees or former Corporation Employees, maintained, sponsored or funded by or binding upon the Corporation or any of its Subsidiaries in respect of which the Corporation or any of its Subsidiaries has any actual or potential liability, other than any statutory or government-sponsored plans to which the Corporation or any of its Subsidiaries is required to contribute or with which any of them is required to comply pursuant to applicable Laws (including, for greater clarity, the RSU Plan and the Stock Option Plan).

Environmental Laws means all Laws relating to environmental matters, the transportation, processing, use, treatment, storage, disposal, handling or containment of Hazardous Substances, or to the clean-up, remediation or other corrective action related to any Hazardous Substances.

Executive Leadership Team has the meaning set out Section 1.1 of the Corporation Disclosure Letter.

Fairness Opinion means the “long-form” opinion of KPMG LLP, the financial advisors to the Special Committee, addressed to the Special Committee to the effect that, as of the date of such opinion, the Consideration to be received by the Shareholders (other than the Rollover Shareholders) is fair, from a financial point of view, to such Shareholders.

Final Order means the final order of the Court approving the Arrangement under Section 291 of the BCBCA, in form and substance acceptable to the both Corporation and the Purchaser, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the written consent of both the Corporation and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment, modification, supplement or variation is acceptable to both the Corporation and the Purchaser, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied.

Governmental Entity means (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision, agent or authority of any of the foregoing; (c) any quasi-governmental or private body including any tribunal, commission, regulatory agency or self-regulatory organization exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any Securities Authority or stock exchange, including the TSX-V.

Hazardous Substances means any material or substance that would reasonably be expected to impair the quality of the environment or that causes or could reasonably be expected to cause an adverse effect on the environment, including any pollutant, contaminant, waste or any hazardous, toxic, deleterious or dangerous material or substance as defined, judicially interpreted, or regulated under any Environmental Laws.

IFRS means International Financial Reporting Standards as issued by the International Accounting Standards Board.

Indemnified Persons has the meaning specified in Section 4.8(4).

Intellectual Property means domestic and foreign: (a) patents, applications for patents and reissues, re-examinations, divisionals, continuations, renewals, extensions and continuations-in-part of patents or patent applications; (b) proprietary and non-public business information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing; (c) original works of authorship, documentation, literary works, artistic works, graphical works, software in source code and object code form, which are fixed in any medium of expression, whether or not registered or the subject of an application for registration, or capable of being registered; (d) integrated circuit, topographies, integrated circuit topography registrations and applications, mask works, mask work registrations and applications for mask work registrations; (e) industrial designs, industrial designation registrations and applications, designs, design registrations and design registration applications; (f) trade names, business names, corporate names, domain names, social media accounts (including the rights to the content therein) and social media handles, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; (g) Software; and (h) any other intellectual property and industrial property.

Interim Order means the interim order of the Court to be issued following the application therefor submitted to the Court as contemplated by Section 2.3 in a form acceptable to both the Corporation and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court with the prior written consent of the Corporation and the Purchaser, each acting reasonably

Investment Canada Act means the *Investment Canada Act* (Canada).

Law means all federal, national, multinational, provincial, state, municipal, regional and local laws (statutory, common or otherwise), constitutions, treaties, conventions, by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, certificates, ordinances, judgments, injunctions, determinations, awards, decrees, legally binding codes or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license or other similar requirement enacted, adopted, promulgated, or applied by any Governmental Entity or self-regulatory authority (including the TSX-V), and the term "**applicable**" with respect to such Laws and in a context that refers to one or more Persons, means such Laws as are binding upon or applicable to such Person or its assets.

Lease means any Contract pursuant to which the Corporation or any of its Subsidiaries leases, or holds a leasehold interest in, any real property.

Lien means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment (including any encroachment from any subject property onto any neighbouring property), option, right of first refusal or first offer, occupancy right, restrictive covenant, assignment, lien (statutory or otherwise), defect of title or encumbrance of any kind.

Matching Period has the meaning specified in Section 5.4(1)(e).

Material Adverse Effect means any fact, state of facts, change, event, occurrence, effect or circumstance that, individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, financial condition, operations, results of operations, assets, properties, liabilities (contingent or otherwise) or obligations (whether absolute, accrued, conditional or otherwise) of the Corporation and its Subsidiaries taken as a whole, except any such fact, state of facts, change, event, occurrence, effect, or circumstance resulting from or arising in connection with:

(a) any change, effect, event, occurrence, state of fact or circumstance affecting the biotechnology/pharmaceuticals industry as a whole;

(b) any change in global, national or regional political conditions (including the outbreak or escalation of war or acts of terrorism) or in general economic, political, regulatory or market conditions or in national or global financial or capital markets;

(c) any change in IFRS in Canada;

(d) any adoption, proposal, implementation or change in Law, or in any interpretation of Law, by any Governmental Entity;

(e) any natural or man-made disaster or act of God (including epidemics, pandemics, disease outbreak (including COVID-19) other health crisis or public health event, or otherwise);

(f) the failure by the Corporation or any of its Subsidiaries, as applicable, to meet any internal, third party or public projections, forecasts, guidance or estimates of revenues or earnings (it being understood that the cause underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred) or any seasonal fluctuations in the Corporation's results;

(g) any action taken (or omitted to be taken) by the Corporation or any of its Subsidiaries which is required to be taken (or omitted to be taken) pursuant to this Agreement;

(h) any actions taken (or omitted to be taken) upon the request of the Purchaser;

(i) the announcement or performance of this Agreement or the consummation of the Arrangement, including (i) any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Corporation or any of its Subsidiaries with the Corporation Employees, and (ii) any change of control payments owing to any of the Corporation Employees; or

(j) any change in the market price or trading volumes of any securities of the Corporation (it being understood that the causes underlying such change in market price or trading volumes may be taken into account in determining whether a Material Adverse Effect has occurred);

provided, however, that with respect to clauses (a) through to and including (e), to the extent such matter does not have a materially disproportionate effect on the Corporation and its Subsidiaries, taken as a whole, relative to other comparable companies or entities operating in the markets and in the industries in which the Corporation and its Subsidiaries operate; and unless expressly provided in any particular section of this Agreement, references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a Material Adverse Effect has occurred.

Material Contract means any Contract:

(a) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness for borrowed money provided by the Corporation or its Subsidiaries in excess of a principal amount of $200,000, but does not include any guarantee by the Corporation or one of its Subsidiaries of another Subsidiary;

(b) restricting the incurrence of indebtedness by the Corporation or any of its Subsidiaries (including by requiring the granting of an equal and rateable Lien) or the incurrence of any Liens on any properties or assets of the Corporation or any of its Subsidiaries, or restricting the payment of dividends by the Corporation;

(c) under which the Corporation or any of its Subsidiaries is obligated to make to any Person or expects to receive from any Person payments in excess of $300,000 over any one (1) year period;

(d) with a Governmental Entity having a value equal to or in excess of $300,000;

(e) providing for the establishment, investment in, organization or formation of any joint venture, limited liability company, partnership or similar entity;

(f) that (i) creates an exclusive dealing arrangement, entered into other than in the Ordinary Course, or (ii) creates a right of first offer or refusal;

(g) providing for retention or change in control payments in excess of $250,000 in the aggregate or severance in excess of two (2) years;

(h) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset for a price or having a value equal to or in excess of $300,000 individually or in the aggregate, other than any such Contract which terminated or pursuant to which the purchase, sale or exchange transaction consummated, in each case prior to January 1, 2018;

(i) that limits or restricts (i) the ability of the Corporation or any of its Subsidiaries to engage in any line of business or carry on business in any geographic area, or (ii) the scope of Persons to whom the Corporation or any of its Subsidiaries may sell products, deliver services or conduct business;

(j) that if terminated or modified or if it ceased to be in effect would reasonably be expected to have a Material Adverse Effect; or

(k) that is otherwise material to the Corporation and its Subsidiaries, taken as a whole.

Meeting means the special meeting of 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 Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Circular and agreed to in writing by the Purchaser in accordance with this Agreement.

MI 61-101 means Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions*.

Misrepresentation has the meaning specified in the *Securities Act* (British Columbia) and other Securities Laws.

officer has the meaning specified in the *Securities Act* (British Columbia).

Open Source Software means any software for which the original source code is made freely available and may be redistributed and modified, including software meeting the Open Source Definition of the Open Source Initiative (opensource.org) or software that is subject to the GNU

General Public License (GPL), the Lesser GNU Public License (LGPL), the Apache License (ASL), any “copyleft” license or any other license, that requires as a condition of use, modification or distribution of such software that such software or other software combined or distributed with it be (a) disclosed or distributed in source code form, (b) licensed for the purpose of making derivative works, or (c) redistributable at no charge.

Option means an outstanding option to purchase Shares issued pursuant to the Stock Option Plan, whether or not vested.

Ordinary Course means, with respect to an action taken by the Corporation or its Subsidiaries, that such action is taken in the ordinary course of the normal operations of the business of, as applicable, the Corporation or its Subsidiaries, as the same may be varied, in good faith and on a commercially reasonable basis, to take into account any applicable COVID-19 Measures or in response to the actual or reasonably anticipated effect of the COVID-19 pandemic.

Outside Date means December 31, 2020, or such later date as may be agreed to in writing by the Parties, provided that if the Effective Date has not occurred by December 31, 2020 as a result of the failure to satisfy any of the conditions set forth in Section 6.1, Section 6.2 or Section 6.3 as a consequence, directly or indirectly, of any situation or circumstance arising as a result of, or in connection with, the COVID-19 pandemic, then either Party may elect by notice in writing delivered to the other Party by no later than 4:30 p.m. (Vancouver time) on a date that is five (5) Business Days prior to such date, to extend the Outside Date by a period of thirty (30) days, provided that, notwithstanding the foregoing, a Party shall not be permitted to extend the Outside Date if the failure to satisfy any such condition is primarily the result of the breach by such Party of its representations and warranties set forth in this Agreement or such Party’s failure to comply with its covenants herein (unless such breach or failure to comply is the result of any situation or circumstance arising as a result of, or in connection with, the COVID-19 pandemic).

Owned Intellectual Property means the Intellectual Property owned by the Corporation or its Subsidiaries.

Owned Real Property means all the real and immovable property owned by the Corporation and its Subsidiaries.

Parties means the Corporation and the Purchaser and **Party** means any one of them.

Permitted Liens means, in respect of the Corporation or its Subsidiaries, any one or more of the following:

(a) Liens for Taxes, assessments or governmental charges or levies that are not delinquent or the validity of which is being contested in good faith by proper legal proceedings if adequate provision has been made for their payment;

(b) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of the construction, maintenance, repair or operation of assets, provided that such Liens are related to obligations not due or delinquent, are not registered against title to any assets and in respect of which adequate holdbacks are being maintained as required by applicable Law;

(c) the right reserved to or vested in any Governmental Entity by any statutory provision or by the terms of any lease, license, franchise, grant or permit of the Corporation or its Subsidiaries, to terminate any such lease, license, franchise, grant or permit, or to require annual or other payments as a condition of their continuance;

(d) easements, servitudes, restrictions, restrictive covenants, rights of way, encroachments (including any encroachment from any subject property onto any neighbouring property), licenses, permits and other similar rights in real or immovable property that in each case do not materially detract from the value or marketability or materially interfere with the use of the real or immovable property subject thereto, in each case in the Ordinary Course;

(e) zoning, land use and building by-laws and ordinances, regulations made by public authorities that in each case do not materially detract from the value or marketability or materially interfere with the use of the real or immovable property subject thereto, in each case in the Ordinary Course;

(f) (i) reservations, exceptions, limitations, provisos and conditions contained in the original Crown grant or patent of any Owned Real Property; and (ii) any statutory limitations, exceptions, reservations and qualifications related thereto that in each case do not materially detract from the value or marketability or materially interfere with the use of the real or immovable property subject thereto, in each case in this subsection; (ii), in the Ordinary Course;

(g) such other imperfections or irregularities of title that, in each case, do not materially detract from the value or marketability or materially interfere with the use of the real or immovable property subject thereto, in the Ordinary Course;

(h) Liens granted by the Corporation or any of its Subsidiaries in relation to the purchasing, leasing and/or licensing of personal property and equipment, in each case in the Ordinary Course; and

(i) Liens listed and described in Section 1.1 of the Corporation Disclosure Letter.

Person includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

Personal Information means any data or information in any media that is used or reasonably capable of being used alone or in combination with other information to identify an individual and any other data or information that constitutes personal data or personal information under any Law to which the Corporation or any of its Subsidiaries is subject.

Plan of Arrangement means the plan of arrangement substantially in the form of Schedule A to this Agreement, and any amendments or variations to such plan made in accordance with its terms, the terms of this Agreement and the Interim Order (once issued) or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

Processing or **Processed** means any operation or set of operations that is performed upon data or information, whether or not by automatic means, including collection, access, acquisition, creation, derivation, recordation, organization, storage, adaptation, alteration, correction, retrieval, maintenance, consultation, use, disclosure, dissemination, transmission, transfer, making available, alignment, combination, blocking, storage, retention, deleting, erasure, or destruction.

Purchaser means Novomed Limited, a corporation formed under the Laws of the British Virgin Islands.

Receiving Party has the meaning specified in Section 4.4(2).

Regulatory Approvals means those sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made), waivers, early terminations, authorizations, clearances, or written confirmations of no intention to initiate legal proceedings from Governmental Entities, in each case required to consummate the transactions contemplated by this Agreement, but excluding the approval of the Arrangement by the Court. For the avoidance of doubt, **Regulatory Approvals** shall include the **Required Regulatory Approvals**.

Representative means, with respect to any Person, any officer, director, employee, representative (including any financial, legal or other advisor) or agent of such Person or of any of its affiliates. In respect of the Purchaser, Representative also includes any lender providing financing to the Purchaser in connection with the Arrangement.

Required Regulatory Approvals means the conditional approval of the TSX-V required to complete the Arrangement;

Required Securityholder Approval means the requisite securityholder approval of the Arrangement Resolution as set forth in Section 2.3(3), together with any other vote required under the Interim Order.

Rollover Shares means the issued and outstanding Shares owned or controlled by a Rollover Shareholder, as set out in Schedule A to the Support, Voting and Rollover Agreement entered into by such Rollover Shareholder, that such Rollover Shareholder, and the Purchaser has agreed to have transferred by the holder to the Purchaser in consideration for shares of the Purchaser prior to the Effective Time pursuant to the Support, Voting and Rollover Agreement entered into or to be entered into by such Rollover Shareholder and the Purchaser.

Rollover Shareholders means the Shareholders listed in Schedule E to this Agreement, together with any other Shareholder agreed upon between the Purchaser and the Corporation, each acting reasonably, prior to the date of the Meeting and only to the extent that such Shareholder executes a Support, Voting and Rollover Agreement.

RSU means a restricted share unit issued under the RSU Plan.

RSU Plan means the restricted share unit plan of the Corporation adopted on February 23, 2018, as amended from time to time.

Securities means, collectively, the Shares and Options.

Securities Authority means the BCSC and any other applicable securities commission or securities regulatory authority of a province or territory of Canada.

Securities Laws means the *Securities Act* (British Columbia) and the rules, regulations and published policies thereunder, any other applicable Canadian provincial and territorial securities Laws, and, where applicable, applicable securities Laws and regulations of other jurisdictions.

Security Breach means any actual, suspected, reported, or claimed (a) loss or misuse (by any means) of Personal Information, (b) unauthorized, and/or unlawful Processing, corruption, sale, or rental of Personal Information, or (c) other act or omission that has compromised the privacy, confidentiality or security of Personal Information or the security or operation of the IT Systems.

Securityholders means, collectively, the Shareholders and the holders of Options.

Shareholders means the registered or beneficial holders of the Shares, as the context requires.

Shares means the common shares without par value in the capital of the Corporation.

Software means computer software and programs (both source code and object code form), all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs.

Stock Option Plan means the stock option plan of the Corporation adopted on March 15, 2017, as amended from time to time.

Special Committee means the special committee consisting of independent members of the Board formed to consider, among other things, the Arrangement and the other transactions contemplated by this Agreement.

Subsidiary has the meaning specified in the BCBCA.

Superior Proposal means any *bona fide* written Acquisition Proposal from a Person or Person(s) to acquire not less than all of the outstanding Shares or all or substantially all of the assets of the Corporation on a consolidated basis that:

(a) complies with applicable Laws and did not result from or involve a breach of Article 5 of this Agreement;

(b) that the Board (or any relevant committee thereof) determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors, is reasonably capable of being completed without undue delay relative to the Arrangement, taking into account all financial, legal, regulatory and other aspects of such proposal;

(c) that the Board (or any relevant committee thereof) determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors, would, if consummated in accordance with its terms and without assuming away the risk of delay or non-completion, result in a transaction which is more favourable, from a financial point of view, to the Shareholders (other than Rollover Shareholders) than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 5.4(2) hereof);

(d) that is not subject to any financing condition and in respect of which the Board (or any relevant committee thereof) determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors, that adequate arrangements have been made to ensure that the required funds will be available to effect payment in full for all of the outstanding Shares or all or substantially all of the assets, as the case may be; and

(e) is not subject to any due diligence condition.

Superior Proposal Notice has the meaning specified in Section 5.4(1)(c).

Support Agreement means each of the (i) Support and Voting Agreements, and (ii) the Support, Voting and Rollover Agreements.

Support and Voting Agreements means, collectively, the support and voting agreements entered into between the Purchaser and certain of the directors and officers of the Corporation who own Shares (other than the Rollover Shareholders).

Support, Voting and Rollover Agreements means, collectively, the support, voting and rollover agreements entered or to be entered into between the Purchaser and each of the Rollover Shareholders.

Tax Act means the *Income Tax Act* (Canada).

Tax Returns means any and all returns, reports, declarations, elections, notices, forms, designations, schedules, attachments, filings, and statements (including any amendments, and estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes (whether in tangible, electronic or other form).

Taxes means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Entity and any instalments in respect thereof, together with any tax indemnity obligation, interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not and "**Tax**" means any such Taxes.

Terminating Party has the meaning specified in Section 4.7(3).

Termination Notice has the meaning specified in Section 4.7(3).

TSX-V means the TSX Venture Exchange.

wilful breach means a material breach that is a consequence of an act or a failure to act undertaken by the breaching Party with the actual knowledge that such act or failure to act would, or would be reasonably expected to, cause a breach of this Agreement.

Section 1.2 Certain Rules of Interpretation.

In this Agreement, unless otherwise specified:

(1) **Headings, etc.** The provision of a Table of Contents, the division of this Agreement into Articles, Sections, subsections, paragraphs, clauses and Schedules and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph, clause or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph, clause or Schedule, respectively, bearing that designation in this Agreement.

(2) **Currency.** All references to dollars or to $ are references to Canadian dollars.

(3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(4) **Certain Phrases and References, etc.** The words "including," "includes" and "include" mean "including (or includes or include) without limitation," and "the aggregate of," "the total of," "the sum of," or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of." Unless stated otherwise, "Article," "Section," and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement. The term "Agreement" and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be, amended, restated, replaced, supplemented or novated and includes all schedules to it. The term "made available" means (i) copies of the subject materials were provided to the Purchaser, or (iii) the subject material was listed in the Corporation Disclosure Letter or referred to in this Agreement and copies were provided to the Purchaser by the Corporation if requested.

(5) **Capitalized Terms.** Unless otherwise defined therein, all capitalized terms used in any Schedule or in the Corporation Disclosure Letter have the meanings ascribed to them in this Agreement.

(6) **Knowledge.** Where any representation or warranty is expressly qualified by reference to the knowledge of the Corporation, it is deemed to refer to the actual knowledge of Prof. Ronald Li, Prof. Kevin Costa, Dr. Camie Chan and Dr. Gabriel Wong, in each case after reasonable inquiry (which shall be deemed to be limited to inquiries of Corporation Employees who had knowledge of the transactions contemplated by this Agreement at least two Business Days prior to the date hereof).

(7) **Accounting Terms.** All accounting terms are to be interpreted in accordance with IFRS and all determinations of an accounting nature in respect of the Corporation required to be made shall be made in a manner consistent with IFRS.

(8) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(9) **Computation of Time.** If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Agreement, then the first day of the period is not counted, but the day of its expiry is counted. Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

(10) **Time References**. References to time are to local time, Vancouver, British Columbia.

(11) **Subsidiary.** To the extent any covenants or agreements relate, directly or indirectly, to the Subsidiaries of the Corporation, each such provision shall be construed as a covenant by the Corporation to cause (to the fullest extent to which it is legally capable) its Subsidiaries to perform the required action.

Section 1.3 Schedules.

(1) The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

(2) The Corporation Disclosure Letter itself and all information contained in the Corporation Disclosure Letter is confidential information and may not be disclosed unless (a) it is required to be disclosed pursuant to Law unless such Law permits the Parties to refrain from disclosing the information for confidentiality or other purposes, or (b) a Party needs to disclose it in order to enforce or exercise its rights under this Agreement.

ARTICLE 2
THE ARRANGEMENT

Section 2.1 Arrangement.

The Corporation and the Purchaser agree that the Arrangement will be implemented in accordance with and subject to the terms and conditions of this Agreement and the Plan of Arrangement.

Section 2.2 Corporation Approval

The Corporation represents and warrants to the Purchaser that, as of the date of this Agreement, the Board (a) has received the Fairness Opinion verbally, and (b) upon the recommendation of the Special Committee, the Board has determined that: (i) the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rollover Shareholders); (ii) it will recommend that Securityholders (other than the Rollover Shareholders) vote in favour of the Arrangement Resolution; and (iii) the Arrangement is in the best interest of the Corporation ((i), (ii) and (iii) collectively being the **Board Recommendation**).

Section 2.3 Interim Order.

As soon as reasonably practicable after the date of this Agreement, and in any event prior to October 16, 2020, the Corporation shall apply, in a manner reasonably acceptable to the Purchaser, pursuant to Section 291 of the BCBCA and, in cooperation with the Purchaser, prepare, file and diligently pursue an application for the Interim Order, provided however that should Court operations again become been restricted due to the COVID-19 pandemic the foregoing date may be extended until the earlier of (a) the date that is ten (10) Business Days after the date on which the Court grants a telephonic or other remote means of hearing the motion for the Interim Order, and (b) the earliest possible date on which the Court grants a hearing date for the motion for the Interim Order once it resumes normal operations. The terms of the Interim Order shall be acceptable to both the Corporation and the Purchaser, acting reasonably, and must provide, among other things:

(1) for which class of Securityholder or other class of Persons to whom notice is to be provided in respect of the Arrangement and the Meeting and for the manner in which such notice is to be provided;

(2) to fix the record date for the purpose of determining which Securityholders within a class of Securityholders receiving notice of the Arrangement are entitled to receive notice of, and to vote at, the Meeting;

(3) that the required level of approval for the Arrangement Resolution shall be:

(a) not less than $66^2/_3$% of the votes cast on the Arrangement Resolution by Shareholders present in person or represented by proxy at the Meeting, each being entitled to one vote per Share; and

(b) if required under Securities Laws, a simple majority of the votes cast on the Arrangement Resolution by Shareholders (other than the Rollover Shareholders and any other Person required to be excluded for the purpose of such vote under MI 61-101), present in person or represented by proxy at the Meeting, each being entitled to one vote per Share, voting in accordance with Part 8 of MI 61-101 or any exemption therefrom;

(c) not less than $66^2/_3$% of the votes cast on the Arrangement Resolution by Securityholders, voting as a single class, present in person or represented by proxy at the Meeting, each being entitled to one vote per Share or Option; and

(4) that, subject to the foregoing and in all other respects, the terms, restrictions and conditions of the Corporation's Constating Documents, including quorum requirements and all other matters, shall apply in respect of the Meeting;

(5) for the grant of Dissent Rights as contemplated in the Plan of Arrangement;

(6) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(7) that the Meeting may be adjourned or postponed from time to time by the Corporation in accordance with the terms of this Agreement and without the need for additional approval of the Court;

(8) that the record date for the Securityholders entitled to notice of and to vote at the Meeting will not change in respect of any adjournment(s) or postponement(s) of the Meeting, unless required by Law;

(9) that the Meeting may be held in a virtual-only format; and

(10) for such other matters as the Purchaser or the Corporation (each with the prior written consent of the other, such consent not to be unreasonably withheld or delayed) may reasonably require.

Section 2.4 The Meeting.

The Corporation shall:

(1) subject to the terms of this Agreement and the Interim Order and provided that this Agreement has not been terminated in accordance with its terms, convene and conduct the Meeting in accordance with the Interim Order, the Corporation's Constating Documents and applicable Law as soon as reasonably possible, but in any event on or before November 20, 2020 (or such later date as may be consented to by the Purchaser in writing and, provided that if and to the extent the date of application for the Interim Order has been extended as contemplated in Section 2.3 above, the foregoing date shall be extended by an equal number of days), for the purpose of considering the Arrangement Resolution and for such other matters as the Purchaser or the Corporation (each with the prior written consent of the other, such consent not to be unreasonably withheld or delayed) may reasonably require, and not adjourn, postpone or cancel (or propose the adjournment, postponement or cancellation of) the Meeting without the prior written consent of the Purchaser, except:

(a) in the case of an adjournment, as required for quorum purposes;

(b) as required or permitted under Section 4.7(3) or Section 5.4(5); or

(c) for an adjournment for the purpose of attempting to obtain the Required Securityholder Approval.

(2) notwithstanding the receipt by the Corporation of a Superior Proposal in accordance with Section 5.4(1), a Change in Recommendation or any other intervening event and provided that this Agreement has not been terminated in accordance with its terms, unless otherwise agreed in writing by the Purchaser, the Corporation shall take all reasonable steps to hold the Meeting and to cause the Arrangement Resolution to be voted on at the Meeting and shall not propose to adjourn or postpone the Meeting other than as contemplated by Section 2.4(1), Section 4.7(3), or Section 5.4(5);

(3) subject to the terms of this Agreement, other than following a Change in Recommendation, use commercially reasonable efforts to solicit proxies in favour of the approval of the Arrangement Resolution and against any resolution submitted by any Shareholder that is inconsistent with the Arrangement Resolution and the completion of any of the transactions contemplated by this Agreement, including cooperating with any Persons engaged by the Purchaser to solicit proxies in favour of the approval of the Arrangement Resolution;

(4) as reasonably requested from time to time by the Purchaser, provide the Purchaser with copies of or access to any lists of (a) the registered holders of Shares, participants and book-based nominee registrants such as CDS & Co., and/or non-objecting beneficial owners of Shares prepared or delivered to the Corporation by any transfer agent, dealer or proxy solicitation services firm and in the possession of the Corporation, (b) the names and holdings of all Persons having rights to acquire Shares or to receive a cash award, including holders of Options and RSUs (c) such additional information, including supplemental lists setting out changes to the foregoing, and (d) additional information regarding the Meeting generated by any transfer agent, dealer or proxy solicitation services firm and in the possession of the Corporation;

(5) consult with the Purchaser in fixing the record date and meeting date for the Meeting, give notice to the Purchaser of the Meeting and allow the Representatives of the Purchaser (including its outside legal counsel) to attend the Meeting;

(6) promptly advise the Purchaser, at such times as the Purchaser may reasonably request and at least on a daily basis on each of the last ten (10) Business Days prior to the date of the Meeting, as to the aggregate tally of the proxies (for greater certainty, specifying votes “for” and votes “against” the Arrangement Resolution) received by the Corporation in respect of the Arrangement Resolution;

(7) promptly advise the Purchaser of any substantive communication (written or oral) from any Person in opposition to the Arrangement or any written notice of dissent or purported exercise by any Shareholder of Dissent Rights received by the Corporation in relation to the Arrangement Resolution and any withdrawal of Dissent Rights received by the Corporation and, subject to applicable Laws, any written communications sent by or on behalf of the Corporation to any Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement Resolution;

(8) not make any payment or settlement offer, or agree to any payment or settlement, prior to the Effective Time with respect to Dissent Rights without the prior written consent of the Purchaser; and

(9) not change the record date for determining the Securityholders entitled to vote at the Meeting in connection with any adjournment or postponement of the Meeting unless required by Law.

Section 2.5 The Circular.

(1) The Corporation shall, as promptly as reasonably practicable, prepare and complete, in consultation with the Purchaser, the Circular together with any other documents required by Law in connection with the Meeting and the Arrangement, and the Corporation shall, as promptly as reasonably practicable after obtaining the Interim Order, cause the Circular and such other documents to be filed and sent to each Shareholder and other Persons as required by the Interim Order and Law, in each case so as to permit the Meeting to be held by the date specified in Section 2.4(1).

(2) The Corporation shall ensure that the Circular (including with respect to any information incorporated therein by reference) complies in all material respects with Law, does not contain any Misrepresentation (other than in respect to any written information with respect to the Purchaser that is furnished in writing by or on behalf of the Purchaser for inclusion in the Circular) and provides the Securityholders with sufficient information in sufficient detail to permit them to form a reasoned judgement concerning the matters to be placed before the Meeting. Without limiting the generality of the foregoing, the Circular must include:

(a) a summary and copy of the Fairness Opinion;

(b) a statement that the Special Committee has received the Fairness Opinion and has, after receiving legal and financial advice, unanimously recommended that the Board approve this Agreement, the Arrangement and recommend that the Securityholders (other than the Rollover Shareholders) vote in favour of the Arrangement Resolution;

(c) a statement that the Board has received the Fairness Opinion, and has, after receiving legal and financial advice and the recommendation of the Special Committee, made the Board Recommendation; and

(d) disclosure of the directors, executive officers and shareholders of the Corporation who are subject to Support Agreements pursuant to which they intend to vote all of their Securities in favour of the Arrangement Resolution.

(3) Prior to filing the Circular with applicable Governmental Entities and printing and mailing the Circular to the Securityholders, the Corporation shall give the Purchaser and its outside legal counsel a reasonable opportunity to review and comment on drafts of the Circular and other related documents, and shall give reasonable consideration to any comments made by the Purchaser and its outside legal counsel, and agrees that all information relating solely to the Purchaser and its affiliates that is furnished in writing by or on behalf of the Purchaser for inclusion in the Circular,

and any information describing the terms of the Arrangement and/or the Plan of Arrangement, must be in a form and content satisfactory to the Purchaser, acting reasonably. The Corporation shall provide the Purchaser with a final copy of the Circular concurrently with its mailing to the Securityholders.

(4) The Purchaser shall provide in writing to the Corporation all necessary information concerning the Purchaser and its affiliates that is required by applicable Law to be included by the Corporation in the Circular or other related documents, and shall ensure that such information does not contain any Misrepresentation and all information relating solely to the Purchaser and its affiliates shall be in the form and content satisfactory to the Purchaser acting reasonably.

(5) The Purchaser hereby agrees to indemnify and save harmless the Corporation and its Subsidiaries and their respective Representatives from and against any and all liabilities, claims, demands, losses, costs, damages and expenses to which the Corporation or its Subsidiaries or any of their respective Representatives may be subject or may suffer as a result of, or arising from, any Misrepresentation or alleged Misrepresentation contained in any written information included in the Circular that was provided in writing by or on behalf of the Purchaser or its Representatives for inclusion in the Circular concerning the Purchaser (including in respect of any agreements, commitments or understandings between any of them not involving the Corporation), including as a result of any order made, or any inquiry, investigation or proceeding instituted by any Securities Authority or other Governmental Entity based on such a Misrepresentation or alleged Misrepresentation.

(6) Each Party shall promptly notify the other Party if it becomes aware that the Circular contains a Misrepresentation, or otherwise requires an amendment or supplement. The Parties shall cooperate in the preparation of any such amendment or supplement as required or appropriate, and the Corporation shall promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the Securityholders and, if required by the Court or by Law, file the same with the Securities Authorities or any other Governmental Entity.

(7) The Corporation shall keep the Purchaser fully informed, in a timely manner, of any requests or comments made by the Securities Authorities and/or the TSX-V in connection with the Circular or any other matter in respect of the Arrangement.

Section 2.6 Final Order.

If the Interim Order is obtained and the Arrangement Resolution is passed at the Meeting as provided for in the Interim Order and as required by applicable Law, the Corporation shall, subject to the terms of this Agreement, take all steps necessary or advisable to submit the Arrangement to the Court and diligently pursue the filing of an application for the Final Order pursuant to Section 291 of the BCBCA, as soon as reasonably practicable and in any event no later than five (5) Business Days after the Arrangement Resolution is passed at the Meeting provided however that should Court operations again become been restricted due to the COVID-19 pandemic the foregoing date may be extended until the earlier of (a) the date that is ten (10) Business Days after the date on which the Court grants a telephonic or other remote means of hearing the motion for the Final Order, and (b) the earliest possible date on which the Court grants a hearing date for the motion for the Interim Order once it resumes normal operations.

Section 2.7 Court Proceedings.

Subject to the terms of this Agreement, the Purchaser shall cooperate with, assist and consent to the Corporation seeking the Interim Order and the Final Order, including by providing to the Corporation on a timely basis any information required by applicable Law to be supplied by the Purchaser in connection therewith. In connection with all Court proceedings relating to obtaining the Interim Order and the Final Order, the Corporation shall:

(a) diligently pursue, and cooperate with the Purchaser to obtain, the Interim Order and the Final Order;

(b) provide the Purchaser and its outside legal counsel with a reasonable opportunity to review and comment upon drafts of all material to be filed with, or submitted to, the Court in connection with the Arrangement, including drafts of the Interim Order, Final Order and Circular, and give reasonable consideration to all such comments of the Purchaser and its legal counsel;

(c) provide outside legal counsel to the Purchaser on a timely basis with copies of any notice of appearance, evidence or other documents served on the Corporation or its outside legal counsel in respect of the application for the Interim Order or the Final Order or any appeal from them, and any notice, written or oral, indicating the intention of any Person to appeal, or oppose the granting of, the Interim Order or the Final Order;

(d) ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement;

(e) not file any material with the Court in connection with the Arrangement or serve any such material, or agree to modify or amend any material so filed or served, except as contemplated by this Agreement or with the Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed, provided the Purchaser is not required to agree or consent to any increase in or variation in the form of the Consideration or other modification or amendment to such filed or served materials that expands or increases the Purchaser's obligations, or diminishes or limits the Purchaser's rights, set forth in any such filed or served materials or under this Agreement, or that require any amendment or modification to the terms and conditions of the Support Agreements;

(f) oppose any proposal from any Person that the Final Order contain any provision materially inconsistent with this Agreement, and if required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, to do so only after notice to, and in consultation and cooperation with, the Purchaser; and

(g) not object to legal counsel to the Purchaser making such submissions on the hearing of the motion for the Interim Order and the application for the Final Order as such counsel considers appropriate, provided the Purchaser provides copies to the Corporation of any notice of appearance, motions or other documents supporting such submissions in advance of the hearing and such submissions are consistent with this Agreement and the Plan of Arrangement.

Section 2.8 Effective Date.

The Effective Date shall occur as soon as reasonably practicable and in any event not later than two Business Days after the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, and subject to applicable Law, of the conditions set forth in Article 6 (excluding conditions that, by their terms, cannot be satisfied until the Effective Date and the condition in Section 6.3(3), but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date), unless another time or date is agreed to in writing by the Parties.

From and after the Effective Time, the Plan of Arrangement shall have all of the effects provided by applicable Law, including the BCBCA. The closing of the transactions contemplated hereby shall take place via electronic document exchange or at the offices of Borden Ladner Gervais LLP in Vancouver or at such other location as may be agreed upon by the Parties.

Section 2.9 Payment of Consideration.

The Purchaser shall, following receipt of the Final Order and at least one (1) Business Day prior to the Effective Date, transfer or cause to be transferred to the Depositary sufficient funds in order to provide the Depositary with sufficient funds to pay the aggregate Consideration for all of the Shares to be acquired pursuant to the Arrangement, which funds will be held and dealt with by the Depositary in accordance with the Depositary Agreement and the Plan of Arrangement.

Section 2.10 Tax Withholdings.

Each of the Purchaser, the Corporation, the Depositary or any other Person that makes a payment pursuant to this Agreement or the Plan of Arrangement shall be entitled to deduct and withhold from the amount payable such amount as such Person is required or reasonably believes to be required to be deducted or withheld pursuant to the Tax Act or any provision of any applicable Law in respect of Taxes, and remit such deducted and withheld amount to the appropriate Governmental Entity. To the extent that the amount is so properly deducted, withheld and remitted, such amount shall be treated for all purposes of this Agreement and the Plan of Arrangement as having been paid to the relevant recipient, provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

Section 2.11 Options.

(1) The Corporation shall take all reasonable steps as may be necessary or desirable to facilitate the exchange, surrender, settlement, termination and/or cancellation of all outstanding Options (whether then vested or unvested) in accordance with the terms of the Plan of Arrangement and the applicable Employee Plan. The Parties acknowledge that the Options will be dealt with in the manner set forth in Section 2.3 of the Plan of Arrangement.

(2) The Purchaser acknowledges and agrees that the Corporation or any other Person that makes a payment to a holder of Options who is a resident of Canada or who is employed in Canada (both within the meaning of the Tax Act) in connection with the surrender or cancellation of the Options as described in the Plan of Arrangement will forego a deduction under the Tax Act with respect to such payment and will comply with the requirements described in subsection 110(1.1) of the Tax Act. This Section 2.11(2) shall survive the Effective Date and is intended to be for the benefit of, and will be enforceable by, those holders of Options to whom this Section 2.11(2) applies and their respective heirs, executors, administrators and personal representatives and will be binding on the Purchaser, the Corporation and its successors and assigns.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of the Corporation.

(1) The Corporation hereby represents and warrants to the Purchaser as set forth in Schedule C hereto and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement and the consummation of the Arrangement.

(2) Except for the representations and warranties set forth in this Agreement including the related disclosure in the Corporation Disclosure Letter, neither the Corporation nor any other Person has made or makes any other express or implied representation and warranty, either written or oral, on behalf of the Corporation. In particular, without limiting the foregoing disclaimer, except for the representations and warranties made by the Corporation in this Agreement as set forth in Schedule C including the related disclosure in the Corporation Disclosure Letter, neither the Corporation nor any other Person makes or has made any representation or warranty to the Purchaser or any of its Representatives, with respect to: (a) any financial projection, forecast, estimate, budget or prospective information relating to the Corporation, or any of its Subsidiaries or their respective businesses or operations; or (b) any oral or written information furnished or made available to the Purchaser or any of its Representatives in the course of their due diligence investigation of the Corporation, the negotiation of this Agreement or the consummation of the Arrangement and the other transactions contemplated by this Agreement, including the accuracy, completeness or currentness thereof.

(3) The representations and warranties of the Corporation contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

(4) Contemporaneously with the execution and delivery of this Agreement, the Corporation is delivering to the Purchaser the Corporation Disclosure Letter required to be delivered pursuant to this Agreement, which sets out the disclosures, exceptions and exclusions contemplated or permitted by this Agreement, including certain exceptions and exclusions to the representations and warranties and covenants of the Corporation contained in this Agreement. If a matter is said

to be set out, disclosed, listed, described or reflected in a particular section of the Corporation Disclosure Letter, it is deemed to have been sufficiently disclosed to the Parties if such matter is fully and plainly described in that particular section of the Corporation Disclosure Letter, if there is, in that particular section, a specific cross-reference to another section of the Corporation Disclosure Letter or if the application to another section of the Corporation Disclosure Letter is reasonably apparent.

Section 3.2 Representations and Warranties of the Purchaser.

(1) The Purchaser hereby represents and warrants to the Corporation as set forth in Schedule D and acknowledges and agrees that the Corporation is relying upon such representations and warranties in connection with the entering into of this Agreement and the consummation of the Arrangement.

(2) Except for the representations and warranties set forth in this Agreement, neither the Purchaser, nor any other Person has made, or makes any other, express or implied representation and warranty, either written or oral, on behalf of the Purchaser.

(3) The representations and warranties of the Purchaser contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms.

ARTICLE 4
COVENANTS

Section 4.1 Conduct of Business of the Corporation.

(1) The Corporation covenants and agrees that, during the period from the date of this Agreement until the earlier of the Effective Time and the time that this Agreement is terminated in accordance with its terms, the Corporation shall, and shall cause its Subsidiaries to, conduct its business in the Ordinary Course except as required to comply with any quarantine, "shelter in place", "stay at home", workforce reduction, social distancing, shut down, closure, sequester or any other applicable Law, guidelines or recommendations by any Governmental Entity in connection with or in response to COVID-19 (the **COVID-19 Measures**), as required or specifically permitted by this Agreement, as required by applicable Law or a Governmental Entity, as required by any Contract, or with the prior written consent of the Purchaser, acting reasonably (which consent shall not be unreasonably withheld, conditioned or delayed), and the Corporation shall, and shall cause each of its Subsidiaries to:

(a) duly and on a timely basis file all Tax Returns required to be filed by it on or after the date hereof pursuant to the Tax Act on a commercially reasonable basis and in material compliance with applicable Law, and all such Tax Returns will be true, complete and correct in all material respects;

(b) fully and timely pay all Taxes shown on such Tax Returns; and

(c) properly reserve (and reflect such reserves in its Books and Records and financial statements) for all Taxes accruing which are not due or payable prior to the

Effective Date in a manner consistent with past practice and in accordance with the provisions of the Tax Act.

(2) Without limiting the generality of Section 4.1(1), the Corporation covenants and agrees that, until the earlier of the Effective Time or the time that this Agreement is terminated in accordance with its terms, the Corporation shall, and shall cause its Subsidiaries to, conduct business in the Ordinary Course, and shall use its commercially reasonable efforts to (i) maintain and preserve intact the current business organization, goodwill, assets and properties of the Corporation and its Subsidiaries, (ii) maintain an amount equal to all after-Tax proceeds derived from the sale, transfer or disposition of any assets of Corporation or its Subsidiaries occurring after the date hereof and other than in the Ordinary Course, on its balance sheet; (i) keep available the services of the Corporation Employees, (iii) maintain good relationships with suppliers, customers, landlords, creditors, distributors, joint venture partners and all other Persons having business relationships with the Corporation or its Subsidiaries, and (iv) comply in all material respects with the terms of all Material Contracts and with applicable Laws, in each case except as required to comply with COVID-19 Measures, and except for any commercially reasonably action taken or not taken by the Corporation in good faith to respond to the actual or reasonably anticipated effect on the Corporation or its Subsidiaries of COVID-19 or the COVID-19 Measures. Except (A) as required to comply with COVID-19 Measures, (B) any commercially reasonable action taken or not taken by the Corporation in good faith to respond to the actual or reasonably anticipated effect on the Corporation or its Subsidiaries of COVID-19 or the COVID-19 Measures; (C) as set forth in Section 4.1(2) of the Corporation Disclosure Letter, and (D) with the prior written consent of the Purchaser, acting reasonably (which consent shall not be unreasonably withheld, conditioned or delayed), the Corporation shall not, and shall not permit any of its Subsidiaries to directly or indirectly:

(a) amend its Constating Documents or, in the case of any Subsidiary which is not a corporation, its similar organizational documents;

(b) reduce the stated capital or split, combine or reclassify any shares of its capital stock (including, in respect of the Corporation, the Shares) or amend any term of any outstanding debt security;

(c) declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof), other than distributions by a Subsidiary to the Corporation or to a Subsidiary of the Corporation;

(d) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire, any shares of its capital stock (including, in respect of the Corporation, the Shares);

(e) adopt a plan of liquidation or resolution providing for the liquidation or dissolution of the Corporation or its Subsidiaries;

(f) enter into, or resolve to enter into, any agreement that has the effect of creating a joint venture, partnership, shareholders' agreement or similar relationship;

(g) other than in the Ordinary Course and consistent with past practice, engage in any transaction with any Corporation Employee, director or officer of the Corporation or any of its Subsidiaries or any of their respective affiliates or associates;

(h) issue, grant, deliver, sell, pledge or otherwise encumber, or authorize the issuance, grant, delivery, sale, pledge, encumbrance or create any derivative interest in, any shares of its capital stock or other equity or voting interests, or any options, warrants or similar rights exercisable or exchangeable for or convertible into, or otherwise evidencing a right to acquire such securities or other equity or voting interests, or any stock appreciation rights, phantom stock awards or other rights that are linked to the price or the value of the Shares, except for the issuance of Shares issuable upon the exercise of the currently outstanding Options;

(i) reorganize, merge, combine or amalgamate with any Person or acquire (by merger, amalgamation, consolidation, acquisition of securities, assets or otherwise), directly or indirectly, in one transaction or in a series of transactions, any businesses or enterprises, or acquire assets, properties or interests outside of the Ordinary Course;

(j) (i) make any capital expenditures during the current fiscal year which in the aggregate exceed $500,000, or (ii) commit to make any capital expenditures beyond the current fiscal year which individually or in the aggregate exceed $1,000,000;

(k) commence, cancel, waive, release, assign, settle or compromise any claim (other than insured claims), Action or proceeding before a Governmental Entity (i) relating to the assets or the business of the Corporation or its Subsidiaries, in excess of an aggregate amount of $250,000 or which would reasonably be expected to impede, prevent or materially delay the consummation of the transactions contemplated by this Agreement, or (ii) brought by any present, former or purported holder of securities of the Corporation or any of its Subsidiaries in connection with the transactions contemplated by this Agreement or the Plan of Arrangement;

(l) prepay any long-term indebtedness before its scheduled maturity or increase, create, incur, assume or otherwise become liable for any indebtedness for borrowed money or guarantees thereof;

(m) make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person (other than the Corporation or a Subsidiary and other than accounts payable to trade creditors and accrued liabilities in the Ordinary Course);

(n) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments other than in the Ordinary Course;

(o) make any bonus or profit sharing distribution or similar payment of any kind, other than in accordance with the terms of an Employee Plan in force as of the date hereof or as required pursuant to an existing Contract;

(p) make any material change in the Corporation's methods of accounting, except as required by changes in IFRS or pursuant to written instructions, comments or orders of a Governmental Entity;

(q) grant any general increase in the rate of wages, salaries, bonuses or other remuneration of employees (including Corporation Employees), directors or officers other than in the Ordinary Course , and except as has been agreed to by the Board prior to the date hereof and set forth in the Corporation Disclosure Letter or required by applicable Law;

(r) except as required by Law: (i) adopt, enter into or amend any Employee Plan or, other than in the Ordinary Course, any Contract with any employee (including any Corporation Employee) (other than as provided in Section 2.11); (ii) grant, accelerate, increase or otherwise amend any payment, award or other benefit payable to, or for the benefit of, any current or former employee (including any Corporation Employee), director or officer other than as required pursuant to an existing Employee Plan or Contract or other than in the Ordinary Course in the case of Corporation Employees; (iii) increase the benefits payable under any existing employment agreements, severance or termination pay policies with any current or former employee (including any Corporation Employee), director or officer other than in the Ordinary Course in the case of Corporation Employees; (iv) hire or terminate (other than for cause) the employment of, any member of the Executive Leadership Team except, in either case, as part of a Board approved organizational restructuring; (v) grant any rights of indemnification, retention, severance, change of control, bonus or termination pay to, or enter into any employment agreement, indemnity agreement, deferred compensation or bonus compensation agreement (or amend such existing agreement) with, any officer or director or employee (including any Corporation Employee) other than in the Ordinary Course; or (vi) make any loan to any director or officer or employee (including any Corporation Employee);

(s) enter into, amend or modify any union recognition agreement, collective bargaining agreement or similar agreement with any trade union or representative body other than in the Ordinary Course and upon reasonable consultation with the Purchaser;

(t) amend or modify in any material respect, or terminate or waive any material right under any Material Contract, or enter into any Contract that would be a Material Contract if in effect on the date hereof, or fail to enforce any material breach of any Material Contract of which it becomes aware, or materially breach, materially violate or be in material default under any Material Contract, except for the entering into of any Contract with suppliers, customers, distributors and other Persons in the Ordinary Course;

(u) enter into an agreement that could result in the payment by the Corporation or any of its Subsidiaries of a finder's fee, success fee or other similar fee in connection with the Arrangement or the other transactions contemplated in this Agreement, provided that the foregoing shall not prohibit the Corporation from entering into an agreement with any dealer and proxy solicitation services firm for purposes of soliciting proxies in connection with the Arrangement;

(v) make, amend or rescind any material Tax election, except as required by Law in a manner consistent with past practice or as required under this Agreement, settle or compromise any material Tax claim, action, litigation, proceeding, arbitration, investigation, audit, controversy, assessment, reassessment or liability, amend any Tax Return in any material respect, surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, consent to the extension or waiver of the limitation period applicable to any material Tax matter, or materially amend or change any of its methods of reporting income, deductions or accounting for income Tax purposes, where the result of such action is inconsistent with past practice or the Tax Act;

(w) make a request for a Tax ruling or enter into any material agreement with a Governmental Entity with respect to Taxes;

(x) except as contemplated in Section 4.8 and except for scheduled renewals in the Ordinary Course, amend, modify or terminate any material insurance (or re-insurance) policy of the Corporation or its Subsidiaries in effect on the date of this Agreement, unless simultaneously with any such termination, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated policy for substantially similar premium are in full force and effect;

(y) except as required by Law or a Government Entity or in the Ordinary Course, transfer, pledge, lease, dispose of, or grant any Lien (other than Permitted Liens) on, any of the assets of Corporation or its Subsidiaries having a value equal to or in excess of $1,000,000 in the aggregate;

(z) grant or commit to grant an exclusive license or otherwise transfer any Intellectual Property or exclusive rights in or in respect thereto, other than in the Ordinary Course;

(aa) enter into any Contract which creates non-solicitation or non-competition obligations for the Corporation or any of its Subsidiaries, other than in the Ordinary Course;

(bb) materially change the nature of its business; or

(cc) authorize, agree, resolve or otherwise commit to do any of the foregoing.

(3) Nothing in this Section 4.1 or elsewhere in this Agreement (a) is intended to or shall result in the Purchaser exercising material influence over the operations of the Corporation or its

subsidiaries prior to the Effective Date, or (b) shall be interpreted in such a way as to place either of the Purchaser or the Corporation in violation of any applicable Law. Each of the Purchaser and the Corporation shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its respective operations and the operations of its respective Subsidiaries.

Section 4.2 Covenants of the Corporation Regarding the Arrangement.

(1) The Corporation shall, and shall cause its Subsidiaries to, perform all obligations required or desirable to be performed by the Corporation or its Subsidiaries under this Agreement, cooperate with the Purchaser in connection therewith, and shall use its commercially reasonable efforts to perform all such other actions as may be necessary or desirable in order to, consummate and make effective, as soon as reasonably practicable, the Arrangement and, without limiting the generality of the foregoing, the Corporation shall, and shall cause its Subsidiaries to:

(a) use its commercially reasonable efforts to satisfy all conditions precedent set forth in Section 6.1 and Section 6.2 and carry out the terms of the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to this Agreement or the Arrangement;

(b) except as provided in Section 4.4 in respect of the Regulatory Approvals, use its commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from it or its Subsidiaries relating to the Arrangement;

(c) except as provided in Section 4.4 in respect of the Regulatory Approvals, use its commercially reasonable efforts to, upon reasonable consultation with the Purchaser, oppose, lift or rescind any injunction, restraining or other order, decree, judgment or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it or its Subsidiaries is a party or brought against it or its Subsidiaries or any of their directors or officers challenging the Arrangement or this Agreement;

(d) use its commercially reasonable efforts to provide all required notifications and to obtain and maintain all third party consents, waivers or approvals that are required to be, provided or obtained under Material Contracts in connection with the Arrangement or in order to maintain its Material Contracts in full force and effect following completion of the Arrangement, in each case, on terms that are reasonably satisfactory to the Purchaser, and without paying, and without committing itself or its Subsidiaries or the Purchaser to pay, any consideration or incur any liability or obligation without the prior written consent of the Purchaser; and

(e) not take any action, or refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by this Agreement (including the satisfaction of any condition set forth in Article 6 or any Regulatory Approval), other than as permitted under this Agreement.

(2) The Corporation shall promptly notify the Purchaser of:

(a) any Material Adverse Effect or any event, change or development which would reasonably be expected to have a Material Adverse Effect;

(b) any notice or other communication from any Person alleging (i) that the consent, waiver or approval of such Person is required in connection with this Agreement or the Arrangement, (ii) such Person is terminating or otherwise materially adversely modifying a Material Contract as a result of this Agreement or the Arrangement, or alleging that the transactions contemplated by this Agreement would result in a breach of such Material Contract, or (iii) such Person is terminating or otherwise materially adversely modifying its relationship with the Corporation or any of its Subsidiaries as a result of this Agreement or the Arrangement;

(c) any material notice or other communication from any Governmental Entity in connection with this Agreement (and, subject to Law, the Corporation shall promptly provide a copy of any such written notice or communication to the Purchaser); or

(d) any actions, suits, arbitrations or other proceedings commenced or, to the knowledge of the Corporation, threatened against the Corporation or its Subsidiaries or affecting their assets that relate to this Agreement or the Arrangement, in each case to the extent that such notice, communication, action, suit, arbitration or proceeding would reasonably be expected to impair, impede, materially delay or prevent the Corporation from performing its obligations under this Agreement.

(3) The Purchaser's receipt of information pursuant to Section 4.2(2) or otherwise shall not operate as a waiver (including with respect to Article 6) or otherwise diminish the scope of, or otherwise affect any representation, warranty or covenant made by the Corporation in this Agreement.

Section 4.3 Covenants of the Purchaser Relating to the Arrangement.

(1) The Purchaser shall perform all obligations required or desirable to be performed by it under this Agreement, cooperate with the Corporation in connection therewith, and shall use its commercially reasonable efforts to perform all such other actions as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Arrangement and, without limiting the generality of the foregoing, the Purchaser shall:

(a) use its commercially reasonable efforts to satisfy all conditions precedent set forth in Section 6.1 and Section 6.3 and carry out the terms of the Interim Order and Final

Order applicable to it and comply promptly with all requirements imposed by Law on it with respect to this Agreement or the Arrangement;

(b) except as provided in Section 4.4 in respect of the Regulatory Approvals, use its commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from it relating to the Arrangement or the transactions contemplated by this Agreement;

(c) except as provided in Section 4.4 in respect of the Regulatory Approvals, use its commercially reasonable efforts, upon reasonable consultation with the Corporation, to oppose, lift or rescind any injunction, restraining or other order, decree, judgment or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers and challenging the Arrangement or this Agreement; and

(d) not take any action, or refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with this Agreement or which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by this Agreement (including the satisfaction of any condition set forth in Article 6 or any Regulatory Approval), other than as permitted under this Agreement.

(2) The Purchaser shall promptly notify the Corporation of:

(a) any notice or other communication from any Person alleging that the consent, waiver or approval of such Person is required in connection with this Agreement or the Arrangement;

(b) any material notice or other communication from any Governmental Entity in connection with this Agreement (and, subject to Law, the Purchaser shall promptly provide a copy of any such written notice or communication to the Corporation); or

(c) any actions, suits, arbitrations or other proceedings commenced or, to the knowledge of the Purchaser, threatened against the Purchaser or affecting its assets that relate to this Agreement or the Arrangement, in each case to the extent that such notice, communication, action, suit, arbitration or proceeding would reasonably be expected to impair, impede, materially delay or prevent the Purchaser from performing its obligations under this Agreement.

(3) The Corporation's receipt of information pursuant to Section 4.3(2) or otherwise shall not operate as a waiver (including with respect to Article 6) or otherwise diminish the scope of, or otherwise affect any representation, warranty or covenant made by the Purchaser in this Agreement.

Section 4.4 Regulatory Approvals

(1) Without limiting the generality of the foregoing, with respect to the Regulatory Approvals, the Purchaser and the Corporation shall:

(a) cooperate in good faith to obtain the Regulatory Approvals including: (i) promptly furnishing to the other such information and assistance as may reasonably be requested in order to prepare any notification, application, filing or request in connection with a Regulatory Approval; (ii) consulting with, and considering in good faith, any suggestions or comments made by the other Party with respect to the documentation relating to the Regulatory Approvals process; (iii) providing or submitting on a timely basis, and as promptly as practicable, all documentation and information that is required or advisable; and (iv) cooperating in the preparation and submission of all applications, notices, filings, and submissions to Governmental Entities;

(b) promptly inform the other Party of any material communication received by that Party in respect of obtaining or concluding the Regulatory Approvals;

(c) use commercially reasonable efforts to respond promptly to any request or notice from any Governmental Entity requiring the Parties, or any one of them, to supply additional information that is relevant to the review of the transactions contemplated by this Agreement in respect of obtaining or concluding the Regulatory Approvals;

(d) permit the other Party to review in advance any proposed applications, notices, filings and submissions to Governmental Entities (including responses to requests for information and inquiries from any Governmental Entity) in respect of obtaining or concluding the Regulatory Approvals;

(e) promptly provide the other Party with any filed copies of applications, notices, filings and submissions, (including responses to requests for information and inquiries from any Governmental Entity) that were submitted to a Governmental Entity in respect of obtaining or concluding the Regulatory Approvals;

(f) not participate in any substantive meeting or discussion (whether in person, by telephone or otherwise) with Governmental Entities in respect of obtaining or concluding the Regulatory Approvals unless it consults with the other Party in advance and gives the other Party or its legal counsel the opportunity to attend and participate thereat, unless a Governmental Entity requests otherwise; and

(g) keep the other Party promptly informed of the status of discussions relating to obtaining or concluding the Regulatory Approvals.

(2) Notwithstanding any other requirement in this Section 4.4, where a Party (a **Disclosing Party**) is required under this Section 4.4 to provide information to the other Party (a **Receiving Party**) that the Disclosing Party deems to be competitively sensitive information or otherwise reasonably determines in respect thereof that disclosure should be restricted, the Disclosing Party

may restrict the provision of such competitively sensitive and other restricted information only to external legal counsel of the Receiving Party, provided that the Disclosing Party also provides the Receiving Party a redacted version of such information which does not contain any such competitively sensitive or other restricted information.

(3) Notwithstanding anything in this Agreement to the contrary, if any objection is asserted with respect to the transactions contemplated by or related to this Agreement under any applicable Law, or if any proceeding is instituted or threatened by any Governmental Entity challenging or which could lead to a challenge of any of the transactions contemplated by or related to this Agreement as a violation of or not in compliance with the requirements of any applicable Law, the Purchaser shall use its commercially reasonable efforts to resolve any such objection or proceeding so as to allow the Effective Time to occur prior to the Outside Date, including by way of: (a) sale or disposal of, or holding separate and agreeing to sell or otherwise dispose of, assets, categories of assets or business of the Corporation, the Purchaser or their respective affiliates; (b) terminating, amending or replacing any existing relationships and contractual rights and obligations of the Corporation, the Purchaser or their respective affiliates; (c) terminating any relevant venture or other arrangement of the Corporation, the Purchaser or their respective affiliates; or (d) effectuating any other change or restructuring of the Corporation, the Purchaser or their respective affiliates (or, in each case, undertaking or entering into agreements or agreeing to the entry of an order or decree with any Governmental Entity to do any of the foregoing), if it would not result in a Material Adverse Effect.

Section 4.5 Access to Information; Confidentiality.

(1) From the date hereof until the earlier of the Effective Time and the termination of this Agreement, subject to applicable Laws, the Corporation shall, and shall cause its Subsidiaries to give to the Purchaser and its Representatives, upon reasonable notice, reasonable access to the Books and Records, Contracts and financial and operating data or other information with respect to the personnel, assets or business of the Corporation or its Subsidiaries as the Purchaser or its Representatives may from time to time request in connection with strategic and integration planning, confirmatory due diligence, or for any other reasons reasonably relating to the transactions contemplated herein, so long as the access does not unduly interfere with the conduct of the business of the Corporation or its Subsidiaries. Without limiting the foregoing, subject to the terms of any existing Contracts, upon the Purchaser's reasonable request, the Corporation shall use commercially reasonable efforts to facilitate discussions between the Purchaser and any joint venture partner, Material Contract counterparty or any other Person from whom consent may be required.

(2) Investigations made by or on behalf of the Purchaser, whether under this Section 4.5 or otherwise, will not waive, diminish the scope of, or otherwise affect any representation or warranty made by the Corporation in this Agreement.

Section 4.6 Public Communications.

(1) The Parties shall cooperate in the preparation of presentations, if any, to Securityholders regarding the Arrangement. Except as contemplated herein, a Party shall not issue any press release or make any other public statement or disclosure with respect to this Agreement or the

Arrangement without the consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed), and the Corporation shall not make any filing with any Governmental Entity (other than as contemplated in Section 2.3, Section 2.6, Section 2.7, Section 4.4 or as required under applicable Laws) with respect to this Agreement or the Arrangement without the consent of the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed); provided that any Party that is required to make disclosure by Law with respect to the Arrangement or this Agreement shall use its commercially reasonable efforts to give the other Party prior oral or written notice and a reasonable opportunity for it and its legal counsel to review or comment on the disclosure or filing (other than with respect to confidential information of the disclosing Party contained in such disclosure or filing). The Party making such disclosure required by Law shall give reasonable consideration to any comments made by the other Party or its legal counsel, and if such prior notice is not possible, shall give such notice immediately following the making of such disclosure or filing. If such prior notice is not possible, the disclosing Party shall give such notice immediately following the making of such disclosure or filing.

(2) Without limiting the generality of the foregoing and for greater certainty, the Purchaser acknowledges and agrees that the Corporation shall file, in accordance with Securities Laws, this Agreement, together with a material change report related thereto, under the Corporation's profile on SEDAR without any further notice to the Purchaser.

Section 4.7 Notice and Cure Provisions.

(1) Each Party shall promptly notify the other Party of the occurrence, or failure to occur, of any event or state of facts that would, or would be reasonably expected to:

(a) cause any of the representations or warranties of such Party contained in this Agreement to be untrue or inaccurate in any material respect (or in all respects if already qualified by reference to "material", "Material Adverse Effect" or other concept of materiality) at any time from the date of this Agreement until the earlier of the Effective Time and the time this Agreement is terminated in accordance with its terms; or

(b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party prior to or at the Effective Time under this Agreement.

(2) Notification provided under this Section 4.7 will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under this Agreement.

(3) The Purchaser shall not be permitted to exercise its right to terminate this Agreement pursuant to Section 7.2(4)(a) *[Breach by the Corporation]* and the Corporation shall not be permitted to exercise its right to terminate this Agreement pursuant to Section 7.2(3)(a) *[Breach by the Purchaser]*, unless the Party seeking to terminate this Agreement (the **Terminating Party**) has delivered a written notice (a **Termination Notice**) to the other Party (the **Breaching Party**) specifying in reasonable detail all breaches of covenants, or incorrect representations and

warranties or other matters which the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date (with any wilful breach being deemed to be incurable), the Terminating Party may not exercise such termination right if such matter has been cured prior to the earlier of (a) the Outside Date, and (b) the date that is ten (10) Business Days following receipt of such Termination Notice by the Breaching Party. If the Terminating Party delivers a Termination Notice prior to the date of the Meeting or the making of the application for the Final Order, unless the Parties agree otherwise, the Corporation shall postpone or adjourn the Meeting or delay making the application for the Final Order, or both, to the earlier of (a) five (5) Business Days prior to the Outside Date and (b) the date that is ten (10) Business Days following receipt of such Termination Notice by the Breaching Party.

Section 4.8 Insurance and Indemnification.

(1) Prior to the Effective Date, the Corporation shall purchase customary "tail" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate to the protection provided by the policies maintained by the Corporation and its Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date, and the Purchaser shall, or shall cause the Corporation and its Subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six (6) years from the Effective Date; provided that the Purchaser shall not be required to pay any amounts in respect of such coverage prior to the Effective Time; and provided further that the cost of such policies shall not exceed 200% of the aggregate premium for policies currently maintained by the Corporation and its Subsidiaries as set forth in Section 4.8 of the Corporation Disclosure Letter.

(2) The Purchaser shall cause the Corporation and its Subsidiaries to honour all rights to indemnification or exculpation in favour of present and former Corporation Employees, officers and directors of the Corporation and its Subsidiaries to the extent that they are (i) now existing and contained in their Constating Documents or (ii) disclosed in the Corporation Disclosure Letter, and acknowledges that such rights, to the extent that they are contained in their Constating Documents or disclosed in the Corporation Disclosure Letter, shall not be amended or rescinded in a manner adverse to the applicable Corporation Employee, officer or director and shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six (6) years from the Effective Date.

(3) If the Purchaser, the Corporation or any of its Subsidiaries or any of their respective successors or assigns following the Effective Time (a) consolidates or amalgamates with or merges or liquidates into any other Person and is not a continuing or surviving corporation or entity of such consolidation, amalgamation, merger or liquidation, or (b) transfers all or substantially all of its properties and assets to any Person, proper arrangements shall be made so as to ensure that any such successor or assign (including, as applicable, any acquirer of substantially all of the properties and assets of the Purchaser, the Corporation or any of its Subsidiaries) assumes all of the obligations set forth in this Section 4.8. This Section 4.8 is in addition to and not in substitution of, any other rights of Indemnified Persons under contract or otherwise.

(4) This Section 4.8 shall survive the consummation of the Arrangement and is intended to be for the benefit of, and shall be enforceable by, the present and former directors and officers of the Corporation and its Subsidiaries and their respective heirs, executors, administrators and personal representatives (the **Indemnified Persons**) and shall be binding on the Purchaser, the Corporation, its Subsidiaries and their respective successors and assigns, and, for such purpose, the Corporation hereby confirms that it is acting as agent on behalf of the Indemnified Persons.

Section 4.9 TSX-V De-Listing.

The Purchaser and the Corporation shall use their commercially reasonable efforts to cause the Shares to be delisted from the TSX-V promptly, with effect immediately following the acquisition by the Purchaser of the Shares pursuant to the Arrangement.

ARTICLE 5
ADDITIONAL COVENANTS REGARDING NON-SOLICITATION

Section 5.1 Non-Solicitation.

(1) Except as expressly provided in this Article 5, the Corporation shall not directly, or indirectly through any of its Subsidiaries or any of their respective Representatives:

(a) solicit, initiate, facilitate or knowingly encourage (including by furnishing information or providing copies of, access to, or disclosure of, any confidential information of the Corporation or any Subsidiary, or entering into any form of agreement, arrangement or understanding) any inquiries or proposals or offers that constitute, or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) knowingly encourage, enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser, the Rollover Shareholders and their affiliates) regarding any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, provided that the Corporation may (i) advise any Person of the restrictions of this Agreement, (ii) contact the Person for the purposes of seeking clarification of the terms of such Acquisition Proposal as contemplated in Section 5.2(1)(b), and (iii) advise any Person making an Acquisition Proposal that the Board has determined that such Acquisition Proposal does not constitute a Superior Proposal, in each case, if, in so doing, no other information that is prohibited from being communicated under this Agreement is communicated to such Person;

(c) make a Change in Recommendation;

(d) fail to enforce, or grant any waiver under, any standstill or similar agreement with any Person (other than the Purchaser or its affiliates), it being acknowledged by the Purchaser that the Corporation shall not be obligated to enforce any standstill or similar agreement or covenants that are automatically terminated or released as a result of entering into and/or announcing this Agreement; or

(e) accept, approve, endorse, enter into or recommend, or propose publicly to accept, approve, endorse or recommend, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than three (3) Business Days following the formal announcement of such Acquisition Proposal shall not be considered to be in violation of this Section 5.1(1) provided the Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such three (3) Business Day period).

(2) The Corporation shall, and shall cause its Subsidiaries and their respective Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion, negotiation or other activities with any Person (other than the Purchaser and its Representatives) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal and, in connection therewith, the Corporation shall:

(a) discontinue access or disclosure of all information, including any data room (whether physical or virtual) and any confidential information, properties, facilities, Books and Records; and

(b) as soon as possible (and in any event within five (5) Business Days of the date hereof), request, to the extent that it is entitled to do so pursuant to any confidentiality or similar agreement entered into in connection with an Acquisition Proposal, and exercise all rights it has pursuant to such agreements to require (i) the return or destruction of all copies of any confidential information regarding the Corporation and its Subsidiaries previously provided to any such Person, and (ii) the destruction by such Person and its Representatives of all material including or incorporating or otherwise reflecting such confidential information regarding the Corporation or its Subsidiaries, to the extent that such information has not previously been returned or destroyed, using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

Section 5.2 Notification of Acquisition Proposals.

(1) If after the date of this Agreement the Corporation or any of its Subsidiaries or any of their respective Representatives receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes, or could reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Corporation or any of its Subsidiaries (other than any such inquiry or request occurring in the Ordinary Course and not reasonably believed to relate in any way to an Acquisition Proposal), including information, access or disclosure relating to the properties, facilities, Books and Records, the Corporation:

(a) shall promptly notify the Purchaser, at first orally, and then (and in any event within 24 hours following receipt) in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including material terms and conditions thereof and the identity of the Person making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser with copies of all material documents, material correspondence and other materials received from or on behalf of such Person; and

(b) may contact the Person making the Acquisition Proposal, inquiry, proposal, offer or request and its Representatives solely for the purpose of clarifying the terms and conditions of such Acquisition Proposal, inquiry, proposal, offer or request so as to determine whether such Acquisition Proposal, inquiry, proposal, offer or request is, or would reasonably be expected to constitute or lead to, a Superior Proposal.

(2) The Corporation shall keep the Purchaser fully informed on a current basis of the status of developments and (to the extent permitted under Section 5.3) negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and shall provide to the Purchaser copies of all material or substantive correspondence and documents if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence and documents sent or communicated to the Corporation by or on behalf of any Person making such Acquisition Proposal, inquiry, proposal, offer or request.

Section 5.3 Responding to an Acquisition Proposal.

(1) Notwithstanding Section 5.1(1), if at any time following the date of this Agreement and prior to obtaining the Required Securityholder Approval at the Meeting the Corporation receives an unsolicited Acquisition Proposal, the Corporation may engage in or participate in discussions or negotiations with the relevant Person regarding such Acquisition Proposal, and may provide copies of, access to or disclosure relating to the properties, facilities, Books and Records, if and only if:

(a) the Board first determines in good faith, after consultation with its financial and outside legal advisors, that such Acquisition Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal;

(b) such Person was not restricted from making such Acquisition Proposal pursuant to any existing confidentiality, standstill or similar restriction to which the Corporation is party;

(c) such Acquisition Proposal did not arise, directly or indirectly, as a result of a violation by the Corporation directly or indirectly through its Subsidiaries or their respective Representatives of this Article 5 in any material respect, and the Corporation has been and continues to be in compliance with its obligations under this Article 5, in all material respects;

(d) the Corporation enters into a customary confidentiality and standstill agreement with such Person;

(e) the Corporation has provided the Purchaser with (i) written notice stating the Corporation’s intention to participate in such discussions or negotiations and to provide such copies, access or disclosure; and (ii) a copy of the confidentiality and standstill agreement refereed to in Section 5.3(1)(d) above; and

(f) the Corporation promptly provides the Purchaser with any substantive or material non-public information concerning the Corporation and its Subsidiaries, provided to such other Person which was not previously provided to the Purchaser.

Section 5.4 Right to Match.

(1) If at any time following the date of this Agreement and prior to obtaining the Required Securityholder Approval at the Meeting, the Corporation receives an unsolicited Acquisition Proposal that constitutes a Superior Proposal, the Board may authorize the Corporation to enter into a definitive agreement with respect to such Acquisition Proposal, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to any existing confidentiality, standstill or similar restriction to which the Corporation is party;

(b) such Superior Proposal did not arise, directly or indirectly, as a result of a violation by the Corporation of this Article 5 in any material respect, and the Corporation has been and continues to be in compliance with its obligations under this Article 5 in all material respects;

(c) the Corporation has provided the Purchaser with (i) written notice of the determination of the Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board to enter into such definitive agreement, together with (ii) written notice from the Board regarding the value and financial terms that the Board, in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under such Acquisition Proposal (the **Superior Proposal Notice**);

(d) the Corporation has provided the Purchaser with a copy of the proposed definitive agreement for the Superior Proposal and all schedules and exhibits thereto, together with any financing documents supplied to the Corporation in connection therewith;

(e) at least five (5) Business Days (the **Matching Period**) shall have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received all of the materials set forth in Section 5.4(1)(d) above (it being understood that the Corporation shall promptly inform the Purchaser of any amendment to the financial or other material terms of such Superior Proposal during such period);

(f) after the Matching Period, the Board has determined in good faith, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal, if applicable, compared to the terms of the Arrangement as proposed to be amended by the Purchaser under Section 5.4(2); and

(g) after the Matching Period, the Board has determined, in good faith, after consultation with its legal counsel, that failure of the Board to make a Change in Recommendation and to enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties.

(2) During the Matching Period, or such longer period as the Corporation may approve in writing for such purpose: (a) the Purchaser shall have the right, but not the obligation, to offer to amend the terms of this Agreement and the Arrangement; (b) the Board shall review any offer to amend the terms of this Agreement and the Arrangement in good faith in order to determine, in consultation with its financial and outside legal advisors, whether the Purchaser's amended offer, upon acceptance, would cause the Superior Proposal giving rise to the Matching Period to cease to be a Superior Proposal; (c) if the Board determines that the Acquisition Proposal giving rise to such Matching Period no longer constitutes a Superior Proposal compared to this Agreement and the Arrangement as they are proposed to be amended by the Purchaser, the Corporation shall promptly so advise the Purchaser and the Parties shall amend this Agreement to give effect to such amendments, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

(3) Each successive material modification to any Acquisition Proposal that results in an increase to, or a modification of, the consideration to be received by Shareholders or other material amendment to the terms or conditions thereof shall constitute a new Acquisition Proposal for purposes of the requirements under Section 5.4, and the Purchaser shall be afforded a new five (5) Business Day Matching Period from the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received all of the materials set forth in Section 5.4(1)(d) above.

(4) The Board shall promptly reaffirm the Board Recommendation by press release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or the Board determines that a proposed amendment to the terms of this Agreement as contemplated under Section 5.4(2) would result in an Acquisition Proposal no longer being a Superior Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than three (3) Business Days following the formal announcement of such Acquisition Proposal shall not be considered to be in violation of this Section 5.4(4) provided the Board has re-affirmed the Board Recommendation before the end of such three (3) Business Day period). The Corporation shall provide the Purchaser and its outside legal advisors with a reasonable opportunity to review the form and content of any such press release and shall make all reasonable amendments to such press release as requested by the Purchaser and its counsel.

(5) If the Corporation provides a Superior Proposal Notice to the Purchaser after a date that is less than ten (10) Business Days before the Meeting, the Corporation shall either proceed with or shall postpone or adjourn the Meeting, as directed by the Purchaser acting reasonably, to a date that is not more than ten (10) Business Days after the scheduled date of the Meeting, but in any event to a date that is not less than five (5) Business Days prior to the Outside Date.

(6) Nothing contained in this Agreement shall prohibit the Board or the Corporation from: (a) responding through a directors' circular or otherwise as required by applicable Securities Laws

to an Acquisition Proposal that it determines is not a Superior Proposal; or (b) making any disclosure to Shareholders with respect to an Acquisition Proposal prior to the Effective Time if, in good faith judgment of the Board, after consultation with outside legal advisors, failure to make such disclosure would be inconsistent with its fiduciary duties under applicable Law. Nothing contained in this Agreement shall prohibit the Corporation or the Board from calling and/or holding a shareholder meeting requisitioned by Shareholders in accordance with the BCBCA or complying with any order of a Governmental Entity that was not solicited, supported or encouraged by the Corporation or any of its Representatives.

Section 5.5 Breach by Subsidiaries and Representatives.

Without limiting the generality of the foregoing, the Corporation shall advise its Subsidiaries and their respective Representatives of the prohibitions set out in this Article 5 and any violation of the restrictions set forth in this Article 5 by its Subsidiaries or their respective Representatives shall be deemed to be a breach of this Article 5 by the Corporation.

ARTICLE 6
CONDITIONS

Section 6.1 Mutual Conditions Precedent.

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied at or prior to the Effective Time, which conditions may only be waived, in whole or in part, by the mutual consent of the Parties:

(1) **Arrangement Resolution.** The Arrangement Resolution shall have been approved and adopted by the Securityholders with the Required Securityholder Approval at the Meeting and in accordance with the Interim Order.

(2) **Interim and Final Order.** The Interim Order and the Final Order shall have each been obtained on terms consistent with this Agreement, and shall not have been set aside or modified in a manner unacceptable to either the Corporation or the Purchaser, each acting reasonably, on appeal or otherwise.

(3) **Required Regulatory Approvals.** Each of the Required Regulatory Approvals shall have been obtained, and be in full force and effect, and shall not have been rescinded or modified.

(4) **Illegality.** No applicable Law is in effect which prevents, prohibits or makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Corporation or the Purchaser from consummating the Arrangement.

Section 6.2 Additional Conditions Precedent to the Obligations of the Purchaser.

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied at or before the Effective Time, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(1) **Representations and Warranties.** (a) The representations and warranties of the Corporation set forth in Sections 1 *[Corporate Existence and Power]*, 2 *[Corporate Authorization]*, 3 *[Execution and Binding Obligation]*, 4 *[Governmental Authorizations]*, 5 *[Non-Contravention]* and 6 *[Capitalization]* of Schedule C are true and correct in all respects as of the date of this Agreement (except for *de minimis* inaccuracies) and as of the Effective Time (except for de minimis inaccuracies and as a result of transactions, changes, conditions, events or circumstances permitted hereunder), (b) all other representations and warranties of the Corporation set forth in this Agreement are true and correct in all material respects as of the date of this Agreement and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where the failure or failures of all such representations and warranties to be so true and correct in all material respects, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect, and (c) the Corporation has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Corporation (on behalf of the Corporation without personal liability) addressed to the Purchaser and dated the Effective Date.

(2) **Performance of Covenants.** The Corporation has fulfilled or complied in all material respects with each of the covenants of the Corporation contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Corporation (on behalf of the Corporation without personal liability) addressed to the Purchaser and dated the Effective Date.

(3) **No Legal Action.** There is no Action proceeding or pending by any Person (other than the Purchaser or any of its affiliates) that is reasonably likely to: (a) prohibit, restrict or enjoin the ownership or operation by the Purchaser of the business or assets of the Corporation and its Subsidiaries, taken as a whole, or: (i) other than as required by Section 4.4(3), compel the Purchaser to dispose of or hold separate any material portion of the business or assets of the Corporation or its Subsidiaries, taken as a whole, as a result of the Arrangement, or (ii) if required by Section 4.4(3), compel the Purchaser to dispose of or hold separate any portion of the business or assets of the Corporation or its Subsidiaries as a result of the Arrangement where such disposition or obligation to hold separate would have a Material Adverse Effect; or (b) prohibit or enjoin the Corporation or the Purchaser from consummating the Arrangement.

(4) **Dissent Rights.** Dissent Rights have not been exercised with respect to more than ten percent (10%) of the issued and outstanding Shares.

(5) **No Material Adverse Effect.** Since the date of this Agreement, no Material Adverse Effect shall have occurred and been continuing.

Section 6.3 Additional Conditions Precedent to the Obligations of the Corporation.

The Corporation is not required to complete the Arrangement unless each of the following conditions is satisfied at or before the Effective Time, which conditions are for the exclusive benefit of the Corporation and may only be waived, in whole or in part, by the Corporation in its sole discretion:

(1) **Representations and Warranties.** (a) The representations and warranties of the Purchaser set forth in Sections 1 *[Organization and Qualification]*, 4 *[Corporate Authorization]* and 10 *[Finder's Fees]* of Schedule D are true and correct in all respects as of the date of this Agreement and as of the Effective Time (except for *de minimis* inaccuracies therein), (b) all other representations and warranties of the Purchaser set forth in this Agreement are true and correct in all material respects as of the date of this Agreement and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where the failure or failures of all such representations and warranties to be so true and correct in all material respects, individually or in the aggregate, would not reasonably be expected to materially impede the completion of the Arrangement, and (c) the Purchaser has delivered a certificate confirming same to the Corporation, executed by one senior officer the Purchaser (without personal liability) addressed to the Corporation and dated the Effective Date.

(2) **Performance of Covenants.** The Purchaser has fulfilled or complied in all material respects with each of the covenants of the Purchaser contained in this Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Purchaser has delivered a certificate confirming same to the Corporation, executed by one senior officer of the Purchaser (without personal liability) addressed to the Corporation and dated the Effective Date.

(3) **Deposit of Consideration.** Subject to obtaining the Final Order and the satisfaction or waiver of the other conditions precedent contained herein in its favour (other than conditions which, by their nature, are only capable of being satisfied as of the Effective Time), the Purchaser has deposited or caused to be deposited with the Depositary in escrow in accordance with Section 2.9, the funds required to effect payment in full of the aggregate Consideration to be paid pursuant to the Arrangement.

Section 6.4 Satisfaction of Conditions.

The conditions precedent set out in Section 6.1, Section 6.2 and Section 6.3 will be conclusively deemed to have been satisfied, waived or released when the Effective Time occurs.

ARTICLE 7
TERM AND TERMINATION

Section 7.1 Term.

This Agreement shall be effective from the date hereof until the earlier of the Effective Time and the termination of this Agreement in accordance with its terms.

Section 7.2 Termination.

This Agreement may be terminated prior to the Effective Time by:

(1) the mutual written agreement of the Parties;

(2) either the Corporation, on the one hand, or the Purchaser, on the other hand, on written notice to the other Party if:

(a) **No Required Securityholder Approval.** The Required Securityholder Approval is not obtained at the Meeting in accordance with the Interim Order, provided that a Party may not terminate this Agreement pursuant to this Section 7.2(2)(a) if the failure to obtain the Required Securityholder Approval has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement;

(b) **Illegality.** After the date of this Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Corporation or the Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable; provided the Party seeking to terminate this Agreement pursuant to this Section 7.2(2)(b) has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or

(c) **Occurrence of Outside Date.** The Effective Time does not occur on or prior to the Outside Date; provided that a Party may not terminate this Agreement pursuant to this Section 7.2(2)(c) if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under this Agreement.

(3) the Corporation, on written notice to the Purchaser if:

(a) **Breach by the Purchaser.** A breach of any representation or warranty of, or failure to perform any covenant or agreement by the Purchaser under this Agreement occurs that would cause any condition in Section 6.3(1) *[Purchaser Representations and Warranties Condition]* or Section 6.3(2) *[Purchaser Covenants Condition]* not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date in accordance with the terms of Section 4.7(3) provided that the Corporation is not then in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.2(1) *[Corporation Representations and Warranties Condition]* or Section 6.2(2) *[Corporation Covenants Condition]* not to be satisfied;

(b) **Superior Proposal.** Prior to obtaining the Required Securityholder Approval, the Board authorizes the Corporation to enter into a definitive written agreement (other than a confidentiality agreement as permitted by Section 5.3(1)(d)) with respect to any Superior Proposal in accordance with the provisions of Section 5.2(1)(b) and Section 5.4(1), provided the Corporation is then in material compliance with Article 5; or

(c) **Failure to Fund.** The conditions in Article 6 have been satisfied or waived by the applicable Party or Parties (excluding the condition of Section 6.3(3) and the conditions that, by their terms, cannot be satisfied until the Effective Date, in which case, there is no state of facts or circumstances then existing that would cause such conditions not to be satisfied) and the Purchaser has failed to comply with its obligations under Section 2.9 to provide the Depositary sufficient funds in order to satisfy the aggregate Consideration payable to the Shareholders as provided for in the Plan of Arrangement.

(4) the Purchaser, on written notice to the Corporation if:

(a) **Breach by the Corporation.** A breach of any representation or warranty of, or failure to perform any covenant or agreement by, the Corporation under this Agreement occurs that would cause any condition in Section 6.2(1) *[Corporation Representations and Warranties Condition]* or Section 6.2(2) *[Corporation Covenants Condition]* not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date or is not cured in accordance with the terms of Section 4.7(3); provided that the Purchaser is not then in breach of this Agreement so as to directly or indirectly cause any condition in Section 6.3(1) *[Purchaser Representations and Warranties Condition]* or Section 6.3(2) *[Purchaser Covenants Condition]* not to be satisfied;

(b) **Change in Recommendation.** Prior to obtaining the Required Securityholder Approval: (i) the Board withdraws, withholds, qualifies or modifies in a manner adverse to the Purchaser or the consummation of the Arrangement the Board Recommendation, or fails to reconfirm (without qualification) within five (5) Business Days after request by the Purchaser its approval and recommendation of the Arrangement or the Arrangement Resolution (a **Change in Recommendation**), it being understood that publicly taking a neutral position or no position with respect to an Acquisition Proposal for a period of more than five (5) Business Days after public announcement of an Acquisition Proposal shall be considered an adverse modification; (ii) the Board approves or recommends any Acquisition Proposal; (iii) the Board approves, recommends or authorizes the Corporation to enter into a written agreement in respect of an Acquisition Proposal (other than a confidentiality agreement permitted by Section 5.3(1)(d)); or (iv) the Corporation publicly announces the intention to do any of the foregoing;

(c) **Dissent Rights.** The condition set forth in Section 6.2(4) *[Dissent Rights]* is not capable of being satisfied by the Outside Date; or

(d) **Material Adverse Effect**. Since the date of this Agreement, there has occurred a Material Adverse Effect.

The Party desiring to terminate this Agreement pursuant to this Section 7.2 (other than pursuant to Section 7.2(1)) shall give written notice of such termination to the other Party, specifying in reasonable detail the basis for such Party’s exercise of its termination right.

Section 7.3 Effect of Termination/Survival.

If this Agreement is terminated pursuant to Section 7.1 or Section 7.2, this Agreement shall become void and of no further force or effect without liability of any Party (or any Securityholder or Representative of such Party) to any other Party to this Agreement, except that: (a) in the event of termination pursuant to Section 7.1 as a result of the Effective Time occurring, Section 4.8 *[Insurance and Indemnification]* shall survive for a period of six (6) years following such termination; (b) in the event of a termination pursuant to Section 7.2, Section 4.5 *[Access to Information; Confidentiality]*, and Article 8 *[General Provisions]* shall survive termination, (c) in the event of a termination pursuant to Section 7.2(3)(c), the Corporation shall be entitled to immediately exercise any and all rights and remedies available at law or equity or otherwise under this Agreement, including, without limitation, the commencement of a claim for damages for breach of contract, and provided further that no Party shall be relieved of any liability for any wilful material breach by it of this Agreement.

ARTICLE 8
GENERAL PROVISIONS

Section 8.1 Amendments.

(1) This Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, subject to the Plan of Arrangement, the Interim Order and the Final Order, and any such amendment may, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained in this Agreement or in any document delivered pursuant to this Agreement;

(c) waive any inaccuracies or modify any of the covenants contained in this Agreement and waive or modify performance of any of the obligations of the Parties; and/or

(d) modify conditions contained in this Agreement;

provided that no such amendment (i) reduces or materially adversely affects the Consideration to be received by Shareholders without approval of the affected Shareholders given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

Section 8.2 Expenses.

(1) Except as expressly otherwise provided in this Agreement, all out-of-pocket third party transaction expenses incurred in connection with this Agreement and the Plan of Arrangement and the transactions contemplated hereunder and thereunder, including all costs, expenses and fees of the Corporation incurred prior to or after the Effective Time in connection with, or incidental to, the Plan of Arrangement, shall be paid by the Party incurring such expenses, whether or not the Arrangement is consummated.

Section 8.3 Notices.

(1) Other than the oral notice provided for in Section 5.2(1)(a), any notice or other communication given regarding the matters contemplated by this Agreement must be in writing,

sent by personal delivery, courier or electronic mail (provided confirmation of receipt is acknowledged by return electronic mail from the recipient) and addressed:

(a) to the Purchaser at:

Novomed Limited
[address redacted]

Attention: Victor Chang
Email: **[email address redacted]**

with copies to (which shall not constitute notice):

Borden Ladner Gervais LLP
1200 Waterfront Centre,
200 Burrard St., P.O. Box 48600,
Vancouver, BC, Canada V7X 1T2

Attention: Stephen P. Robertson
Email: srobertson@blg.com

(b) to the Corporation at:

Novoheart Holdings Inc.
Suite 2600, 595 Burrard Street
Vancouver, BC V7X 1L3

Attention: Camie Chan
Email: **[email address redacted]**

and copies to (which shall not constitute notice):

Blake, Cassels & Graydon LLP
Suite 2600, 595 Burrard Street
Vancouver, BC V7X 1L3

Attention: Joseph Garcia
Email: joseph.garcia@blakes.com

(2) Any notice or other communication is deemed to be given and received if sent by personal delivery, same day courier or electronic mail, on the date of delivery if it is a Business Day and the delivery was made prior to 5:00 p.m. (local time in place of receipt) and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice or other communication must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. Sending a copy of a notice or other communication to a Party's outside legal counsel as contemplated above is for information purposes only and does

not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to outside legal counsel does not invalidate delivery of that notice or other communication to a Party.

Section 8.4 Time of the Essence.

Time is of the essence in this Agreement.

Section 8.5 Further Assurances.

Subject to the provisions of this Agreement, the Parties will, from time to time, do all acts and things and execute and deliver all such further documents and instruments, as the other Party may, either before or after the Effective Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement and, in the event the Arrangement becomes effective, to document or evidence any of the transactions or events set out in the Plan of Arrangement.

Section 8.6 Injunctive Relief

(1) The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to specific performance of the terms of this Agreement and an injunction or injunctions and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived.

Section 8.7 Third Party Beneficiaries.

(1) Except (a) for the rights of the Securityholders to receive the applicable Consideration following the Effective Time pursuant to the Plan of Arrangement, and (b) as provided in Section 4.8 *[Insurance and Indemnification]* which, without limiting its terms, is intended as stipulations for the benefit of the third Persons mentioned in such provisions (such third Persons referred to in this Section 8.7 as the Indemnified Persons), the Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and that no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

(2) Despite the foregoing, (a) the Purchaser acknowledges to each of the Indemnified Persons his or her direct rights against the Purchaser under Section 4.8 of this Agreement, which are intended for the benefit of, and shall be enforceable by, each Indemnified Person, his or her heirs and his or her legal representatives, and for such purpose, the Corporation confirms that it is acting as trustee on their behalf, and agrees to enforce such provisions on their behalf.

Section 8.8 Waiver.

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 8.9 Entire Agreement.

This Agreement, including the Schedules hereto, together with the Corporation Disclosure Letter constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussions or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 8.10 Successors and Assigns.

(1) This Agreement becomes effective only when executed by the Corporation and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Corporation, the Purchaser and their respective successors and permitted assigns.

Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Party, except that the Purchaser may assign all or any portion of its rights and obligations under this Agreement to (a) a wholly-owned Subsidiary of the Purchaser, or (b) an affiliate of, or an entity owned by, one or more Rollover Shareholders, but no such assignments shall relieve the Purchaser of its obligations hereunder.

Section 8.11 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 8.12 Governing Law.

This Agreement shall be governed, including as to validity, interpretation and effect, by the Laws of the Province of British Columbia and the Laws of Canada applicable therein. Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the British Columbia courts situated in Vancouver, British Columbia and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 8.13 Rules of Construction.

The Parties to this Agreement waive the application of any Law or rule of construction providing that ambiguities in any agreement or other document shall be construed against the party drafting such agreement or other document.

Section 8.14 No Liability.

(1) No director, officer or partner of the Purchaser shall have any personal liability whatsoever to the Corporation under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Purchaser. No director or officer of the Corporation or any of its Subsidiaries shall have any personal liability whatsoever to the Purchaser under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Corporation or any of its Subsidiaries.

Section 8.15 Language.

The Parties expressly acknowledge that they have requested that this Agreement and all ancillary and related documents thereto be drafted in the English language only. Les parties aux présentes reconnaissent avoir exigé que la présente entente et tous les documents qui y sont accessoires soient rédigés en anglais seulement.

Section 8.16 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts by executed electronic copy) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties agree that electronic signatures will have the same legal effect as original signatures and that the Parties shall be entitled to rely upon delivery of an executed electronic copy of this Agreement, and such executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties, and that an electronic, scanned, or duplicate copy of any signatures will be deemed an original and may be used as evidence of execution.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the Parties have executed this Agreement.

NOVOHEART HOLDINGS INC.

Per: “*Allen Ma*”

Name: Allen Ma

Title: Director, Chairman of the Board

NOVOMED LIMITED

Per: “*Katherine Ngan*”

Name: Katherine Ngan

Title: Director

SCHEDULE A

PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER DIVISION 5 OF PART 9 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings ascribed thereto in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

Arrangement means an arrangement under Section 288 of the BCBCA in accordance with the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or Section 5.1 of this Plan of Arrangement and the Interim Order (once issued) or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

Arrangement Agreement means the arrangement agreement dated as of September 15, 2020 between the Purchaser and the Corporation, as same may be amended, modified or supplemented from time to time in accordance therewith, prior to the Effective Time, providing for, among other things, the Arrangement.

Arrangement Resolution means the special resolution of the Securityholders approving this Plan of Arrangement to be considered at the Meeting, substantially in the form of Schedule B attached to the Arrangement Agreement.

Business Day means any day of the year, other than a Saturday, Sunday or any day on which major banks are generally closed for business in Vancouver, British Columbia.

Consideration means $0.53 in cash per Share.

Corporation means Novoheart Holdings Inc., a corporation continued under the Laws of the Province of British Columbia.

Court means the Supreme Court of British Columbia, or other court as applicable.

Depositary means such Person that the Corporation and the Purchaser agree to engage as depositary for the Arrangement.

Dissent Rights has the meaning specified in Section 3.1.

Dissenting Optionholder means a registered Optionholder who has properly exercised its Dissent Rights in accordance with Section 3.1 and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Right and who is ultimately determined to be entitled to be paid the fair value of its Options.

Dissenting Holders means Dissenting Shareholders and Dissenting Optionholders.

Dissenting Shareholder means a registered holder of Shares who has properly exercised its Dissent Rights in accordance with Section 3.1 and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Right and who is ultimately determined to be entitled to be paid the fair value of its Shares.

Effective Date means the date upon which the Arrangement becomes effective.

Effective Time means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

Final Order means the final order of the Court approving the Arrangement pursuant to section 291 of the BCBCA, in form and substance acceptable to the Corporation and the Purchaser, each acting reasonably, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the written consent of both the Corporation and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment, modification, supplement or variation is acceptable to both the Corporation and the Purchaser, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied.

Governmental Entity means (a) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign; (b) any subdivision, agent or authority of any of the foregoing; (c) any quasi-governmental or private body including any tribunal, commission, regulatory agency or self-regulatory organization exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any Securities Authority or stock exchange, including the TSX Venture Exchange..

Interim Order means the interim order of the Court in a form acceptable to the Corporation and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended, modified, supplemented or varied by the Court with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

Law means all federal, national, multinational, provincial, state, municipal, regional and local laws (statutory, common or otherwise), constitutions, treaties, conventions, by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, certificates, ordinances, judgments, injunctions, determinations, awards, decrees, legally binding codes or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license or other similar requirement enacted, adopted, promulgated, or applied by any Governmental Entity or self-regulatory authority (including the TSX Venture Exchange), and the term "**applicable**" with respect to such Laws and in a context that refers to one or more Persons, means such Laws as are binding upon or applicable to such Person or its assets.

Letter of Transmittal means the letter of transmittal to be sent by the Corporation to Shareholders in connection with the Arrangement.

Lien means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachment, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

Meeting means the special meeting of Securityholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Circular and agreed to in writing by the Purchaser in accordance with the Arrangement Agreement.

Option means an outstanding option to purchase Shares issued pursuant to the Stock Option Plan.

Optionholders means holders of Options.

Parties means the Corporation and the Purchaser.

Person includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

Plan of Arrangement means this plan of arrangement proposed under Section 288 of the BCBCA, and any amendments or variations made in accordance with Section 8.1 of the Arrangement Agreement or Section 5.1 of this plan of arrangement and the Interim Order (once issued) or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

Purchaser means Novomed Limited, a corporation formed under the Laws of the British Virgin Islands.

Securities means the Shares and Options.

Securities Authority means the BCSC and any other applicable securities commission or securities regulatory authority of a province or territory of Canada.

Stock Option Plan means the stock option plan of the Corporation adopted on March 15, 2017, as amended from time to time.

Shareholders means the registered or beneficial holders of the Shares, as the context requires.

Shares means the common shares in the capital of the Corporation.

Tax Act means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

Taxes means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Entity and any instalments in respect thereof, together with any tax indemnity obligation, interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not and "**Tax**" means any such Taxes.

1.2 Certain Rules of Interpretation

In this Agreement, unless otherwise specified:

(a) **Headings, etc**. The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

(b) **Currency**. All references to dollars or to $ are references to Canadian dollars.

(c) **Gender and Number**. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(d) **Certain Phrases, etc**. Wherever the word "including," "includes" or "include" is used in this Plan of Arrangement, it shall be deemed to be followed by the words "without limitation." the word "or" shall be disjunctive but not exclusive. The phrase "the aggregate of," "the total of," "the sum of" or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of." References herein to a Person in a particular capacity or capacities shall exclude such Person in any other capacity.

(e) **Statutes**. Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(f) **Computation of Time**. A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(g) **Time References**. References to time are to local time, Vancouver, British Columbia.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement will become effective at, and be binding at and after, the times referred to in Section 2.3 on: (a) the Corporation, (b) the Purchaser, (c) all Shareholders (including Dissenting Holders), (d) all Optionholders or participants in the Stock Option Plan, (e) the Depositary, and (f) all other Persons, in each case without any further act or formality required on the part of any Person.

2.3 Arrangement

Commencing at the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(a) each of the Shares held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality, by or on behalf of the Dissenting Holders, to the Purchaser in consideration for a claim against the Corporation for the amount determined under Article 3, and:

(i) such Dissenting Holders shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid fair value by the Corporation for such Shares as set out in Section 3.1;

(ii) such Dissenting Holders' names shall be removed as the holders of such Shares from the registers of Shares maintained by or on behalf of the Corporation; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares (free and clear of all Liens), and shall be entered in the register of Shares maintained by or on behalf of the Corporation;

(b) each of the Options held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality, by or on behalf of the Dissenting Holders, to the Corporation in consideration for a claim against the Corporation for the amount determined under Article 3, and:

(i) such Dissenting Holders shall cease to be the holders of such Options and to have any rights as holders of such Options other than the right to be paid fair value by the Corporation for such Options as set out in Section 3.1;

(ii) such Dissenting Holders' names shall be removed as the holders of such Options from the registers maintained by or on behalf of the Corporation; and

(iii) such Options shall be deemed to be cancelled by the Corporation, and all obligations in respect of the Options shall be deemed to be fully satisfied.

(c) each Share outstanding immediately prior to the Effective Time, other than Shares held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised and Shares held by the Purchaser shall, without any further action by or on behalf of a Shareholder, be purchased by the Purchaser in exchange for the Consideration, and:

(i) the holders of such Shares shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement; and

(ii) such holders' names shall be removed from the register maintained by or on behalf of the Corporation.

(d) notwithstanding the terms of the Stock Option Plan or any applicable award agreements in relation thereto, each Option (other than Options held by a Dissenting Holder in respect of which Dissent Rights have been validly exercised) whether vested or unvested, that has not, prior to the Effective Time, been exercised or surrendered in accordance with its terms shall, without any further action or formality on behalf of the holder thereof and the Corporation and without any payment by such Optionholder, be deemed to be transferred to the Corporation as follows:

(i) in respect of each Option outstanding at the Effective Time whether vested or unvested, that has an exercise price that is less than the Consideration, the applicable Option shall be deemed to be surrendered to the Corporation in exchange for an amount, subject to Section 4.3, equal to the amount by which the Consideration exceeds the exercise price thereof, payable in cash to the Optionholder in full satisfaction of the Corporation's obligations under such surrendered Option; and

(ii) in respect of each Option outstanding at the Effective Time whether vested or unvested, that has an exercise price that is equal to or greater than the Consideration, the applicable Option shall be deemed to be surrendered to the Corporation for no consideration, and none of the Corporation or the Purchaser shall be obligated to pay any amount in respect of such Option,

whereupon all such Options shall be, and shall be deemed to be, cancelled by the Corporation, the Option Plan shall be terminated all obligations in respect of the Options shall be deemed to be fully satisfied, and the holders thereof shall cease to have any rights in respect thereof other than the right to receive the consideration contemplated under this Plan of Arrangement.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent

Each registered holder of Securities may exercise dissent rights with respect to any Securities held by such holder (the **Dissent Rights**) in connection with the Arrangement pursuant Section 238 of the BCBCA and in the manner set forth in Sections 237 to 247 of the BCBCA, as modified by the Interim Order and this Section 3.1, provided that the written objection to the Arrangement Resolution contemplated by Section 242 of the BCBCA must be sent to and received by the Corporation not later than 5:00 p.m. (Vancouver time) on the Business Day that is two Business Days before the Meeting (as it may be adjourned or postponed from time to time). Each Dissenting Holder that duly exercises such holder’s Dissent Rights shall be deemed to have transferred the Securities held by such holder and, in respect of which Dissent Rights have been validly exercised, to the Purchaser or the Corporation, as applicable, free and clear of all Liens (other than the right to be paid fair value for such Securities as set out in this Section 3.1), as provided in Section 2.3(a) or 2.3(b) and if they:

(a) are ultimately determined to be entitled to be paid fair value from the Corporation for the Securities in respect of which they have exercised Dissent Rights, notwithstanding anything to the contrary contained in Section 245 of the BCBCA, will be deemed to have irrevocably transferred such Securities to the Purchaser or the Corporation, as applicable, in consideration of such fair value; or

(b) are ultimately not entitled, for any reason, to be paid fair value for the Securities in respect of which they have exercised Dissent Rights, will be deemed to have participated in the Arrangement on the same basis as a Shareholder who has not exercised Dissent Rights, as at and from the time specified in Section 2.3(a) or 2.3(b), and be entitled to receive only the consideration contemplated under this Plan of Arrangement applicable to Shares or Options set out in Section 2.3, as applicable.

3.2 Recognition of Dissenting Holders

(a) In no circumstances shall the Purchaser, the Corporation or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Securities in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Purchaser, the Corporation or any other Person be required to recognize Dissenting Holders as holders of Securities, as the case may be, in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(a) or 2.3(b), and the names of such Dissenting Holders shall be removed from the applicable registers of holders of Securities in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(a) or 2.3(b) occurs.

(c) In addition to any other restrictions set forth in the BCBCA, the holders of Shares or Options who vote or have instructed a proxyholder to vote such Shares or Options in favour of the Arrangement Resolution shall not be entitled to exercise Dissent Rights.

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment and Delivery of Consideration

(a) On or prior to the Effective Date, the Purchaser shall deposit, or arrange to be deposited, for the benefit of the Shareholders, cash with the Depositary in the aggregate amount equal to the payments in respect of Shares required by Section 2.3(b) of this Plan of Arrangement.

(b) Following the deposit with the Depositary of the amounts specified in Section 4.1(a), the Purchaser will be fully and completely discharged from its obligation to pay the Consideration to the Shareholders (other than in respect of the right of Dissenting Holders to be paid fair value for the Securities in respect of which Dissent Rights have been validly exercised), and the rights of such holders will be limited to receiving, from the Depositary, the Consideration to which they are entitled in accordance with this Plan of Arrangement.

(c) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Shares that were transferred pursuant to Section 2.3(a), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholder(s) represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the cash which such holder has the right to receive under this Plan of Arrangement for such Shares, less any amounts withheld pursuant to Section 4.3, and any certificate representing Shares so surrendered shall forthwith be cancelled.

(d) On or as soon as practicable after the Effective Date, the Corporation shall deliver to each Optionholder (other than Optionholders who have validly exercised their Dissent Rights), as reflected on the register maintained by or on behalf of the

Corporation in respect of Options, or to such other Person as such holder may direct, the cash payment, if any, which such Optionholder has the right to receive under this Plan of Arrangement for such Options, less any amount withheld pursuant to Section 4.3, either (i) pursuant to the normal payroll practices and procedures of the Corporation; or (ii) by cheque.

(e) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Shares (other than Shares in respect of which Dissent Rights have been validly exercised and not withdrawn), shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Any such certificate formerly representing Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Corporation or the Purchaser. On such date, all cash to which such former holder of Shares was entitled shall be deemed to have been surrendered to the Corporation, and shall be paid over by the Depositary to the Corporation or as directed by the Corporation.

(f) Any payment made by way of cheque by the Depositary or the Corporation, as applicable, pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable Consideration pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Corporation for no consideration.

(g) No holder of Shares or Options shall be entitled to receive any consideration with respect to such Shares or Options other than any cash payment to which such holder is entitled to receive in accordance with this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith, other than any declared but unpaid dividends with a record date prior to or on the Effective Date.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Consideration that such Shareholder has the right to receive in accordance with Section 2.3 and such Shareholder's Letter of Transmittal. When authorizing such exchange for any lost, stolen or destroyed certificate, the Person to whom such Consideration is to be delivered shall, as a condition precedent to the delivery of such Consideration, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser and the Corporation in a manner satisfactory to the Purchaser (acting reasonably) against any claim that may be made against the Purchaser and the Corporation with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

Each of the Purchaser, the Corporation, the Depositary and any other Person that makes a payment shall be entitled to deduct and withhold from the amount payable to any Person under the Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 3.1 and any amounts payable to Optionholders), such amount as the Purchaser, the Corporation, the Depositary or any other Person, as applicable, is required or reasonably believes to be required to be deducted or withheld pursuant to the Tax Act or any provision of any applicable Law with respect to Taxes and remit such deducted and withheld amount to the appropriate Governmental Entity. To the extent that the amount is so properly deducted, withheld and remitted, such amount shall be treated for all purposes of this Plan of Arrangement as having been paid to the relevant recipient, provided that such amounts are actually remitted to the appropriate Governmental Entity.

4.4 Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.5 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all of the securities of the Corporation issued or outstanding prior to the Effective Time, (b) the rights and obligations of such securityholders, the Corporation, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement; and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any securities of the Corporation are deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 5
AMENDMENTS

5.1 Amendments to Plan of Arrangement

(a) The Corporation and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must (i) be set out in writing, (ii) be approved by the Purchaser and the Corporation (subject to the Arrangement Agreement), each acting reasonably, (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to the Shareholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Corporation or the Purchaser at any time prior to the Meeting (provided that the Purchaser or the Corporation (subject to the Arrangement Agreement), as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if (i) it is consented to in writing by each of the Corporation and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former Shareholder.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

SCHEDULE B

ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

(1) The arrangement (the **Arrangement**) under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the **BCBCA**) of Novoheart Holdings Inc. (the **Corporation**), as more particularly described and set forth in the management proxy circular of the Corporation (the **Circular**) dated **[•]**, 2020 accompanying the notice of this meeting, and as the Arrangement may be amended, modified or supplemented in accordance with the arrangement agreement dated September 15, 2020 between Novomed Limited and the Corporation (as it may from time to time be amended, modified or supplemented, the **Arrangement Agreement**), is hereby authorized, approved and adopted.

(2) The plan of arrangement of the Corporation (as it may be amended, modified or supplemented in accordance with its terms and the terms of the Arrangement Agreement, the **Plan of Arrangement**), the full text of which is set out in Appendix **[•]** to the Circular, is hereby authorized, approved and adopted.

(3) The Arrangement Agreement and related transactions, the actions of the directors of the Corporation in approving the Arrangement Agreement, the actions of the directors and officers of the Corporation in executing and delivering the Arrangement Agreement and any amendments, modifications or supplements thereto, are hereby ratified and approved.

(4) The Corporation is hereby authorized to apply for a final order from the Supreme Court of British Columbia to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.

(5) Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of the Corporation or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of the Corporation are hereby authorized and empowered to, without notice to or approval of the shareholders of the Corporation, (a) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted thereby and (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

(6) Any officer or director of the Corporation is hereby authorized for and on behalf of the Corporation to execute and deliver for filing with the Registrar under the BCBCA any and all documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement or the Plan of Arrangement, such determination to be conclusively evidenced by the execution and delivery of such documents.

(7) Any officer or director of the Corporation is hereby authorized and directed, for and on behalf of the Corporation, to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be

performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

SCHEDULE C

REPRESENTATIONS AND WARRANTIES OF THE CORPORATION

1. **Corporate Existence and Power.** The Corporation is a corporation duly incorporated, validly existing and in good standing under the BCBCA and has all requisite corporate power and capacity to own, lease and operate its properties and assets as now owned and to carry on its business as now conducted. The Corporation is duly registered or otherwise authorized to do business and is in good standing in each jurisdiction in which the character of its properties and assets, whether owned, leased, licensed or otherwise held, or the nature of its activities makes such registration necessary, and has all Authorizations required to own, lease and operate its properties and assets and to carry on its business as now conducted, except for those Authorizations the absence of which would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

2. **Corporate Authorization.** The execution, delivery and performance by the Corporation of this Agreement and the consummation by the Corporation of the transactions contemplated hereby are within the Corporation's corporate power and capacity and have been duly authorized by the Board which authorization has not been rescinded and no other corporate proceedings on the part of the Corporation are necessary to authorize this Agreement or the transactions contemplated hereby other than the approval by the Board of the Circular and the obtaining of the Required Securityholder Approval, the Interim Order and the Final Order. There has not occurred any violation of, or any default under, or any event giving rise to or potentially giving rise to any right of termination, revocation, adverse modification, non-renewal or cancellation of any Authorization, that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and, to the knowledge of the Corporation, no Governmental Entity has provided the Corporation or any of its Subsidiaries with notice of any of the foregoing.

3. **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Corporation and, assuming the due authorization, execution and delivery by the Purchaser, is enforceable against the Corporation in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

4. **Governmental Authorization.** The execution, delivery and performance by the Corporation of this Agreement and the consummation by the Corporation of the transactions contemplated hereby and by the Plan of Arrangement require no consent, approval or authorization from or any action by or in respect of, or filing, recording, registering or publication with, or notification to any Governmental Entity other than (a) the Interim Order and any approvals required by the Interim Order; (b) the Final Order; (c) compliance with any applicable Securities Laws, and with the rules and policies of the TSX-V; and (d) any actions or filings the absence of which would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

5. Non-Contravention.

(a) Neither the Corporation nor any of its Subsidiaries is in violation of its Constating Documents or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any Contract or obligation to which the Corporation or any of its Subsidiaries is a party or to which any of them, or any of their respective properties or assets, may be subject or by which the Corporation or any of its Subsidiaries is bound, except for such defaults that would not be reasonably expected to, individually or in the aggregate, result in a Material Adverse Effect.

(b) The execution, delivery and performance by the Corporation of its obligations under this Agreement and the consummation of the transactions contemplated hereby and by the Plan of Arrangement do not and will not (with the giving of notice or lapse of time or both):

(i) contravene, conflict with, or result in any violation or breach of any provision of the Constating Documents of the Corporation or any Subsidiary;

(ii) assuming compliance with the matters referred to in Section 4 above, contravene, conflict with or result in a violation or breach of any applicable Law or any Authorization issued by a Governmental Entity held by the Corporation or any Subsidiary;

(iii) (A) require any notice or consent or other action by any Person under, (B) contravene, conflict with or result in a violation or breach or default under, (C) cause or permit the termination, cancellation or acceleration of any right or obligation or the loss of any benefit to which the Corporation or any Subsidiary is entitled under, (D) give rise to any rights of first refusal or trigger any change in control provisions under, or (E) cause any indebtedness to come due before its stated maturity or cause any credit to cease to be available or any restriction under, in each case, any of the terms, conditions or provisions of any Material Contract or Authorization, binding upon the Corporation or any Subsidiary or affecting any of their respective assets; or

(iv) result in the creation or imposition of any Lien on any asset of the Corporation or any Subsidiary, with such exceptions, in the case of each of clauses (ii), (iii) and (iv), as do not have or would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(c) True and complete copies of the Constating Documents of the Corporation and each of its Subsidiaries as currently in effect have been made available to the Purchaser and neither the Corporation nor any of its Subsidiaries has taken any action to amend or succeed such documents.

6. Capitalization.

(a) The authorized share capital of the Corporation consists of an unlimited number of Shares. As of the date hereof, there are 188,640,774 Shares issued and outstanding and no other shares are issued and outstanding. Section C-6(a) of the Corporation Disclosure Letter sets forth, as of date hereof, the number of outstanding Options and RSUs, and the exercise price or issuance price or grant value, as applicable, of such Options and RSUs.

(b) there are no pre-emptive or other outstanding rights, options, warrants, conversion rights, redemption rights, repurchase rights, shareholder rights plans, agreements, arrangements, calls, commitments or rights of any kind that obligate the Corporation or any of its Subsidiaries to issue or sell any shares of capital stock or other securities of the Corporation or any of its Subsidiaries or any securities or obligations convertible or exchangeable into or exercisable for, or giving any Person a right to subscribe for or acquire, from treasury any securities of the Corporation or any of its Subsidiaries, and no securities or obligations evidencing such rights are authorized, issued or outstanding.

(c) Except for outstanding Options, there are no outstanding contractual or other rights to which the Corporation or any of its Subsidiaries is a party, the value of which is based on the value of the Shares.

(d) All of the outstanding Shares have been duly authorized and validly issued and are fully paid and non-assessable. No Shares or Options have been issued in violation of any pre-emptive or similar rights applicable to them.

(e) All outstanding Shares and Options have been issued in material compliance with Laws and all Shares that may be issued pursuant to the exercise of such Options will, when issued in accordance with the terms thereof, be duly authorized, and validly issued, and fully-paid and non-assessable and have been recorded on the Corporation's financial statements in accordance with IFRS.

(f) there are no outstanding contractual or other obligations of the Corporation or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of the Corporation or any of its Subsidiaries.

(g) all dividends or distributions on securities of the Corporation that have been declared or authorized have been paid in full.

7. Subsidiaries

(a) Other than the entities set out in Section C-7(a) of the Corporation Disclosure Letter, the Corporation has no direct or indirect Subsidiaries. The Corporation is the registered and beneficial owner of all of the outstanding shares of capital stock and other equity interests of the Subsidiaries, free and clear of any Liens. There are no outstanding options, rights, entitlements, understandings or commitments (contingent or otherwise) regarding the right to acquire any such shares or other equity interests in any of the Subsidiaries. All of such shares and other equity interests so owned by the Corporation have been validly issued fully paid and non-assessable (and no such shares or other equity interests have been issued in violation of any pre-emptive or similar rights).

(b) Each Subsidiary is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation and has all requisite corporate power and capacity to own, lease and operate its properties and assets as now owned and to carry on its business as now conducted.

(c) Other than the Subsidiaries, neither the Corporation nor any of its Subsidiaries owns, beneficially or of record, any equity interest of any kind in any other Person.

8. Shareholders' and Similar Agreements. Section C-8(i) of the Corporation Disclosure Letter provides a list of each shareholder, joint venture, partnership, pooling, voting, registration rights or other similar Contract that the Corporation or any of its Subsidiaries is party to (the **Shareholders' Agreements**). Other than the Shareholders' Agreements or as is set out in Section C-8(ii) of the Corporation Disclosure Letter, neither the Corporation nor any of its Subsidiaries is a party to or has any commitment to become a party to any shareholder, joint venture, partnership, pooling, voting, registration rights or other similar arrangement or agreement relating to the ownership, voting or qualification for sale of any of the securities of the Corporation or its Subsidiaries or pursuant to which any Person other than the Corporation or any of its Subsidiaries may have any right or claim in connection with any existing or past equity interest in the Corporation, any of its Subsidiaries or any other Person. Other than as is set out in Section C-8(iii) of the Corporation Disclosure Letter, true and complete copies of the Shareholders' Agreements as currently in effect have been made available to the Purchaser.

9. Securities Laws Matters.

(a) The Corporation is a "reporting issuer" under applicable Securities Laws in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, and is not in default of any material requirements of any Securities Laws applicable in such jurisdictions or the rules or regulations of the TSX-V or the Frankfurt Stock Exchange. The Shares have not been listed or quoted by the Corporation on any market other than the TSX-V and the Frankfurt Stock Exchange. No order ceasing or suspending trading in securities of the Corporation or prohibiting the sale of such securities has been issued and is currently outstanding against the Corporation or, to the knowledge of the Corporation, against any of its directors or officers.

(b) The Corporation has not taken any action to cease to be a reporting issuer in any province of Canada nor has the Corporation received notification from any Securities Authority seeking to revoke the reporting issuer status of the Corporation. No Action or Order for the delisting, suspension of trading in, cease trade order or other order or restriction with respect to the securities of the Corporation is pending or, to the knowledge of the Corporation, threatened or expected to be implemented or undertaken and, to the knowledge of the Corporation, the Corporation is not subject to any formal or informal review, enquiry, investigation or other proceeding relating to any such order or restriction.

(c) The documents comprising the Corporation's Public Disclosure Record did not at the time filed (or, if amended or superseded by a subsequent filing, on the date of such filing) with the Securities Authorities contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, not misleading in light of the circumstances under which they were made. The Corporation has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by the Corporation with the Securities Authorities, except where the failure to timely file would individually or in the aggregate reasonably be expected to have a Material Adverse Effect. The Corporation has not filed any confidential material change report with the Securities Authorities which at the date hereof remains confidential or any other confidential filings filed to or furnished with, as applicable, any Securities Authorities. There are no outstanding or unresolved comments in comment letters from any Securities Authorities with respect to any filings by the Corporation with the TSX-V or Securities Authorities, and, to the knowledge of the Corporation, neither the Corporation nor any of the filings by the Corporation with the TSX-V or Securities Authorities is subject of an ongoing audit, review, comment or investigation by any Securities Authorities or the TSX-V.

(d) The Corporation is not subject to continuous disclosure or other public reporting requirements under any Securities Laws outside of Canada.

10. U.S. Securities Law Matters.

(a) The Corporation does not have, nor is it required to have, any class of securities registered under the United States Securities Exchange Act of 1934, nor is the Corporation subject to any reporting obligation (whether active or suspended) pursuant to Section 15(d) of the United States Securities Exchange Act of 1934.

(b) The Corporation is not, and has never been, subject to any requirement to register any class of its equity securities pursuant to Section 12(g) of the United States Securities Exchange Act of 1934 and is not an investment company registered or required to be registered under the United States Investment Company Act of 1940.

(c) No securities of the Corporation have been listed on any national securities exchange in the United States.

11. Financial Statements.

(a) The audited consolidated financial statements and the unaudited consolidated interim financial statements of the Corporation (including, in each case, any notes or schedules to, and the auditor's report (if any) on, such financial statements) included in the Corporation's Current Public Disclosure Record fairly present, in all material respects, in conformity with IFRS applied on a consistent basis (except as may be indicated in the notes thereto), the assets, liabilities (whether accrued, absolute, contingent or otherwise) and consolidated financial position of the Corporation and its Subsidiaries as of the dates thereof and their consolidated statements of earnings, comprehensive income, shareholders' equity and cash flows for the periods then ended (subject to normal year end adjustments and the absence of notes in the case of any unaudited interim financial statements).

(b) Other than the result of the transactions contemplated by this Agreement or as set forth in the Corporation's financial statements, neither the Corporation nor any of its Subsidiaries has any documents creating any material off-balance sheet arrangements.

(c) The Corporation does not intend to correct or restate and, to the knowledge of the Corporation, there is no basis for any correction or restatement of any aspect of any of the Corporation's financial statements. The selected financial data and the summary financial information included in the Corporation's Current Public Disclosure Record have been compiled on a basis consistent with that of the audited consolidated financial statements included in the Corporation's Current Public Disclosure Record.

(d) There has been no change in the Corporation's accounting policies since December 31, 2018, except as described in the notes to the Corporation's financial statements.

12. Disclosure/Internal Controls.

(a) The Corporation has established and maintains a system of disclosure controls and procedures, as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. The disclosure controls and procedures have been designed to provide reasonable assurance that (i) material information relating to the Corporation, including in respect of its Subsidiaries, is made known to the Corporation's Chief Executive Officer and its Chief Financial Officer by others within those entities; and (ii) information required to be disclosed by the Corporation in its annual filings, interim filings or other reports required to be filed or submitted by it under Securities Laws is recorded, processed, summarized and reported within the time periods prescribed by applicable Securities Laws. Such disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by the Corporation in its annual filings, interim filings or other reports required to be filed or submitted under applicable Securities Laws is accumulated and communicated to the Corporation's management, including its Chief Executive Officer and its Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) The Corporation has established and maintains a system of internal control over financial reporting (as such term is defined in National Instrument 52-109 –

Certification of Disclosure in Issuers' Annual and Interim Filings) that is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

(c) To the knowledge of the Corporation, there is no material weakness (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*) relating to the design, implementation or maintenance of the internal control over financial reporting that are reasonably likely to adversely affect the Corporation's ability to record, process, summarize and report financial information, and there is no fraud, whether or not material, that involved or involves management or other Corporation Employees who have a role in the internal control over financial reporting of the Corporation. Other than as set out in Section C-12(c) of the Corporation Disclosure Letter, since December 31, 2019, to the knowledge of the Corporation, no current director or current executive officer of the Corporation has become aware of any complaint, allegation, assertion, or claim, whether written or oral, that the Corporation or any of its Subsidiaries has engaged in questionable accounting or auditing practices.

13. **Auditors.** The auditors of the Corporation are independent public accountants as required by applicable Laws and there is not now, and there has never been, any reportable event (as defined in National Instrument 51-102 - *Continuous Disclosure Obligations*) with the present auditors of the Corporation.

14. **No Undisclosed Material Liabilities.** There are no material liabilities, obligations or indebtedness of the Corporation or its Subsidiaries of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, other than (a) liabilities or obligations disclosed in any financial statements of the Corporation in the Corporation's Current Public Disclosure Record; (b) liabilities or obligations incurred in the Ordinary Course since December 31, 2019; and (c) liabilities or obligations incurred in connection with the transactions contemplated hereby.

15. **Absence of Certain Changes.** Since December 31, 2019, except the transactions contemplated in this Agreement, or events, circumstances or occurrences disclosed in Corporation's Public Disclosure Record filed prior to the date hereof, the business of the Corporation and of each of its Subsidiaries has been conducted in the Ordinary Course and since June 30, 2020 none of the Corporation or any of its Subsidiaries has taken any action that, if taken after the date of this Agreement without the consent of the Purchaser, would constitute a breach or violation of Section 4.1(2).

16. **Non-Arm's Length Transactions.** Neither the Corporation nor any of the Subsidiaries is indebted to any director, officer or employee of the Corporation or any of its Subsidiaries or any of their respective affiliates or associates (except for amounts due as salaries, bonuses, other remuneration and reimbursement of expenses in the ordinary course), and no director, officer or employee of the Corporation or any of the Subsidiaries or any of their respective affiliates or associates is a party to any contract, loans, advance, guarantee or other transaction with the Corporation or any of the Subsidiaries required to be disclosed pursuant to applicable Securities Laws and that has not been disclosed.

17. **Compliance with Laws.** The Corporation and each of its Subsidiaries is and since December 31, 2018 has been in compliance in all material respects with, and to the knowledge of the Corporation is not under investigation with respect to and has not been threatened to be charged with or been given notice of any violation or potential violation of, all applicable Laws.

18. **Authorizations.** The Corporation and each of its Subsidiaries, as applicable, have obtained and are in compliance in all material respects with all Authorizations that are required by applicable Law in connection with the operation of the business of the Corporation and each of its Subsidiaries, as presently conducted, except for any non-compliance which, in the aggregate, would not materially impair the operation of the Corporation or its Subsidiaries' businesses. Each such Authorization is valid, in full force and effect. As of the date hereof, no Action is in progress or, to the knowledge of the Corporation, pending or threatened, in respect of any such Authorization that could reasonably be expected to result in the suspension, loss, adverse amendment or revocation of any such Authorizations. Since December 31, 2018, there has not occurred any event that has resulted, or would reasonably be expected to result in the termination, revocation, adverse modification, non-renewal or cancellation of any Authorization that would materially restrict the Corporation and each of its Subsidiaries from conducting their respective businesses, as presently conducted.

19. **Litigation.**

(a) As of the date hereof, there is no material Action pending, or, to the knowledge of the Corporation, threatened against or affecting, the Corporation, any of its Subsidiaries, or any of their respective properties or assets nor, to the knowledge of the Corporation, are there any events or circumstances which could reasonably be expected to give rise to any such Action.

(b) There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress or, to the knowledge of the Corporation, threatened against the Corporation or any of its Subsidiaries before any Governmental Entity. None of the Corporation, its Subsidiaries or, to the knowledge of the Corporation, their respective directors and officers, in their capacities as such, is subject to any outstanding judgment, order, writ, injunction or decree that is material to the Corporation or any Subsidiary as applicable, or that would prevent or materially delay the consummation of the Arrangement or the transactions contemplated hereby.

20. **Taxes.**

(a) Each of the Corporation and its Subsidiaries has duly and timely made or prepared all Tax Returns required to be made or prepared by it in accordance with applicable Laws and has duly and timely filed with the appropriate Governmental Entity such Tax Returns when due in accordance with all applicable Laws (taking into account any applicable extensions), and all such Tax Returns are, or shall be at the time of filing, true and complete in all material respects.

(b) Each of the Corporation and its Subsidiaries has (i) duly and timely paid (or has had paid on its behalf) to the appropriate Governmental Entity all Taxes and other amounts, including instalments, which are due and payable prior to the date hereof, other than those Taxes being contested in good faith or for which reserves have been established in accordance with IFRS on the consolidated balance sheet of the Corporation; (ii) duly and timely withheld all Taxes and other amounts which are required by Laws to be withheld by it and has duly and timely remitted to the appropriate Governmental Entity such Taxes and other amounts, which to the knowledge of the Corporation, are required by Laws to be remitted by it; and (iii) duly and timely collected all amounts on account of sales or transfer taxes, including goods and services, harmonized sales, sales, value added, federal, provincial, state or territorial sales taxes, required by Laws to be collected by it and has duly and timely remitted to the appropriate Governmental Entity any such amounts required by Laws to be remitted by it. There are no Liens for Taxes upon any properties or assets of the Corporation or any of its Subsidiaries, other than Permitted Liens.

(c) Each of the Corporation and its Subsidiaries has established in accordance with IFRS an adequate accrual for all Taxes which are not yet due and payable through the end of the last period for which the Corporation and its Subsidiaries ordinarily record items on their respective books and, since the date thereof, neither the Corporation nor its Subsidiaries has incurred any liability for Taxes other than in the Ordinary Course. No waiver of any statutory limitation period with respect to Taxes has been given or requested with respect to the Corporation or any of its Subsidiaries.

(d) No deficiencies for any Taxes have been assessed by a Governmental Entity with respect to any Taxes due by the Corporation or its Subsidiaries and there is no Action outstanding, pending or, to the knowledge of the Corporation, threatened with respect to the Corporation or its Subsidiaries in respect of any Taxes.

(e) Neither the Corporation nor any of its Subsidiaries has been requested by any Governmental Entity outside of Canada to file a Tax Return in any jurisdiction outside of Canada. The Corporation and its Subsidiaries have complied with all requirements of applicable Law relating to the withholding and remittance of amounts from payments or amounts owed to any Person, including non-residents of Canada. Neither the Corporation nor or any of its Subsidiaries is party to any material tax sharing agreement or tax indemnification agreement with any Person, other than the Corporation or its Subsidiaries.

(f) To the knowledge of the Corporation, neither the Corporation nor any Subsidiary has applied for, claimed or received a refund of Tax (or amount deemed for purposes of the Tax Act to be an overpayment of Tax) to which it was not entitled pursuant to applicable Law.

21. Employees.

(a) Section C-21(a) of the Corporation Disclosure Letter contains a true, correct and complete list of every Corporation Employee, setting out, whether actively at work or not, their salaries, commissions, positions, status as full-time or part-time employees, location of employment and start date. To the knowledge of the Corporation, no Corporation Employee is employed pursuant to a work permit. All available written employment contracts of the Executive Leadership Team or providing for a base salary of $150,000 or more have been made available to the Purchaser.

(b) The Corporation and its Subsidiaries are in material compliance with all terms and conditions of employment and all applicable Laws respecting employment, including employment standards, labour, human rights, privacy, workers' compensation and occupational health and safety, and there are no material outstanding Actions or orders under any such applicable Law, and to the knowledge of the Corporation there is no basis for such an Action or order.

(c) All amounts due or accrued for all salaries, wages, bonuses, commissions, vacation with pay, sick days, termination and severance pay and benefits under Employee Plans and other similar accruals have either been paid or are accurately reflected in the Books and Records.

(d) Any material consideration payable pursuant to the Arrangement has been disclosed to the Purchaser in writing and there are no change of control payments, golden parachutes, severance payments, retention payments or agreements with current or former Corporation Employees or directors providing for cash or other compensation or benefits upon the consummation of, or relating to, the Arrangement or any other transaction contemplated by this Agreement, including a change of control of the Corporation or of any of its Subsidiaries.

(e) Except as disclosed in Section C-21(e) of the Corporation Disclosure Letter, no member of the Executive Leadership Team has any agreement as to severance except as results from the termination of employment pursuant to applicable Law.

(f) Subject to the provisions of this Agreement, except as disclosed in Section C-21(f)of the Corporation Disclosure Letter, no Person will, as a result of any of the transactions contemplated herein or in the Plan of Arrangement, become entitled to: (i) any retirement, severance in excess of applicable Laws, bonus or other similar payment from the Corporation or any of its Subsidiaries; (ii) the acceleration of the vesting or the time to exercise of any outstanding Option or employee or director awards; (iii) the forgiveness or postponement of payment of any indebtedness owing by such Person to the Corporation or any of its Subsidiaries; or (iv) receive any additional payments or compensation under or in respect of any employee or director benefits or incentive or other compensation plans or arrangements from the Corporation or any of its Subsidiaries.

(g) Except as disclosed in Section C-21(g) of the Corporation Disclosure Letter, each of the Corporation and its Subsidiaries has properly characterized retained individuals as either employees or independent contractors for the purposes of Taxes and other applicable Laws and none of the Corporation or any of its Subsidiaries has received any notice from any Governmental Entity disputing such classification.

(h) Neither the Corporation nor any of its Subsidiaries is a party to any labour, collective bargaining, works council, employee association or similar agreement and there are no collective agreements or similar agreements which pertain to Corporation Employees.

(i) There is no pending demand for recognition or application for certification, and there are no applications, representation proceedings or petitions seeking a representation proceeding presently outstanding or, to the knowledge of the Corporation, pending or threatened to be brought or filed, with any labour relations tribunal and no such application or representation proceeding has been made by a labour union or a group of employees in the last two years which remains unresolved. To the knowledge of the Corporation, there is no organizing activity involving the Corporation or any of its Subsidiaries pending or threatened by any labour organization or group of employees.

(j) There are no strikes, work stoppages, slowdowns, lockouts or arbitrations, or material grievances or other material labour disputes pending or, to the knowledge of the Corporation, threatened against or involving the Corporation or any of its Subsidiaries.

(k) Except as disclosed in Section C-21(k) of the Corporation Disclosure Letter, there are no material outstanding assessments, penalties, fines, Liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation and neither the Corporation nor any Subsidiary has been reassessed in any material respect under such legislation during the past three years and, to the knowledge of the Corporation, no audit of the Corporation or any Subsidiary is currently being performed pursuant to any applicable workplace safety and insurance legislation. Except as disclosed in Section C-21(k) of the Corporation Disclosure Letter, to the knowledge of the Corporation, there are no claims or potential claims which may materially adversely affect the Corporation's or any Subsidiaries' accident cost experience.

(l) As of the date of this Agreement, no member of the Executive Leadership Team has provided written notice to the Corporation or any of its Subsidiaries that he or she intends to resign, retire or terminate his or her employment with the Corporation or any of its Subsidiaries as a result of the transactions contemplated by this Agreement or otherwise.

22. Hostile Workplace. No executive officer, director or management level employee of the Corporation or any of its Subsidiaries is the subject of a pending Action involving an allegation of workplace harassment, sexual harassment or assault, nor, to the knowledge of the Corporation, has any executive officer, director or management level employee of the

Corporation or any of its Subsidiaries engaged in workplace sexual harassment or assault. Neither the Corporation nor any of its Subsidiaries has entered into any settlement agreements within the past three years related to allegations of workplace sexual harassment or misconduct by: (a) any current executive officer, director or management level employee; or (b) former executive officer, director or management level employee.

23. Employee Plans.

(a) Section C-23(a) of the Corporation Disclosure Letter lists all Employee Plans. The Corporation has made available to the Purchaser true and correct copies or summaries of all such Employee Plans, as amended. Other than entitlements provided under the Employee Plans listed in Section C-23(a) of the Corporation Disclosure Letter, including continuation of benefits under such Employee Plans on termination of service, there are no arrangements or agreements for the benefit of directors or former directors of the Corporation or any of its Subsidiaries, Corporation Employees or former Corporation Employees of the type described in the definition of "Employee Plans".

(b) Except as disclosed in Section C-23(b) of the Corporation Disclosure Letter, no Employee Plan is or is intended to be a "registered pension plan", a "retirement compensation arrangement", a "deferred profit sharing plan", a "registered retirement savings plan", a "tax-free savings account" or a "pooled registered pension plan" as such terms are defined under the Tax Act. Except as disclosed in Section C-23(b) of the Corporation Disclosure Letter, no Employee Plan contains a "defined benefit provision" as such term is defined under the Tax Act.

(c) Each Employee Plan is and has been established, registered, qualified, funded (where required) and, in all material respects, administered in accordance with applicable Law and in accordance with its terms. To the knowledge of the Corporation, no fact or circumstance exists which could adversely affect the registered status of any such Employee Plan which is required to be registered.

(d) All contributions, premiums or Taxes required to be made or paid by the Corporation or any of its Subsidiaries, as the case may be, under the terms of each Employee Plan or by applicable Law have been made in a timely fashion.

(e) There are no Actions pending or, to the knowledge of the Corporation or its Subsidiaries, threatened with respect to the Employee Plans (other than routine claims for benefits) and to the knowledge of the Corporation or its Subsidiaries, no event has occurred or circumstances exists that could result in a proceeding that could reasonably be expected to result in a Material Adverse Effect.

(f) Except as disclosed in Section C-23(f) of the Corporation Disclosure Letter, no insurance policy or any other agreement with respect to any Employee Plan requires or permits a retroactive increase in contributions, premiums or other payments due under such insurance policy or agreement.

(g) No Employee Plan is subject to any investigation, examination or other proceeding, or Action initiated by any Governmental Entity and, to the knowledge of the Corporation, there exists no state of facts which after notice or lapse of time or both would reasonably be expected to give rise to any such Action or to affect the registration of any Employee Plan required to be registered.

(h) Except as disclosed in Section C-23(h) of the Corporation Disclosure Letter, none of the Employee Plans provide retiree or post-termination benefits or benefits to retired or terminated employees or to the beneficiaries or dependents of retired or terminated employees.

(i) All employee data necessary to administer each Employee Plan in accordance with its terms and conditions and all applicable Laws is in possession of the Corporation and its Subsidiaries and such data are true, complete and correct in all material respects.

(j) Other than as contemplated by this Agreement or except as disclosed in Section C-23(j) of the Corporation Disclosure Letter, the execution and delivery of, and performance by the Corporation of this Agreement and the consummation of the transactions contemplated by it will not: (i) accelerate the time of payment or vesting under any Employee Plan; (ii) result in an obligation to fund (through a trust or otherwise) any compensation or benefits under any Employee Plan; (iii) increase any amount payable under any Employee Plan; or (iv) result in the acceleration of any other material obligation pursuant to any Employee Plan.

(k) Except as disclosed in Section C-23(k) of the Corporation Disclosure Letter, only directors or former directors of the Corporation and its Subsidiaries and Corporation Employees or former Corporation Employees (or any spouses, dependents, survivors or beneficiaries of any such Corporation Employees or former Corporation Employees) are entitled to participate in the Employee Plans and no entity other than the Corporation and its Subsidiaries is a participating employer under any Employee Plan.

(l) No event has occurred and there has been no failure to act on the part of the Corporation or, to the knowledge of the Corporation, a trustee or administrator of any Employee Plan that could subject the Corporation, such trustee or administrator of the Employee Plan to the imposition of any Tax, penalty, penalty Tax or other liability, whether by way of indemnity or otherwise.

(m) There have been no improper withdrawals or improper applications or transfers of funds or assets to or from any Employee Plan within the past two years.

(n) the Corporation does not contribute and is not required to contribute to any multi-employer or jointly-sponsored pension or benefit plan and none of the Employee Plans is a multi-employer pension plan.

24. **Customers and Suppliers.** Section C-24 of the Corporation Disclosure Letter contains a list of the top ten (10) customers of the Corporation and its Subsidiaries (determined on the basis of consolidated revenue for the period from July 1, 2019 to June 30, 2020) and the top ten (10) suppliers of the Corporation and its Subsidiaries (determined on a consolidated basis in respect of amounts paid for the period from July 1, 2019 to June 30, 2020). The Corporation does not have any outstanding material disputes with such customers and suppliers, and to the knowledge of the Corporation, there is no reasonable basis for any such dispute and, to the knowledge of the Corporation, except as disclosed in Section C-24 of the Corporation Disclosure Letter, no material supplier or customer has any intention to materially adversely change its relationship or the terms upon which it conducts business with the Corporation.

25. **Environmental Matters.** Except as disclosed in Section C-25 of the Corporation Disclosure Letter, (a) no written directive or notice of infraction or written notice of any claim, order, investigation, proceeding, judgment or penalty has been received by the Corporation or any of its Subsidiaries alleging any violation or non-compliance by, or liability of, the Corporation or any of its Subsidiaries under any Environmental Laws and, to the knowledge of the Corporation, there are no Actions pending or threatened which allege a breach of any Environmental Laws by the Corporation or any of its Subsidiaries; (b) the operations of the Corporation and its Subsidiaries are in compliance with Environmental Laws and environmental Authorizations in all material respects; (c) neither the Corporation nor or any of its Subsidiaries has caused or permitted any material release of a Hazardous Substance on, at, from or under any real property currently or formerly owned, operated or occupied by the Corporation or any of its Subsidiaries that would reasonably be expected to form the basis of an Action against the Corporation or any of its Subsidiaries; and (d) except as set out in Section C-25 of the Corporation Disclosure Letter, neither the Corporation nor any of its Subsidiaries has assumed responsibility for or agreed to indemnify or hold harmless any Person for any material liability or obligation arising under any Environmental Laws that would reasonably be expected to form the basis of any material Action against the Corporation or any of its Subsidiaries.

26. **Owned Real Property.**

(a) Section C-26(a) of the Corporation Disclosure Letter sets forth a complete list of all the real and immovable property owned by the Corporation and its Subsidiaries (the **Owned Properties**). The Corporation or one of its Subsidiaries, as applicable, is the absolute registered and beneficial owner of, and has good and marketable fee simple title to, all of the Owned Properties, free and clear of any Liens, except for Permitted Liens. There are no outstanding agreements, options or rights of first offer or refusal to purchase the Owned Properties, or any portion thereof or interest therein.

(b) Except as disclosed in Section C-26(b) of the Corporation Disclosure Letter, all of the buildings and fixtures on the Owned Properties are, to the knowledge of the Corporation, constructed in accordance with applicable Law, and the Corporation or its Subsidiaries have adequate rights of ingress and egress to and from the Owned Properties. None of the Owned Properties or the buildings or fixtures thereon, nor their use, operation or maintenance, violates any restrictive covenant or any provision of any Law in any material respect. No condemnation, rezoning or expropriation proceeding is pending or, to the knowledge of the Corporation, threatened against any of the Owned Properties which could preclude or materially impair the use or marketability of any of such properties for the purposes of for which they are currently used. To the knowledge of the Corporation, there are no outstanding work orders from or required by any municipality, police department, fire department, sanitation, health or safety authorities or from any other Person, and there are no matters under discussion with or by the Corporation or the Subsidiaries relating to any work orders in respect of the Owned Properties.

(c) The Owned Properties, together with the Leased Real Properties, are sufficient for the continued conduct of the business after the Effective Date in substantially the same manner as conducted before the Effective Date.

(d) The Corporation and its Subsidiaries are not in default under and, to the knowledge of the Corporation, no counterparties are in default under any material covenant, easement or any other instrument or agreement affecting the Owned Property.

(e) There is nothing owing by the Corporation or its Subsidiaries in respect of any of the Owned Properties to any municipality or municipal district, or to any other commission owning or operating a public utility for water, gas, electrical power or energy, steam or hot water, or for the use thereof, other than current accounts to be paid in the Ordinary Course.

(f) Neither the Corporation nor any of its Subsidiaries owns, holds, is obligated under or is a party to, any option, right of first offer or refusal or other contractual right or obligation to purchase, acquire, sell, assign or dispose of any real estate or any portion thereof or interest therein.

(g) Except as disclosed in Section C-26(g) of the Corporation Disclosure Letter, neither the Corporation nor any of its Subsidiaries has leased or otherwise granted to any Person the right to use or occupy such Owned Properties or any portion thereof.

27. Leased Real Property.

(a) Section C-27(a) of the Corporation Disclosure Letter sets forth a complete list of all real property and interests in real property leased, licensed or occupied by the Corporation and its Subsidiaries (the **Leased Real Properties**) pursuant to a lease, sublease, license, occupancy agreement or similar Contract under which the Corporation or any of its Subsidiaries is a lessee, licensee or occupant of a Leased Real Property (the **Real Property Head Leases**). Except as set out in Section C-27(a) of the Corporation Disclosure Letter, the Corporation has made available to the Purchaser true, correct and complete copies of the Real Property Head Leases, together with all amendments, modifications or supplements, if any, thereto.

(b) Section C-27(b) of the Corporation Disclosure Letter sets forth a complete list of all subleases, sublicenses and other occupancy agreements of all or any portion of the Leased Real Properties granted by the Corporation or any of its Subsidiaries (the **Real Property Subleases**, and, collectively with the Real Property Head Leases, the **Real Property Leases**). The Corporation has made available to the Purchaser true, correct and complete copies of the Real Property Subleases, together with all amendments, modifications or supplements, if any, thereto.

(c) Each Real Property Lease is valid, legally binding, enforceable in accordance with its terms, subsisting, in full force and effect and unaltered by any Contract or acknowledgement, and except as disclosed in Section C-27(c) of the Corporation Disclosure Letter, neither the Corporation nor any of its Subsidiaries is in breach of or default under any Real Property Lease, and no event has occurred which, with notice, lapse of time or both, would constitute a breach or default by the Corporation or any of its Subsidiaries or permit termination, modification or acceleration by any counterparty thereunder or restrict the ability of the Corporation or any of its Subsidiaries to exercise any of its rights as lessee thereunder, including any rights of extension or renewal or first rights of refusal contained therein, and except as disclosed in Section C-27(c) of the Corporation Disclosure Letter, there is no dispute in respect of any Real Property Lease.

(d) No counterparty has repudiated or has the right to terminate or repudiate any Real Property Lease (except for the normal exercise of remedies in connection with a default thereunder or any termination rights set forth in a Real Property Lease) or any material provision thereof.

(e) The current uses of the Leased Real Property comply in all material respects with the provisions of applicable Real Property Lease and applicable Law.

(f) To the knowledge of the Corporation, no counterparty to any Real Property Lease is in material default thereunder.

(g) There are no Liens, except for Permitted Liens, affecting the leasehold, subleasehold or occupancy rights of the Corporation or its Subsidiaries to any Leased Real Property.

(h) None of the Real Property Leases with respect to the Leased Real Property has been assigned by the Corporation or its Subsidiaries in favour of any Person.

(i) There are (i) no third party consents, waivers or approvals that are required to be obtained under the Real Property Leases in connection with the Arrangement in respect of such properties, and (ii) no notices that are required to be given to any third parties under the Real Property Leases in connection with the Arrangement in respect of such properties.

(j) None of the Real Property Leases has been pledged, mortgaged or otherwise granted as a Lien by the Corporation or its Subsidiaries.

(k) To the knowledge of the Corporation, there are no outstanding work orders from or required by any municipality, police department, fire department, sanitation, health or safety authorities or from any other Person, and there are no matters under discussion with or by the Corporation or the Subsidiaries relating to any work orders in respect of the Leased Real Properties. Except as disclosed in Section C-27(k) of the Corporation Disclosure Letter, there is nothing owing by the Corporation or any of its Subsidiaries in respect of any of the Leased Real Properties to any municipality or municipal district, or to any other commission owning or operating a public utility for water, gas, electrical power or energy, steam or hot water, or for the use thereof, other than current accounts which shall be paid in the Ordinary Course.

28. Personal Property.

(a) With respect to all personal or movable property owned by the Corporation and/or its Subsidiaries (the **Owned Personal Property**), (i) the Corporation and/or its Subsidiaries, as applicable, have good and valid title to all material Owned Personal Property, free and clear of any Liens other than Permitted Liens; (ii) there are no outstanding options or rights of first refusal to purchase any material Owned Personal Property, or any material portion thereof or interest therein; and (iii) the current use of the Owned Personal Property complies with applicable Law in all material respects.

(b) Section C-28(b) of the Corporation Disclosure Letter sets forth all leases and subleases of personal or moveable property involving annual payments in excess of $100,000 relating to personal property used in the conduct of the business of the Corporation and its Subsidiaries or to which the Corporation or any of its Subsidiaries is a party.

(c) With respect to any personal or movable property leased or subleased by the Corporation or its Subsidiaries (the **Leased Personal Property**), (i) the lease or sublease agreement for such property is valid, legally binding, enforceable and in full force and effect, and neither the Corporation nor any of its Subsidiaries is in breach of or default under such lease or sublease, and no event has occurred which, with notice, lapse of time or both, would constitute a breach or default by the Corporation or any of its Subsidiaries or permit termination, modification or acceleration by any third party thereunder; (ii) no third party has repudiated or has the right to terminate or repudiate any such lease or sublease agreement (except for the normal exercise of remedies in connection with a default thereunder or any termination rights set forth in the lease or sublease) or any provision thereof; and (iii) none of the lease or sublease agreements have been assigned by the Corporation or any of its Subsidiaries in favour of any Person, except in each case, for such invalidity, failures to be binding, unenforceability, ineffectiveness, breaches, defaults, terminations, modifications, accelerations, repudiations and rights to terminate or repudiate or assign that would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. To the knowledge of the Corporation, no counterparty to any foregoing lease or sublease agreement is in material default thereunder. There are no Liens, other than Permitted Liens, on the leaseholds or subleaseholds of the Corporation or any of its Subsidiaries to any Leased Personal Property.

29. Material Contracts.

(a) Section C-29(a)(i) of the Corporation Disclosure Letter sets out a complete and accurate list of all Material Contracts as of the date hereof and, except as disclosed in Section C-29(a)(ii) of the Corporation Disclosure Letter, true, correct and complete copies of the Material Contracts of the date hereof, have been made available to the Purchaser and no such Contract has been modified, rescinded or terminated by the Corporation, any of its Subsidiaries or, to the Corporation's knowledge, any other party to such Contract.

(b) Each Material Contract is legal, valid, binding and in full force and effect and is enforceable by the Corporation or a Subsidiary, as applicable, in accordance with its terms (subject to bankruptcy, insolvency and other Laws affecting creditors' rights generally, and to general principles of equity).

(c) Except as disclosed in Section C-29(c) of the Corporation Disclosure Letter, the Corporation and each of its Subsidiaries has performed in all material respects all respective obligations required to be performed by them to date under the Material Contracts. Neither the Corporation nor any of its Subsidiaries is in material breach or default under any Material Contract, nor does the Corporation have knowledge of any event that has occurred that with the passage of time or the giving of notice or both would result in such a material breach or default.

(d) Except as disclosed in Section C-29(d) of the Corporation Disclosure Letter, neither the Corporation nor any of its Subsidiaries knows of, or has received any written notice of, any material breach or default under any Material Contract, nor does the Corporation have knowledge of any event that has occurred that with the passage of time or the giving of notice or both would result in such a material breach or default under any Material Contract.

(e) None of the Corporation or any of its Subsidiaries have received any notice (whether written or oral), that any party to a Material Contract intends to cancel, terminate or otherwise modify or not renew its relationship with the Corporation or with any of its Subsidiaries, and, to the knowledge of the Corporation, no such action has been threatened.

30. Intellectual Property.

(a) All of the Intellectual Property used by the Corporation and its Subsidiaries is either owned by, or licensed to (the **Licensed IP**), the Corporation and its Subsidiaries. The Owned Intellectual Property is owned by, and the Licensed IP is licensed to, respectively, the Corporation and its Subsidiaries free and clear of any and all Liens, except for Permitted Liens and such Liens that would not, individually or in the aggregate, be reasonably expected to have a Material Adverse Effect.

(b) Owned Intellectual Property and Licensed IP includes, in all material respects, all Intellectual Property necessary for conducting the business of the Corporation and its Subsidiaries in a manner consistent with such practices in the immediately preceding 12 month period.

(c) Except as disclosed in Section C-30(c) of the Corporation Disclosure Letter, neither the Corporation nor any of its Subsidiaries has received any notice or claim challenging ownership of or rights by the Corporation or its Subsidiaries to any of the material Intellectual Property used by the Corporation or suggesting that any other Person has any claim of legal or beneficial ownership or other claim or interest with respect thereto (other than the licensor in the case of the Licensed IP and any licenses granted by the Corporation in the Ordinary Course in the case of Owned Intellectual Property), nor, to the knowledge of the Corporation, is the Corporation or any Subsidiary engaged in any activity that would give rise to a reasonable basis for any such claim.

(d) All fees payable in respect of the maintenance of the Owned Intellectual Property have been paid and all registrations, and applications for registration, with respect to such Owned Intellectual Property are in good standing, except where the Corporation has decided in the Ordinary Course not to maintain such Owned Intellectual Property and such non-maintenance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(e) Except as disclosed in Section C-30(e) of the Corporation Disclosure Letter, (i) to the knowledge of the Corporation, all rights to the Owned Intellectual Property are valid, subsisting and enforceable and (ii) there is no written claim which is ongoing or, to the knowledge of the Corporation, alleged (including any opposition, re-examination or protest) which might result in any material Owned Intellectual Property being invalidated, revoked or the subject of a compulsory license or which otherwise challenges the ownership, validity or enforceability of such Owned Intellectual Property. Except as disclosed in Section C-30(e) of the Corporation Disclosure Letter, to the knowledge of the Corporation, there is no claim which is ongoing or alleged (including any opposition, re-examination or protest) which might result in any material Licensed IP being invalidated or revoked.

(f) Except as disclosed in Section C-30(f) of the Corporation Disclosure Letter, to the knowledge of the Corporation, the conduct of the business of the Corporation and its Subsidiaries does not infringe or misappropriate any other Person’s Intellectual Property. Except as disclosed in Section C-30(f) of the Corporation Disclosure Letter, neither the Corporation nor any of its Subsidiaries is party to any Action nor, to the knowledge of the Corporation, is any Action or proceeding threatened, that alleges that the conduct of the business of the Corporation or its Subsidiaries infringes or otherwise misappropriates any other Person’s Intellectual Property. Except as disclosed in Section C-30(f) of the Corporation Disclosure Letter, to the knowledge of the Corporation, no Person has infringed or is infringing the right of the Corporation or any of its Subsidiaries in or to any of the Corporation or its Subsidiaries’ Intellectual Property.

(g) Except as disclosed in Section C-30(g) of the Corporation Disclosure Letter, all agreements relating to the Licensed IP (the **License Agreements**) are in full force and effect, and neither the Corporation nor any of its Subsidiaries is in default of its obligations thereunder in any material respect. Pursuant to the License Agreements, the Corporation and its Subsidiaries have been granted the necessary rights to the Licensed IP to the extent required to operate the business of the Corporation and its Subsidiaries in a manner consistent with such practices in the immediately preceding 12 month period.

(h) The Arrangement will not violate or breach any term of any License Agreement which is also a Material Contract, or entitle any other Person party to any such License Agreement to terminate or modify it, or otherwise adversely affect any of the Corporation's or any of its Subsidiaries' rights under it in any material respect.

(i) To the knowledge of the Corporation, neither the execution, delivery, or performance of this Agreement, nor the consummation of the transactions contemplated hereunder, will result in the loss or impairment of, or require the consent of any other Person in respect of, the Corporation's or its Subsidiaries' right to own or use any material Owned Intellectual Property.

(j) To the knowledge of the Corporation, the Corporation and its Subsidiaries have not used any Open Source Software in a manner that does, will, or would reasonably be expected to require the (i) disclosure or distribution of any Owned Intellectual Property or any other material proprietary Software in source code form; (ii) license or other provision of any Owned Intellectual Property or any other material proprietary Software on a royalty-free basis; or (iii) grant of any patent license, non-assertion covenant, or other rights under any material Owned Intellectual Property or rights to modify, make derivative works based on, decompile, disassemble, or reverse engineer any Owned Intellectual Property or any other material proprietary Software.

31. **Computer Systems.** As of the date hereof, the Computer Systems adequately meet the data processing and other computing needs of the operations of the Corporation and its Subsidiaries as presently conducted. The Corporation and its Subsidiaries have measures in place, consistent with commercially acceptable standards and practices, to safeguard against the unauthorized access, use, copying or modification to or of system programs and data files comprised within the Computer Systems. The Corporation and its Subsidiaries have data and system back-up practices and procedures in place, consistent with commercially acceptable practices and procedures, to safeguard against the loss, corruption or malfunction of the data and systems of the Corporation and its Subsidiaries. Each of the Corporation and its Subsidiaries, owns or has a valid right to access and use all computer systems, networks, hardware, software, databases, websites and equipment used to process, store, maintain or operate any data, information and functions that it currently uses in connection with its business other than where the absence of any such right would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Corporation, together with its Subsidiaries, possess a sufficient number of licenses for any software provided by any Person (**Third-Party Software**) and used by the Corporation and its Subsidiaries that is material to the operations of the Corporation or its Subsidiaries. Neither the Corporation nor its Subsidiaries is in breach or default of any Contracts pursuant to which the Corporation or its Subsidiaries has received a license or the right to access Third-Party Software, neither the Corporation nor any of its Subsidiaries is using the Third-Party Software outside the scope of the license or right to access provided by any Person, and the Corporation's and its Subsidiaries use of the Third-Party Software is not in excess of the number of licenses paid for by the Corporation and its Subsidiaries other than, in each case, where the breach, default or use, as applicable, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

32. Privacy, Security and Anti-Spam.

(a) The Corporation and its Subsidiaries have complied, in all material respects, with all applicable Laws governing privacy; and no written notices, or complaints have been received by, and no claims are pending (whether by a Governmental Entity or Person), or, to the knowledge of the Corporation, threatened against the Corporation or any of its Subsidiaries alleging a violation of any third party's privacy, or Personal Information including any alleged violation of applicable Laws governing privacy, other than any such notices, complaints or claims, as applicable, which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) The Corporation and its Subsidiaries maintain reasonable and appropriate measures, including reasonable steps when using vendors, to protect the privacy, confidentiality, and security of Personal Information against a Security Breach, consistent with industry practice and applicable Law; and, to the Corporation's knowledge, during the three (3) years prior to the date hereof, (i) there have been no material Security Breaches in the Corporation's or any of its Subsidiaries' Computer Systems, except as disclosed in Section C-32(b) of the Corporation Disclosure Letter, and (ii) there have been no disruptions in the Corporation's or any of its Subsidiaries' Computer Systems that materially adversely affected the Corporation's and its Subsidiaries' business or operations.

(c) Since July 1, 2014, the Corporation and its Subsidiaries have, in all material respects and at all times been in compliance with CASL and there are no claims or other proceedings relating to CASL in respect of the Corporation and its Subsidiaries that have commenced, concluded or of which notice has been received by the Corporation or its Subsidiaries, except any non-compliance which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) The Corporation and its Subsidiaries have developed and implemented such policies and procedures as are necessary to enable the Corporation and its Subsidiaries to comply with CASL and have, in all material respects, complied with such policies and procedures, except any non-compliance which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

33. Insurance.

(a) The Corporation and each of its Subsidiaries is, and has been continuously since December 31, 2018, insured by reputable and financially responsible third party insurers in respect of the operations and assets of the Corporation and each of its Subsidiaries with policies issued. To the knowledge of the Corporation, the third party insurance policies of the Corporation and each of its Subsidiaries are in full force and effect in accordance with their terms and the Corporation and each of its Subsidiaries are not in material default under the terms of any such policy. To the knowledge of the Corporation, there is no threatened termination of or material premium increase with respect to any of such policies.

(b) To the knowledge of the Corporation, there is no material claim pending under any insurance policy of the Corporation or any of its Subsidiaries that has been denied, rejected, questioned or disputed by any insurer or as to which any insurer has made any reservation of rights or refused to cover all or any portion of such claims. To the knowledge of the Corporation, all Actions covered by any of the insurance policies have been properly reported to the applicable insurer.

34. Books and Records. The Books and Records (a) have been maintained in compliance with applicable Laws; and (b) accurately and fairly reflect in all material respects the financial position of the Corporation and its Subsidiaries. All material financial transactions relating to the business carried on by the Corporation and its Subsidiaries have been accurately recorded in all material respects in the Books and Records. Section C-34 of the Corporation Disclosure Letter discloses the Corporation and its Subsidiaries' cash balance as of the close of business on July 31, 2020 and trade accounts payable balance, trade accounts receivable balance and the ageing of both trade receivables and trade payables as of close of business on July 31, 2020.

35. Restrictions on Conduct of Business. Neither the Corporation nor any of its Subsidiaries is a party to or bound by any non-competition agreement or any other agreement, obligation, judgment, injunction, order or decree which purports to, in any material respect (a) limit the manner (including any business practice) or the localities in which all or any portion of the business of the Corporation or its Subsidiaries are conducted; or (b) restrict any acquisition or disposition of any property by the Corporation or by any of its Subsidiaries.

36. No Shareholder Rights Plan. The Corporation does not have in place, and the Shareholders have not adopted or approved, any shareholders rights plan or a similar plan giving rights to acquire additional Shares upon execution or performance of the obligations under this Agreement.

37. Anti-Money Laundering and Anti-Corruption.

(a) The operations of the Corporation and of each of its Subsidiaries are and have been conducted at all times in compliance with anti-money laundering Laws and the rules and regulations thereunder and any related or similar Laws, rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity relating to anti-money laundering (collectively, the **Anti-Money Laundering Laws**) and no Action, suit or proceeding by or before any court or Governmental Entity involving the Corporation or any of its Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Corporation, threatened.

(b) Neither the Corporation nor any of its Subsidiaries, nor to the knowledge of the Corporation, any of its or their respective directors, executives, officers, representatives, agents or other Corporation Employees has: (i) used or is using any corporate funds for any illegal contributions, gifts, entertainment or other expenses relating to political activity that would be illegal; (ii) used or is using any corporate funds for any direct or indirect illegal payments to any foreign or domestic governmental officials or employees; (iii) violated or is violating any provision of *Corruption of Foreign Public Officials Act* (Canada), or any applicable Law of similar effect; (iv) has established or maintained, or is maintaining, any illegal fund of corporate monies or other properties; or (v) made any bribe, illegal rebate, illegal payoff, influence payment, kickback or other illegal payment of any nature.

(c) The Corporation utilizes effective control procedures and an internal accounting controls system that is sufficient to provide reasonable assurances that violations of applicable anti-bribery or Anti-Money Laundering Laws or regulations will be prevented, detected and deterred.

38. **Financial Advisors.** Other than KPMG LLP, there is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of the Corporation or any of its Subsidiaries who might be entitled to any fee or commission from the Corporation or any of its Subsidiaries in connection with the transactions contemplated by this Agreement. The fees payable to KMPG LLP in connection with this Agreement and the Arrangement are as set forth in the retainer letter dated August 18, 2020. Section C-38 of the Corporation Disclosure Letter sets forth the amounts payable to KPMG LLP.

39. **Canadian Regulatory Matters.** The Company, together with the Subsidiaries, have (a) assets in Canada with an aggregate value of $96 million or less, and (b) gross revenues from sales in or from Canada, generated from the assets referred to in the preceding clause (a), of $96 million or less, in each case, calculated in accordance with the *Competition Act* (Canada).

SCHEDULE D

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

1. **Purchaser Organization and Qualification**. The Purchaser is a corporation duly incorporated and validly existing under the laws of the British Virgin Islands. The Purchaser is duly registered or otherwise authorized to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration necessary, except where the failure to be so registered or in good standing would not, prevent, adversely impair or materially delay the consummation of the transactions contemplated by this Agreement.

2. **Corporate Authorization**. The execution, delivery and performance by the Purchaser of this Agreement and the consummation of the transactions contemplated hereby are within the Purchaser's power and capacity and have been duly authorized by all necessary corporate action on the part of the Purchaser and no other proceedings on the part of the Purchaser are necessary to authorize this Agreement or the transactions contemplated hereby.

3. **Execution and Binding Obligation**. This Agreement has been duly executed and delivered by the Purchaser, and, assuming the due authorization, execution and delivery by the other parties hereto, constitutes a valid and binding agreement of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

4. **Governmental Authorization**. The execution, delivery and performance by the Purchaser of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby and by the Plan of Arrangement require no consent, approval or authorization of or any action by or in respect of, or filing, recording, registering or publication with, or notification to any Governmental Entity other than (a) the Interim Order and any approvals required by the Interim Order; (b) the Final Order; (c) compliance with any applicable Securities Laws; and (d) any actions or filings the absence of which would not reasonably be expected to materially or adversely impair the ability of the Purchaser to complete the transactions contemplated by this Agreement.

5. **Non-Contravention**. The execution, delivery and performance by the Purchaser, of its obligations under this Agreement and the consummation of the transactions contemplated hereby and by the Plan of Arrangement do not and shall not (a) contravene, conflict with, or result in any violation or breach of any provision of the Constating Documents of the Purchaser; or (b) assuming compliance with the matters, or obtaining the approvals, referred to in Section 4 above, contravene, conflict with or result in a material violation or breach of any provision of any applicable Law or any license, approval, consent or authorization issued by a Governmental Entity.

6. **Funds.** At the Effective Date, the Purchaser will have sufficient funds available to satisfy the aggregate Consideration for the Shares (other than the Shares owned by the Purchaser and the Rollover Shareholders) and any other amounts payable to Securityholders, in each case in connection with the Arrangement in accordance with the terms of this Agreement and to pay all related fees and expenses for which the Purchaser is responsible under the terms of this Agreement.

7. **Litigation**. As of the date hereof, there is no Action pending against or, to the knowledge of the Purchaser, threatened against or affecting the Purchaser or any of its properties or, any of its partners, officers and directors (in their capacities as such) that, individually or in the aggregate, could impair the Purchaser's ability to perform its obligations under this Agreement. There is no judgment, decree or order against the Purchaser or any of its directors or officers (in their capacities as such) that could prevent, enjoin, alter or materially delay the Purchaser from performing its obligations under this Agreement or that in any manner challenges or seeks to prevent, enjoin, alter or materially delay the Arrangement or the transactions contemplated hereby.

8. **Finders' Fees**. There is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of the Purchaser or its affiliates who might be entitled to any fee or commission from the Corporation upon consummation of the transactions contemplated by this Agreement.

9. **Ownership of the Corporation**. Other than the Rollover Shares to be held by the Purchaser prior to the Effective Time, the Purchaser does not beneficially own any securities of the Corporation and is not deemed to beneficially own any securities of the Corporation pursuant to MI 61-101. The Purchaser has provided to the Corporation full details as to the ownership of securities of the Corporation by the Purchaser.

10. **Investment Canada Act.** The Purchaser is a "WTO investor" for purposes of the Investment Canada Act, as defined in the Investment Canada Act and the regulations thereunder.

SCHEDULE E

ROLLOVER SHAREHOLDERS

1. Li Tang Wai Ronald Adolphus;
2. Chan Wing Yan Camie;
3. **[name of non-director/non-officer Rollover Shareholder redacted]**;
4. **[name of non-director/non-officer Rollover Shareholder redacted]**;
5. **[name of non-director/non-officer Rollover Shareholder redacted]**;
6. **[name of non-director/non-officer Rollover Shareholder redacted]**;
7. **[name of non-director/non-officer Rollover Shareholder redacted]**;
8. Ngan Ng Yu Ying;
9. Ngan Chi Wing;
10. **[name of non-director/non-officer Rollover Shareholder redacted]**;
11. **[name of non-director/non-officer Rollover Shareholder redacted]**;
12. True Great Limited;
13. Wealth Benefit Limited;
14. **[name of non-director/non-officer Rollover Shareholder redacted]**;
15. **[name of non-director/non-officer Rollover Shareholder redacted]**;
16. Chang Tin Duk Victor;
17. Chiu Ricky Tong;
18. **[name of non-director/non-officer Rollover Shareholder redacted]**;
19. **[name of non-director/non-officer Rollover Shareholder redacted]**;
20. **[name of non-director/non-officer Rollover Shareholder redacted]**;
21. **[name of non-director/non-officer Rollover Shareholder redacted]**;
22. **[name of non-director/non-officer Rollover Shareholder redacted]**;

23. **[name of non-director/non-officer Rollover Shareholder redacted]**;

24. **[name of non-director/non-officer Rollover Shareholder redacted]**;

25. **[name of non-director/non-officer Rollover Shareholder redacted]**;

26. **[name of non-director/non-officer Rollover Shareholder redacted]**;

27. **[name of non-director/non-officer Rollover Shareholder redacted]**;

28. **[name of non-director/non-officer Rollover Shareholder redacted]**;

29. **[name of non-director/non-officer Rollover Shareholder redacted]**; and

30. **[name of non-director/non-officer Rollover Shareholder redacted]**.