Draft March 31, 2020

SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made effective as of the 25th day of November, 2019 (the "**Effective Date**")

AMONG:

CHOOM HOLDINGS INC., a British Columbia corporation having an address at Suite 350 – 409 Granville Street, Vancouver, British Columbia V6C 1T2
("**Choom**")

and

2688412 ONTARIO INC, an Ontario corporation having an address at 204 -660 Pape Avenue, Toronto, Ontario, M4K 3S5
(the "**Corporation**")

and

[redacted]**GIONI**, a business woman with an address a[redacted]

Personal Information Redacted

("**Bigioni**" or the "**Vendor**")

A. The Vendor was the sole proprietor and operator of, and the Corporation is now the owner and operator of the retail cannabis store (the "**Business**") located at Niagara Square, 7555 Montrose Avenue, Niagara Falls, pursuant to a Retail Operator Licence ("**ROL**") and a Retail Store Authorization ("**RSA**"), in each case issued by the Alcohol and Gaming Commission of Ontario ("**AGCO**").

B. The Vendor will transfer immediately after entering into this Agreement the Business and all of its Assets to the Corporation with effect on November 25, 2019 (the "**Transfer Date**"), pursuant to an agreement between the Vendor and the Corporation dated as of November 25, 2019.

C. The Vendor is the sole registered and beneficial owner of all of the issued and outstanding shares in the capital of the Corporation (the "**Corporation Shares**").

D. The Vendor and the Corporation granted to Choom the option (the "**Choom Option**") to acquire the Business and all of its Assets (as defined herein) pursuant to the Third Amended and Restated Option and Cooperation Agreement dated July of 2019, among the Choom, the Vendor and the Corporation (the "**Option Agreement**").

E. Choom has exercised the Choom Option.

F. The Parties have agreed that the purchase and sale of the Business and all of its Assets pursuant to Choom's exercise of the Choom Option shall be effected by way of a purchase and sale of the Corporation Shares on and subject to the terms and conditions of this Agreement.

FOR VALUE RECEIVED, the Parties agree as follows:

ARTICLE 1– INTERPRETATION

1.1 Definitions

In this Agreement, the following terms shall have the meanings set out below:

(a) **"AGCO Requirements"** means the Ontario *Cannabis Licence Act*, 2018, and the regulations thereunder, including Ontario Regulation 468/18, and the expression of interest lottery rules established by the AGCO, all as may be amended and supplemented from time to time;

(b) **"Applicable Securities Laws"** means the *Securities Act* (British Columbia) and the equivalent legislation in the other provinces of Canada, as amended from time to time, and the rules, regulations and forms made or promulgated thereunder;

(c) **"Approved Contracts"** means those Contracts listed as "Approved Contracts" in Schedule A attached hereto and any other Contracts that the Purchaser agrees in writing will remain or become after Closing an obligation of the Corporation;

(d) **"Assets"** means all assets relating to the Business, including, without limitation, good will, Customer Data, Governmental Approvals, Real Property Interests, COCF, Inventory, Equipment and the Contracts;

(e) **"Assumed Liabilities"** means, in respect of the Business, any obligations and liabilities of any Governmental Approvals, Contracts, Real Property Interests and any other Liabilities agreed by the Parties as forming part of the Business, in all cases, that accrue after the Closing and provided that said Liabilities are not related to any matter, circumstance or default existing at, prior to or as a consequence of Closing;

(f) **"Business Day"** means a day that is not a Saturday or a Sunday or a statutory holiday in either of the Provinces of Ontario and British Columbia;

(g) **"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 Commission Act*, the *Competition Act*, the *Personal Information Protection and Electronic Documents Act* and the *Telecommunications Act*, SC 20 I 0, c.23" and any regulations thereto, as each may be amended from time to time;

(h) **"COCF"** means the cumulative operating cash flow generated by the Business since inception and up to the Closing Date, calculated based on the Financial Statements of the Business;

(i) **"CSE"** means the Canadian Securities Exchange;

(j) **"Choom Shares"** means the common shares of Choom as constituted on the Effective Date, or, in the event that Choom undergoes a Change of Control, the securities of any successor entity or acquirer of Choom that are exchanged or substituted for the then outstanding common shares of Choom;

(k) **"Claim"** means any claim, demand, liability, obligation, debt, cause of action, suit, proceeding, judgment, award, assessment or re-assessment;

(l) **"Closing"** means the completion of the sale and purchase of the Corporation Shares pursuant to and in accordance with the terms and conditions of this Agreement;

(m) **"Closing Date"** means April 1, 2020, or such later date of the Closing determined pursuant to Subsection 3.8(a);

(n) **"Contracts"** means any contracts, agreements, indentures and commitments, whether written or oral, relating to the operation of the Business (or its Assets) to which either the Corporation or the Vendor (as the prior operator) is a party, including, without limitation, for utilities and telecommunications services;

(o) **"Corporation Financial Statements"** means the following financials statements of the Corporation:

(i) for the period beginning from its incorporation and ending on December 31, 2019 (a copy of which is attached hereto as Schedule C) and consisting of a balance sheet, together with statement of operations, losses and cash flows for the period then ended and all notes thereto as applicable,

(ii) for the period (the **"Closing Financial Statements"**) beginning from January 1, 2020 and ending on the Closing Date, and consisting of a balance sheet, together with statement of operations, losses and cash flows for the period then ended and all notes thereto as applicable.

(p) **"Corporation Shares"** means all of the issued and outstanding shares in the capital stock of the Corporation, which are fully described in Schedule A hereto;

(q) **"Covenantors"** means the Vendor and the Corporation or either of them, as applicable;

(r) **"Current Market Price"**, in respect of Choom Shares on any date, means the volume-weighted average of price (total dollar value divided by total volume) for the 10 consecutive Trading Days immediately preceding such date;

(s) **"Customer Data"** means all past, present and prospective customer information and data relating to the Business, including any databases of names (in electronic or other form), contact information, purchase history, e-mail messages, correspondence, metrics, leads, referrals, feedback and complaints. Without limiting the generality of the foregoing, Customer Data includes: (a) mailing lists, and (b) all information used or possessed by Bigioni relating to past, present and future customers of the Business **"Customers"** means all past, present and future customers of the Business;

(t) **"Dispute Period"** has the meaning ascribed to it in Section 3.7;

(u) **"Encumbrance"** means any charge, mortgage, lien, pledge, claim, restriction, security interest or other encumbrance whether created or arising by agreement, statute or otherwise at law, attaching to property, interests or rights and will be construed in the widest possible terms and principles known under the law applicable to such property, interests or rights and whether or not they constitute specific or floating charges as those terms are understood under the laws of the Provinces of British Columbia or Ontario;

(v) **"Environmental Laws"** means all statutes, regulations, municipal by-laws, codes, ordinances, decrees, rules, protocols, orders, judicial or administrative or ministerial or regulatory judgments, orders, decisions and rulings, guidelines and policies applicable to the Business and the Assets Property relating to the protection of the natural environment, health and safety matters or conditions, and hazardous substances, including, but not limited to, the storage, transportation, treatment and disposal of hazardous substances, employee and product safety, releases of pollutants, contaminants, chemical or industrial, toxic or hazardous substances into the environment or any building or structure or otherwise relating to the manufacture, processing, distributing, using, treating, storing, transporting or handling of hazardous substances;

(w) "**Environmental Permits**" means all permits, licenses, agreements, consents, approvals, certificates, registrations and other authorizations, issued by any Governmental Authority to the Corporation under Environmental Laws;

(x) "**Equipment**" means any equipment, furniture, fixtures and leasehold improvements used in connection with the Business;

(y) "**Financial Statements of the Business**" means the Proprietor Financial Statements and the Corporation Financial Statements;

(z) "**Governmental Approval**" means any permit, licence, approval, consent, order, right, certificate, judgement, writ, injunction, award, determination, direction, exercise of discretion, decree, authorization, franchise, privilege, grant, waiver, exemption and other similar concession or by-law, rule or regulation, whether or not having the force of law, of, by or from any Governmental Authority, whether under the AGCO Requirements or otherwise;

(aa) "**Governmental Authority**" means the AGCO and any government (including without limitation any federal, provincial, municipal or local government) or political subdivision or any agency, authority, bureau, central bank, monetary authority, commission, department or instrumentality thereof, or any court or tribunal, whether foreign or domestic, having jurisdiction over the Parties or the subject matter of this Agreement;

(bb) "**Inventory**" means any goods and merchandise, including, without limitation, cannabis, cannabis products and related merchandise;

(cc) "**Income Tax Act**" means the *Income Tax Act* of Canada in effect at the date of this Agreement;

(dd) "**Indebtedness**" means in respect of any person, at any time and from time to time, all indebtedness, liabilities, claims and obligations, absolute or contingent, direct or indirect, due or accruing due, matured or unmatured, liquidated or unliquidated, of such person;

(ee) "**Liabilities**" means with respect to the Business, all debts, indebtedness, liabilities, commitments, claims and obligations of such party of any kind or nature, whether known or unknown, whether or not due or to become due, accrued, fixed, liquidated, absolute, matured, determined, determinable or contingent, whether or not incurred directly by such party or by any predecessor of such party, and whether or not arising out of any act, omission, transaction, circumstance, sale of goods or services or otherwise;

(ff) "**Losses**" means any Claims, costs, losses, penalties, damages, judgments, amounts paid in settlement of actions or claims, liabilities (whether accrued, actual, contingent or otherwise), expenses (including but not limited to reasonable legal fees and disbursements), interest, penalties, demands and injury, calculated on the basis of the net amount of same, subject to any offsetting amounts as expressly agreed to herein;

(gg) "**Milestones**" has the meaning ascribed thereto in the Option Agreement;

(hh) "**Payment Shares**" has the meaning ascribed thereto in Section 3.23.2;

(ii) **"Permitted Encumbrances"** means the following:

(i) the right reserved to or vested in any Governmental Authority by the terms of any lease, permit, consent, license, franchise or grant acquired by the Corporation or any statutory provision to terminate any such lease, permit consent, license, franchise or grant or to require annual or other periodic payments as a condition of the continuance thereof;

(ii) any encumbrance resulting from the deposit by the Corporation of cash or obligations as security when it is required to make such deposit by a Governmental Authority or in the usual and ordinary course of Business;

(iii) public and statutory obligations which are not due or delinquent, and security given to a utility or to a Governmental Authority when required by such utility or Governmental Authority in connection with the Assets or the Business;

(jj) **"Person"** means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government body and any other form of entity or organization;

(kk) **"Proprietor Financial Statements"** means the financials statements of Business operated by the Vendor as a sole proprietor for the period beginning from January 1, 2019 and ending on the Transfer Date (a copy of which is attached hereto as Schedule C) and consisting of a balance sheet, together with statement of operations, losses and cash flows for the period then ended and all notes thereto as applicable;

(ll) **"Public Disclosure Record"** means all documents filed by Choom on SEDAR in accordance with Applicable Securities Laws or the published rules and policies of the CSE;

(mm) **"Purchase Price"** has the meaning ascribed thereto in Section 3.2;

(nn) **"Purchaser"** means Choom or an affiliate of Choom, as elected by Choom in its sole discretion;

(oo) **"Purchaser's Auditor"** means Smythe LLP;

(pp) **"Real Property Interests"** means all real property interests associated with the Business, including, without limitation, any lease, offer to lease, offer to purchase, contract of purchase and sale of a property, or other such interest in real property associated with the Business;

(qq) **"Realization Date"** means, unless waived in writing by Choom, the later of the following:

(i) the date on which the Vendor and the Corporation have received all Governmental Approvals necessary for them to complete the sale of the Business and its Assets to the Purchaser; and

(ii) the date on which the Purchaser has received any Governmental Approvals it requires to complete the purchase of, and own and operate, the Business and its Assets;

(rr) **"Securities Authorities"** means the British Columbia Securities Commission and the securities regulatory authorities in each of the other provinces of Canada in which Choom is a reporting issuer or which are otherwise applicable to Choom;

(ss) **"Sub-Lease"** means the Sub-Lease Agreement dated in July, 2019 between the Corporation and Choom's affiliate;

(tt) **"Tax Authority"** means any domestic or foreign government, whether federal, provincial, state, territorial or municipal, and any agency, commission, tribunal or department thereof of any kind whatsoever, to which Taxes must be paid or to which returns, filings and other information reporting with respect to Taxes must be made;

(uu) **"Tax Returns"** means every report, return, election, designation, schedule, statement, estimate, declaration of estimated tax, form or information that a person is required to prepare or file with any Governmental Authority with respect to the Taxes of that or any other person;

(vv) **"Taxes"** means any and all domestic and foreign federal, state, provincial, municipal and local taxes, assessments and other governmental charges, duties, impositions and liabilities imposed by any Governmental Authority, including pension plan contributions, tax instalment payments, unemployment insurance contributions and employment insurance contributions, worker's compensation and deductions at source, including taxes based on or measured by gross receipts, income, profits, sales, capital, use, and occupation, and including goods and services, value added, ad valorem, sales, capital, transfer, franchise, non-resident withholding, customs, payroll, recapture, employment, excise and property duties and taxes, together with all interest, penalties, fines and additions imposed with respect to such amounts;

(ww) **"Time of Closing"** has the meaning ascribed thereto in Section 6.1; and

(xx) **"Trading Day"**, in respect of Choom Shares, means any day on which the CSE is open for business and on which the shares have been traded.

1.2 Other Definitions

Any words defined elsewhere in this Agreement shall have the particular meaning assigned to the words.

1.3 Currency

In this Agreement, all references to money or payments means the lawful currency of Canada and all payments made hereunder shall be made in that currency.

1.4 Covenantors' obligations

Unless otherwise stated herein, all obligations (including all covenants, representations and warranties) of Covenantors are joint and several obligations of the Corporation and the Vendor.

1.5 Wording and Headings

Wherever the singular or masculine form is used in this Agreement, it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa, as the context or the Parties require. The headings in this Agreement are solely for convenience of reference and shall not be used for purposes of interpreting or construing the provisions hereof.

1.6 Entire Agreement

This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof, and supersedes all written or oral prior agreements or understandings with respect thereto including, for greater certainty, the provisions of the Option Agreement to the extent, and only to the extent, that such provisions of the Option Agreement conflict with any provision in this Agreement. There are no other verbal statements, representations, warranties, undertakings or agreements between the Parties with respect to the subject matter of this Agreement.

1.7 Generally Accepted Accounting Principles

All references herein to generally accepted accounting principles (or "**GAAP**") means, at any time, generally accepted accounting principles in effect in Canada at that time, as set forth in the CPA Canada Handbook – Accounting for an entity that prepares its financial statements in accordance with Accounting Standards for Private Enterprises, applied on a consistent basis.

1.8 Schedules

The Schedules listed below and attached hereto shall be deemed to form an integral part of this Agreement:

Schedule A – Business Disclosure;

Schedule B – Representations and Warranties; and

Schedule C – Financial Statements of the Business.

1.9 Applicable Law

The Parties agree that this Agreement shall in all respects be governed by and shall be construed and interpreted in accordance with the laws of British Columbia and the laws of Canada applicable therein. The Parties irrevocably attorn to the jurisdiction of British Columbia courts and consent to the commencement of proceedings in such courts.

ARTICLE 2- EXERCISE OF OPTION

2.1 Notice and Exercise of Option to Purchase

In accordance with the Option Agreement, the Purchaser has satisfied the Option Consideration (as defined in the Option Agreement) and has provided Notice of Exercise to the Vendor and Corporation to purchase the Business and all of its Assets, which the Parties are implementing by way of a purchase and sale of the Corporation Shares on and subject to the terms and conditions of this Agreement.

ARTICLE 3– PURCHASE AND SALE

3.1 Purchase and Sale of Corporation Shares

The Vendor shall sell the Corporation Shares to the Purchaser and the Purchaser shall purchase the Corporation Shares from the Vendor, on Closing, free and clear of all Encumbrances, for the Purchase Price on the terms and conditions set out in this Agreement.

3.2 Purchase Price

Subject to any adjustment under Section 3.3 and 3.4, the purchase price (the "**Purchase Price**") for the Corporation Shares will be equal to $4,000,000 and will consist of $2,000,000 in Choom Shares (the "**Payment Shares**"), a cash payment equal in the amount of $1,450,000 (the "**Cash Payment**"), and a promissory note (the "**Note**") in the principal amount equal to $2,000,000 minus the Cash Payment.

3.3 Cash Payment and Adjustments

(a) Notwithstanding the Closing and in addition to the rights provided to the Purchaser and obligations of the Covenantors in this Agreement, the Vendor shall be liable and responsible and shall indemnify and immediately pay to the Corporation at the request of the Corporation, at any time and from time to time, the following amounts:

(i) amounts on account of any and all Liabilities other than the following:

(A) Assumed Liabilities; and

(B) Liabilities that are included in the COCF;

(ii) any shortfall in the COCF.

(b) In addition to the rights provided to the Purchaser and obligations of the Covenantors in this Agreement, the Purchaser may set off against and deduct from the principal amount of the Note owing to the Vendor or any other amounts due to the Vendor for any adjustments due to the Purchaser or the Corporation under this Section 3.3, which amounts the Purchaser shall set out in a statement of adjustments (the "**Statement of Adjustments**").

3.4 Number of Payment Shares, Legends & Escrow

(a) The number of Payment Shares issuable shall be determined by dividing $2,000,000 by the Current Market Price of the Choom Shares as of the date of the Closing, disregarding any remaining fractional Payment Shares, the value of which shall be added to the Cash Payment of the Purchase Price.

(b) All Payment Shares shall be endorsed with a restrictive legend and deposited with and held in escrow by Choom. Such Payment Shares shall be released from escrow to the Vendor as follows:

(i) 10% on the date that is four months after Closing;

(ii) 10% on December 31, 2020; and

(iii) the balance twelve months after Closing.

3.5 Note

(a) The Note shall be repayable over 6 months starting on the first month after the Closing Date in $100,000 instalments until the entire principal is repaid. If any principal is remaining on maturity (6 months after Closing), such amounts shall be due on maturity. The Note is non-interest bearing except in the event of default in payment of principal, in which case interest will accrue at a rate of 10% per annum on any such principal amount not paid when due and such interest shall be payable monthly.

(b) In the event that the Purchaser fails to make a payment due under the Note on the date required and such default is continuing, the Purchaser shall not make any payments to itself or its Affiliates from the operating cash flow generated by the Business.

3.6 Disclosure of Information

(a) The Vendor and Corporation will make available to the Purchaser or its accountants or auditors all of the working papers relating to the Financial Statements of the Business and Tax Returns and other financial statements and documents prepared for the purposes herein (including to make the determinations for the purposes of Section 3.3) and supporting documentation relating thereto.

(b) The Covenantors covenant, represent and warrant to Choom that they have provided, and they will continue to do so up to and following Closing, full disclosure of the Business, including, without limitation:

(i) the status or changes of any material Governmental Approvals;

(ii) any changes in the material Assets relating to the Business;

(iii) the status or changes of any Real Property Interests or other material Contracts; and

(iv) proposed actions or activities that may materially affect the Business or its Assets.

3.7 Resolution of Disputes Regarding the Corporation's Financial Information

The Parties will resolve any disputes regarding the Financial Statements of the Business, the Statement of Adjustments and all other documents and those necessary or desirable to make the determinations for the purposes of Section 3.3 according to the following rules and procedures:

(a) either the Vendor or the Purchaser may, within 5 Business Days after the delivery of the relevant documents (the "**Dispute Period**"), deliver to the other a written notice (the "**Notice of Objection**") setting out in detail any objections to the methods or calculations used to prepare the documents, the basis for each such objection, and each amount in dispute;

(b) the Vendor and the Purchaser will attempt expeditiously and in good faith to resolve all objections included in any Notice of Objection delivered within the Dispute Period within 5 Business Days (or such longer period to which the and the Purchaser agree in writing) after such delivery, failing which they will submit the dispute for determination to the Purchaser's Auditor, acting as experts and not as arbitrators, will determine all unresolved objections, and the resolution of all such objections in accordance with this Section 3.7 whether by agreement of the Vendor and Purchaser or by determination by the Purchaser's Auditor will be final and binding upon the Parties and will not be subject to appeal, absent manifest error;

(c) the Parties will be deemed to have accepted and approved the relevant documents as amended or revised in accordance with the foregoing procedures:

(i) if no Notice of Objection is delivered within the Dispute Period, at the conclusion of the Dispute Period, and

(ii) in any other case, upon the resolution in accordance with the foregoing procedures of all objections set out in all Notices of Objection delivered within the Dispute Period; and

(d) the Vendor and the Corporation will give the Purchaser and its auditors such confidential access as they may reasonably request to the accounting books and records of the Corporation and the Vendor as it relates to the Business, and the appropriate personnel of the Corporation and the Corporation's accountants to verify the accuracy, presentation and other matters relating to the relevant documents until the relevant documents are deemed to have been accepted and agreed to.

3.8 Closing and Payment

(a) The date of Closing (the "**Closing Date**") shall occur five (5) Business Day after the Realization Date or such other date agreed to by the Parties.

(b) Commencing at least five (5) Business Days before the Closing Date, the Parties will work diligently to finalize and execute all such agreements, instruments, forms and other transactional documents as are customary for a Closing of this kind.

(c) The Purchaser shall deliver to the Corporation the Purchase Price, subject to the Statement of Adjustments, on the Closing Date.

ARTICLE 4– REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Covenantors

The Covenantors hereby represent and warrant to Choom, and acknowledge and confirm that Choom is relying on such representations and warranties, both as of the Effective Date and the Closing Date, that:

(a) *Schedule B Provisions*. The representations and warranties set out in Schedule B hereto, including without limitation, relating to the Corporation, the Business and Assets, are true and correct.

(b) *Necessary Licences*. The Corporation has all necessary Governmental Approvals in order to own and operate the Niagara cannabis retail store.

(c) *Assets and Corporation Shares Unencumbered*. Other than as set out in the Approved Contracts, the Sub-Lease or on account of the Governmental Approvals relating to obtaining or maintaining a provincial cannabis retail licence, there are no Encumbrances or Governmental Approvals affecting or restricting the Assets or transfer of the Corporation Shares to the Purchaser.

(d) *Qualification*. The Corporation is a corporation duly incorporated and organized and validly existing under the laws of its formation and has the requisite corporate power to enter into this Agreement and to perform its obligations hereunder.

(e) *Due Authorization*. The consummation of the transactions contemplated by this Agreement has been duly authorized by all necessary corporate action, steps and proceedings on the part of the Corporation to approve or authorize the transfer of the Corporation Shares to the Purchaser and the execution and delivery of this Agreement and the other agreements and documents contemplated hereby.

(f) *No Conflicts or Violations*. None of the execution and delivery of this Agreement, the completion of the transactions contemplated hereby, or the observance and performance by the Covenantors of its covenants and obligations herein will:

(i) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of the constating documents of the Corporation;

(ii) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of any applicable law; or

(iii) constitute or result in a breach of or a default under any agreement, contract, lease, indenture, other instrument or commitment to which the Covenantors are a party or is subject or from which the Covenantors derives benefit.

(g) *Consents and Approvals*. Other than as contemplated herein in respect of the transfer of the Corporation Shares, no Governmental Approval, and no registration with, declaration or notice to or filing by the Covenantors with any Governmental Authority is required in order for the Covenantors to:

(i) incur the obligations expressed to be incurred by it in or pursuant to this Agreement;

(ii) execute and deliver all documents and instruments to be delivered by it pursuant to this Agreement;

(iii) duly perform and observe the terms and provisions of this Agreement; and

(iv) render this Agreement a legal, valid and binding obligation of, and enforceable against it.

(h) *Ownership*. The Vendor is the sole registered and beneficial owner of all the issued and outstanding shares of the Corporation.

(i) *Regulatory Filings*. The Vendor will, in a timely and expeditious manner, provide such information with respect to the Payment Shares as Choom may reasonably require in connection with the Purchase Price and as shall be necessary to comply with applicable laws and the policies of the CSE and the Vendor hereby consents to the disclosure by Choom to the CSE (including public filing on the CSE website) and applicable securities regulators, of their respective personal information including: the Vendor's name and address; the number of the common shares in the capital stock of Choom held by the Vendor prior to issuance of the Payment Shares; and the number of Payment Shares to be received by the Vendor with respect to the Purchase Price, and the applicable exemption from prospectus requirements under Applicable Securities Laws being relied upon in connection with the issuance of the Payment Shares to the Vendor.

4.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to the Covenantors, and acknowledges and confirms that the Covenantors are relying on such representations and warranties, both as of the Effective Date and the Closing Date, that:

(a) *Qualification*. Choom is a corporation duly incorporated and organized and validly existing under the laws of the Province of British Columbia and has the requisite corporate power to enter into this Agreement and to perform its obligations hereunder.

(b) *Due Authorization*. The consummation of the transactions contemplated by this Agreement has been duly authorized by all necessary corporate action, steps and proceedings on the part of the Purchaser to approve or authorize the transfer of the Corporation Shares to the Purchaser and the execution and delivery of this Agreement and the other agreements and documents contemplated hereby and the Purchaser has caused all necessary meetings of the its directors and shareholders to be held for such purposes.

(c) *No Conflicts or Violations*. None of the execution and delivery of this Agreement, the completion of the transactions contemplated hereby, or the observance and performance by the Purchaser of its covenants and obligations herein will:

(i) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of the constating documents of the Purchaser;

(ii) conflict with, or result in a breach of, or violate any of the terms, conditions or provisions of any applicable law; or

(iii) constitute or result in a breach of or a default under any agreement, contract, lease, indenture, other instrument or commitment to which the Purchaser is a party or is subject or from which the Purchaser derives benefit.

(d) *Prospectus Exemption*. Choom, in respect of the distribution of the Payment Shares in accordance with Article 3, intends to rely on the exemption from the prospectus requirements provided in National Instrument 45-106 – *Prospectus Exemptions*.

(e) *Capital Stock*. Choom has reserved a sufficient number of common shares of Choom for issuance to the Vendor in accordance with Choom's obligations under this Agreement.

(f) *Validity of Payment Shares*. The Payment Shares issued on Closing, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, shall be duly and validly issued and outstanding, fully paid, non-assessable and free and clear of all security interests, pledges, mortgages, liens, taxes, proxies, charges, adverse claims of ownership or use, and restrictions, including pre-emptive rights, rights of first refusal and other similar rights, restrictions on the resale, use, voting, receipt of income or other exercise of any attributes of ownership and restrictions on transfer, defects of title or other encumbrance of any kind or character entitling any person to purchase or acquire an ownership interest in any of such Payment Shares, other than restrictions on transfer set forth in this Agreement and under Applicable Securities Laws.

(g) *Disclosure Record*. Choom is a "reporting issuer" under Applicable Securities Laws in British Columbia, Alberta, Saskatchewan and Ontario and is not in default of any material requirements of any Applicable Securities Laws in such jurisdictions or stock exchange on which its securities are listed for trading. No delisting, suspension of trading in or cease trading order with respect to Choom Shares is pending or, to the knowledge of Choom, threatened. Choom has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by it with the Securities Authorities. Choom has not filed any confidential material change report that at the date hereof remains confidential.

(h) *Reporting Issuer and Listing Status*. So long as Choom is a "reporting issuer" under Applicable Securities Laws, Choom will use commercially reasonable efforts to ensure that the Choom Shares are listed and posted for trading on the Exchange and to maintain Choom's status as a "reporting issuer not in default" under Applicable Securities Laws.

4.3 Survival of Representations and Warranties

The representations and warranties of each party to the other party contained in this Agreement or in any agreement, certificate or other document delivered pursuant to this Agreement (except in respect of a breach thereof which has been disclosed in writing to the other party prior to Closing) shall survive for a period of 24 months following the Effective Date.

ARTICLE 5– CONDITIONS TO CLOSING

5.1 Conditions of Closing in Favour of the Purchaser

The sale and purchase of the Corporation Shares to the Purchaser is subject to the following terms and conditions for the exclusive benefit of the Purchaser, to be performed or fulfilled at or prior to any Closing and may be waived in whole or in part by the Purchaser in writing at any time:

(a) *Documents*. The Covenantors shall deliver to the Purchaser all necessary and desirable duly executed documents required to effect the purchase of the Corporation Shares, free and clear of all Encumbrances;

(b) *Diligence*. The Purchaser shall be satisfied with its diligence investigation, including, without limitation, the Corporation, the Financial Statement of the Business, COCF, the Assets and Liabilities;

(c) *Governmental Approvals*. The Covenantors shall deliver to the Purchaser all Governmental Approvals necessary and desirable as required by the Purchaser and all necessary and desirable duly executed documents required to evidence such Governmental Approvals;

(d) *Representations and Warranties*. The representations and warranties of the Covenantors contained in this Agreement shall be true and correct in all material respects at the Time of Closing;

(e) *Covenants*. All of the terms, covenants and conditions of this Agreement to be complied with or performed by the Covenantors at or before the Time of Closing shall have been complied with or performed, and a certificate signed by the Covenantors, dated the Closing Date, to that effect shall have been delivered to the Purchaser; and

(f) *No Action or Proceeding*. No legal or regulatory action or proceeding against the Covenantors shall be pending or, to the knowledge of the Parties, threatened by any person to enjoin, restrict or prohibit the purchase and sale of the Corporation Shares contemplated hereby.

5.2 Conditions of Closing in Favour of the Covenantors

The sale and purchase of the Corporation Shares is subject to the following terms and conditions for the exclusive benefit of the Covenantors, to be performed or fulfilled at or prior to the Closing, and may be waived in whole or in part by the Covenantors in writing at any time:

(a) *Representations and Warranties*. The representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects at the Time of Closing;

(b) *Covenants*. All of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser at or before the Time of Closing shall have been complied with or performed in all material respects, and a certificate signed by the Purchaser, dated the Closing Date, to that effect shall have been delivered to the Covenantors; and

(c) *No Action or Proceeding*. No legal or regulatory action or proceeding shall be pending or, to the knowledge of the Parties, threatened by any person to enjoin, restrict or prohibit the purchase and sale of the Corporation Shares contemplated hereby.

ARTICLE 6– CLOSING

6.1 Time and Place of Closing

The Closing shall take place on the Closing Date as at 10:00 am or at such time on the Closing Date that the Parties mutually agree (the "**Time of Closing**") at the offices of the Purchaser's solicitor, McMillan LLP.

ARTICLE 7– COOPERATION COVENANTS

7.1 Covenants of Covenantors

The Covenantors covenant and agree with the Purchaser that they will for the period from the Effective Date until the Closing has occurred:

(a) use commercially reasonable efforts to obtain all Regulatory Approvals required to sell the Corporation Shares to the Purchaser and complete the transactions contemplated by this Agreement;

(b) give timely notice of any proposed or anticipated material actions, activities or developments concerning the Business, including, without limitation:

(i) the expected receipt of any material Governmental Approvals;

(ii) any proposed acquisition, disposition or change of any material Assets;

(iii) any proposed entering into of a contract relating to Real Property Interests or any other material Contract; and

(iv) any other developments, proposed actions or activities that may materially affect the Business or Assets;

(c) allow the Purchaser to inspect (or deliver or cause the Corporation to deliver copies or originals of) all books and records, Customer Data and other instruments to which any of the Corporation or the Vendor is a party or by which it is bound relating to the Business and which may be in the possession or control of any of the Corporation or the Vendor at any time at the reasonable request of the Purchaser;

(d) ensure that the Corporation does not enter into any material contracts without the prior consent of the Purchaser, such consent not to be unreasonably withheld;

(e) report in writing to the Purchaser any circumstances that render any of the representations and warranties of the Covenantors in this Agreement untrue or incorrect;

(f) comply, and ensure that the Corporation complies, in all material respects with all Applicable Laws of each jurisdiction in which it is carrying on business;

(g) use commercially reasonable efforts to maintain the Corporation's goodwill and preserve relationships Governmental Authorities, employees, suppliers, Customers, contracted third parties, and others having dealings with the Business, where applicable;

(h) provide the Financial Statements of the Business and to ensure that such statements:

(i) are in accordance with the books and accounts of the Corporation and for the period covered thereby; and

(ii) are prepared in accordance with GAAP, applied on a basis consistent with prior periods.

7.2 Covenants of the Purchaser

The Purchaser covenants and agrees with the Vendor that it will for the period from the Effective Date until the Closing has occurred:

(a) use commercially reasonable efforts to obtain all Regulatory Approvals required for the Purchaser to acquire the Corporation Shares and complete the transactions contemplated by this Agreement;

(b) report in writing to the Vendor any circumstances that render any of the representations and warranties in this Agreement untrue or incorrect; and

(c) comply in all material respects with all Applicable Laws of each jurisdiction in which it is carrying on business.

ARTICLE 8– OTHER COVENANTS

8.1 Further Assurances

(a) Each Party shall co-operate with the other, and execute and deliver, or cause to be executed and delivered, all such other instruments, including instruments of conveyance, assignment and transfer, and take all such other actions as such party may be reasonably requested to take by the other party from time to time, consistent with the terms of this Agreement in order to implement the provisions and purposes of this Agreement.

(b) The Parties hereto agree that they will undertake their best commercial efforts to make any amendments to this Agreement that may be necessary to ensure the compliance of this Agreement with AGCO Requirements.

8.2 Confidentiality

(a) *Definitions*. In this section:

(i) **"Confidential Information"** means confidential or proprietary information of a party that is not available to the general public, including, without limitation, client lists or trade secrets; information about marketing strategies, prospects, business plans, finances, assets, clients and their specialized preferences or needs; personal or employment information about employees; information from or about third parties that the party is required to keep confidential; and any other information that relates to the party's existing or proposed business or business affairs and that is not generally available to the public. Confidential Information shall not include information that was:

(A) in the public domain at the time it was disclosed or has entered the public domain through no fault of the Recipient;

(B) was known to the Recipient, without restriction, at the time of disclosure;

(C) is disclosed with the prior written approval of the Discloser; or

(D) is disclosed pursuant to the order or requirement of a court, administrative agency, or other governmental body; provided, however, that the Recipient shall provide prompt notice of such court order or requirement to the Discloser to enable the Discloser to seek a protective order or otherwise prevent or restrict such disclosure;

(ii) **"Discloser"** means a party disclosing confidential information hereunder; and

(iii) **"Recipient"** means a party receiving confidential information hereunder.

(b) *Obligations of Confidentiality*. The Purchaser and the Covenantors agree that they shall before and after the Closing:

(i) keep the Confidential Information of the other party strictly confidential;

(ii) not disclose the Confidential Information of the other party or recollections thereof to any individual, partnership, firm or corporation whatsoever, except with the Discloser's prior written consent;

(iii) not use, copy, duplicate, reproduce, translate or adapt, either directly or indirectly, any Confidential Information of the other party for any purpose whatsoever, except as otherwise provided in this Agreement;

(iv) use their respective commercially reasonable efforts to prevent material in their possession or control that contains or refers to the Confidential Information of the other party from being discovered, used, or copied by third parties; and

(v) upon written request from the Discloser at any time, return to the Discloser all original copies of the Discloser's Confidential Information and destroy any and all copies, reproductions, extracts and all other documents, computer files, memoranda, notes and other writings based on the Discloser's Confidential Information.

(c) *Title*. The Purchaser and the Covenantors acknowledge and agree that the Discloser retains all right, title and interest in and to the Discloser's Confidential Information, which shall be held by them in trust for the Discloser.

8.3 Indemnification for Purchaser

Without prejudicing any other remedy available to the Purchaser at law or in equity, the Vendor will forthwith, upon demand, indemnify and save harmless the Purchaser from and against any and all Losses suffered or incurred by the Purchaser or the Corporation in any manner arising out of, in connection with or in respect of,

(a) failure to achieve all of the Milestones on or before Closing;

(b) any Taxes of the Business relating to periods on or prior to the Closing Date that are not accounted for in the Closing Financial Statements;

(c) any representation or warranty made by the Covenantor's being untrue or incorrect, or the failure of such parties or any of them to observe or perform any covenant or other obligation; and

(d) any and all actions, suits, proceedings, demands, assessments, judgments, costs and reasonable legal and other expenses incurred incidental to the foregoing.

8.4 Indemnification for Vendor

Without prejudicing any other remedy available to the Corporation at law or in equity, the Purchaser will forthwith, upon demand, indemnify and save harmless the Vendor from and against any and all Losses suffered or incurred by the Vendor in any manner arising out of, in connection with or in respect of,

(a) any representation or warranty made by the Purchaser being untrue or incorrect or the failure of the Purchaser to observe or perform any covenant or other obligation;

(b) any and all actions, suits, proceedings, demands, assessments, judgments, costs and reasonable legal and other expenses incurred incidental to the foregoing; and

(c) any Taxes of the Business relating to periods on or prior to the Closing Date that are not accounted for in the Closing Financial Statements.

8.5 Equitable Remedies

The Parties agree that irreparable harm will occur for which money damages will not be an adequate remedy at applicable law in the event that any of the provisions of this Agreement are not performed by the party in accordance with their terms or are otherwise breached. It is accordingly agreed that in the event of a breach or threatened breach of the provisions of this Agreement by a party, the other party shall be entitled to an injunction or injunctions and other equitable relief and shall be entitled to obtain an order or orders for specific performance as may be necessary to ensure that the other party complies with and performs its obligations under this Agreement. The defaulting party hereby agrees not to seek the posting of any security bond or other assurance in respect of such injunctive or other equitable relief. Such remedies will not be the exclusive remedies for any breach of this Agreement and will be in addition to all other remedies available at applicable law or equity.

ARTICLE 9–ARBITRATION

9.1 Best Endeavours to Settle Dispute

If any dispute, claim, question or difference arising out of or relating to the Agreement or any breach thereof occurs, the Parties will use their best endeavours in good faith to settle such dispute, claim, question or difference including in respect of any Claim made or loss in respect thereof. To this effect, they will consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution satisfactory to all Parties.

9.2 Arbitrations

Except as is expressly provided in this Agreement (including, without limitation Section 3.7), if the Parties do not reach a solution pursuant to Section 9.1 within a period of 15 Business Days after the failure of negotiations pursuant to Section 9.1 then upon written notice by a party or Parties to the others, the dispute, claim, question or difference will be finally settled by arbitration in accordance with the provisions of the *Commercial Arbitration Act* (British Columbia), based upon the following:

(a) the arbitration tribunal will consist of one (1) arbitrator appointed by mutual agreement of the Parties, or in the event of failure to agree, within 10 Business Days after the date of delivery of the written notice, upon the application by any party to a court of competent jurisdiction to appoint such single arbitrator. The arbitrator will be qualified by education and training to pass upon the particular matter to be decided;

(b) the arbitrator will be instructed that time is of the essence in proceeding with the determination of any dispute, claim, question or difference and, in any event, the arbitration award must be rendered within 30 calendar days of the submission of such dispute to arbitration;

(c) in the arbitration award, the arbitrator may award any remedy for any breach of this Agreement that might have been awarded by a court having jurisdiction except where the remedy for such breach has been expressly limited by this Agreement;

(d) the arbitration will take place in Vancouver, British Columbia; and

(e) the arbitration award will be given in writing and will be final and binding on the Parties not subject to any appeal (absent manifest error) and will deal with the question of costs of arbitration and all matters related thereto.

9.3 Judgement

Judgement upon the award rendered may be entered in any court having jurisdiction, or, application may be made as to such court for a judicial recognition of the award or an order of enforcement thereof, as the case may be.

ARTICLE 10- GENERAL PROVISIONS

10.1 Amendment

No amendment or modification relating in any manner to this Agreement shall be effective unless executed in writing and signed by all parties hereto.

10.2 Assignment

(a) No party shall assign this Agreement, in whole or in part, except with the prior written consent of the other party, not to be unreasonably withheld or delayed.

10.3 No Change of Control

(a) The Parties acknowledge and agree that until the Closing, nothing in this Agreement, or any other agreement, constitutes a change in Change of Control of the Business.

(b) A "**Change of Control**" of a party shall be deemed to occur if after the date hereof: (i) such party is involved in a merger, consolidation, amalgamation, arrangement or reorganization that results in a transfer of beneficial ownership of fifty percent (50%) or more of the securities or other ownership interests representing the equity or the voting stock interest of such party compared against the total equity or voting stock interest of such party prior to such transaction; (ii) there is a sale of all or substantially all of such party's assets relating to the subject matter of this Agreement; or (iii) any individual, entity or group (acting together) acquires beneficial ownership of fifty percent (50%) or more of the securities or other ownership interests representing the equity or the voting stock interest of such party compared against the total equity or voting stock interest of such party prior to such transaction.

10.4 Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

10.5 Legal Costs

Each party shall bear their own respective legal costs for completion of the transaction contemplated by this Agreement.

10.6 Notices

All notices, requests or other communications pursuant to this Agreement shall be in writing and may be given by personal delivery, courier, first class, registered or equivalent letter post, postage prepaid or electronic transmission, to the addresses first listed above. All such notices, requests or other communications shall be deemed to have been given on the date of actual receipt, if sent by personal delivery, courier or letter post, or one (1) business day after the date of successful transmission, if sent by electronic transmission. Any party may change its address for notice by giving written notice of such change to the other party in the manner prescribed herein above.

10.7 No Waiver

A waiver of any breach or any provision of this Agreement shall not be construed as a continuing waiver of other breaches of the same or other provisions of this Agreement, nor as a waiver of a subsequent breach or default of any terms, provision or condition of this Agreement.

10.8 Public Announcement

No public announcement or press release concerning this Agreement or the transactions contemplated hereunder shall be made by the Covenantors or the Purchaser without the consent and joint approval of the Vendor and Choom, such approval not to be unreasonably withheld.

10.9 Severability

If any provision of this Agreement is declared invalid, illegal or unenforceable by a court having competent jurisdiction, it is mutually agreed that this Agreement all other provisions hereof shall remain in full force and effect in such jurisdiction, except for the part declared invalid, illegal or unenforceable by order of such court, and shall be liberally construed in order to carry out the intentions of the Parties as nearly as may be possible.

10.10 Survival

Any provisions of this Agreement that expressly or by their nature are intended to survive Closing shall survive Closing in accordance with their terms.

10.11 Time of the Essence.

Time shall be of the essence of this Agreement.

10.12 Counterparts

This Agreement may be signed in counterparts, which together constitute one and the same agreement and have the same effect as if the signatures on the counterparts were upon the same instrument. This Agreement or any counterpart of it may be signed by a party and delivered by electronic transmission and if so signed and delivered, this Agreement or the counterpart is for all purposes as effective as if the party had signed and delivered this Agreement bearing an original signature.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date set out on the first page of this Agreement.

CHOOM HOLDINGS INC.

Per: [redacted]

2688412 ONTARIO INC.

Per: [redacted]

The Shareholder of 26688412 Ontario Inc.

[redacted]

LISA BIGIONI

Manual Signatures Redacted

Schedule A
BUSINESS DISCLOURE

Shareholder and Share Capital

Shareholder Name and Address	Number and Class of Corporation Shares Held
[redacted]	

Personal Information Redacted

Bank account information:

Corporation's Accounts	
Proprietor's Accounts	

Approved Contracts:

Employees and contractors of the Corporation:

[list the employees of the Corporation]	

Assets:

Schedule B
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor hereby represents and warrants to Choom, and acknowledges and confirms that Choom is relying on such representations and warranties, that

(a) *Residence* — the Vendor is not a non-resident of Canada within the meaning of the Tax Act;

(b) *No Breach or Default* — the execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by the Vendor, and the completion of the transactions contemplated hereby, will not constitute or result in a violation or breach of or default under, or cause the acceleration of any obligations of such Vendor under any term or provision of any agreement;

(a) *Title* — the legal and beneficial ownership of the Corporation Shares is as set out in Schedule A and the Vendor has a good and marketable title, free and clear of any liens, charges, claims, options, setoffs, or Encumbrances, limitations or restrictions of any nature whatsoever in and to the Corporation Shares indicated on Schedule A;

(b) *Entire Investment* — the Corporation Shares constitute the entire direct or indirect investment in equity or by indebtedness, or in any other form of any kind or description whatsoever, of the Vendor and of each other person who does not deal at arm's length with the Vendor, in the Corporation;

(c) *No Breach or Default* — neither the execution or delivery of this Agreement or the other agreements and instruments contemplated hereby, nor the completion of the transactions contemplated hereby by the Corporation, will:

(i) constitute or result in the breach of, default under, or conflict with, or otherwise violate or result in the violation of, any term, provision or condition of, or cause any, or give to any person or Governmental Authority after the giving of a notice or lapse of time or otherwise any right to accelerate, terminate or cancel any of the following:

(A) any constating document of the Corporation or any resolution of its directors or shareholders;

(B) any material agreement; and

(C) any law, judgment, decree, order, injunction, rule, statute or regulation of any court, arbitrator or Governmental Authority by which the Corporation is bound or to which the Corporation is subject; or

(ii) result in the creation of any Encumbrance on any of the Assets;

(d) *Absence of Approvals Required* — except as otherwise contemplated by this Agreement, no Permit of any Governmental Authority, court or arbitrator, and no registration, declaration or filing by the Corporation with any Governmental Authority, court or arbitrator, is required to permit:

(i) the transactions contemplated by this Agreement; and

(ii) render this Agreement legal, valid, binding and enforceable;

(e) *Corporate Matters* —

(i) *Corporate Records* — the Corporation has kept the records required to be kept by the laws of the jurisdiction of its incorporation, and these records are complete, accurate and up-to-date and contain all minutes of all meetings of its directors and shareholders held and all resolutions of, and other actions and proceedings taken by, the directors or shareholders since its incorporation;

(ii) *Absence of Other Interests* — the Corporation neither own any shares in or other securities of, nor has any interest in the assets or business of, any person, and neither owns nor leases any real property, except for the Real Property Interests; and

(iii) *Jurisdictions of Business* — the Corporation does not carry on any active business undertaking other than the Business and carries on such business only in Canada, and does not own any assets other than the Assets;

(f) *Capitalization of Corporation* — the authorized capital of the Corporation is an unlimited number of voting common shares with no par value and an unlimited number of preferred shares without par value;

(g) *Subsidiaries* — the Corporation has no subsidiaries;

(h) *Absence of Options* — except as contemplated hereunder, no person has any agreement or option, present or future, contingent or absolute, or capable of becoming an agreement or option:

(i) to require the Corporation to issue any further or other shares in its capital or any other security convertible or exchangeable into shares in its capital or to convert or exchange any securities into or for shares in its capital;

(ii) for the issue or allotment of any of the authorized but unissued shares in the capital of the Corporation;

(iii) to require the Corporation to purchase, redeem, or otherwise acquire any of its issued and outstanding shares; or

(iv) to purchase or otherwise acquire any shares in the capital of the Corporation;

(i) *Absence of Changes* — since incorporation

(i) there has been no act of God, damage, destruction, loss, fire, explosion, accident, casualty, labour disruption or trouble, or other event (whether or not covered by insurance) adversely affecting any of the Assets or the organization, affairs, prospects or financial condition or position of the Corporation;

(ii) except as otherwise disclosed in this Agreement, the Corporation's sole business has been to advance the Business;

(iii) except as otherwise disclosed in this Agreement, the Corporation has not purchased or agreed to purchase, or lease or agreed to lease, or acquired or agreed to acquire, any material property or asset;

(iv) the Corporation has not sold, transferred, disposed of, mortgaged, pledged, charged or leased any asset;

(v) the Corporation has not made any gift of money or other property;

(vi) the Corporation has not declared or paid or committed itself to pay any dividend or purchased or redeemed or otherwise acquired or agreed to purchase or redeem or otherwise acquire any share of its capital or paid or agreed to pay any amount (whether for interest, principal or otherwise) on any amount owing to (or when originally incurred by the Corporation was owing to) any of its shareholders or former shareholders;

(vii) the Corporation has not engaged or entered in any transaction or made any disbursement or assumed or incurred any liability or obligation or made any commitment to make any expenditure out of the ordinary course of business;

(viii) the Corporation has not permitted or created any Encumbrance on any of its Assets other than the Permitted Encumbrances;

(j) *Financial Statement, Books and Records* —

(i) *Accuracy* — the books and records fairly and correctly set out and disclose, in all material respects, in accordance with GAAP, applied on a basis consistent with prior periods, the financial position and condition of the Business and all material financial transactions of the Business has been accurately recorded in the books and records;

(ii) *Ownership and Possession* — all of the books and records which are recorded, stored, maintained, operated or otherwise wholly or partly dependent upon or held by any means, including any electronic, mechanical or photographic process, whether computerized or not, are under the exclusive ownership and direct control of the Covenators (including all means of access thereto and therefrom) and the Corporation has original or true copies of all such books or records in its possession, all of which will be delivered to the Purchaser on Closing;

(iii) *Financial Statements* - the Financial Statements of the Business have been prepared in accordance with GAAP applied on a consistent basis and present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise), revenues, earnings, results of operations and financial condition of the Business for the periods to which they relate;

(k) *Liabilities to or of the Corporation* — no founder, affiliate, officer, director or employee of the Corporation or the Vendor, and no other person who does not deal at arm's length with a founder, the Vendor, the Corporation, or any affiliate, officer, director or employee of the Corporation, is indebted to or a creditor of the Corporation, and there is no contract or understanding, whether or not legally enforceable, by which the Corporation is or may become obligated to borrow, lend or advance funds from or to any such person;

(l) *Liabilities* —

(i) *Absence of Undisclosed Liabilities* — the Corporation will not have any Liabilities on Closing other than as disclosed either in the Closing Financial Statements or described in Appendix A to Schedule B;

(ii) *Indemnification* — there is no action, proceeding or other event pending against any officer or director of the Corporation which would give rise to any indemnification obligation of the Corporation to its officers and directors under the applicable legislation or pursuant to its constating documents or any agreement between the Corporation and any of such officers or directors;

(iii) *Absence of Guarantees* —the Corporation has not provided, and is not under any obligation or arrangement to provide any guarantee, indemnity or other contingent or indirect obligation with respect to any obligation of any other person, including any obligation to service or otherwise acquire any obligation of another person or to supply funds to, or otherwise maintain any working capital or other balance sheet condition of another person;

(iv) *Absence of Contracts/Commitments* — except as disclosed in Appendix A to Schedule B, the Corporation do not have any contract, commitment or arrangement with any of its directors, officers or employees whatsoever and it does not have any contract, commitment or arrangement with its shareholders or with any person who is an affiliate of any of its shareholders or not dealing at arm's length with its shareholders and neither its shareholders nor any such person has any claim of any nature against it nor owns any property or Assets which are used by it or are necessary for the conduct of its business;

(v) *Litigation* — no action, suit, judgment, investigation, inquiry, assessment, reassessment, litigation, determination or administrative or other proceeding or arbitration before or of any court, arbitrator or Governmental Authority, or dispute with any Governmental Authority, is in process, or pending or, to the best of the knowledge of the Vendor, threatened, against or relating to the Corporation and to the knowledge of the Vendor, no state of facts exists which could constitute the basis therefor;

(vi) *Previously Owned Real Property* — neither the Corporation nor any of their predecessors have owned or leased any real property other than the Real Property Interests;

(vii) *Environmental Matters* —the Corporation did not release any hazardous substance at, on or near the Business as a result of the conduct of the business or otherwise, except as permitted by Applicable Laws in force at the relevant time;

(viii) *Use of Assets* —the Corporation and the Assets and the uses to which the Assets have been put comply with all Applicable Law and judgments, decrees, orders, injunctions, rules and regulations of all Governmental Authorities, courts or arbitrators, including all environmental laws and fire and building codes and standards;

(m) *Business and Assets* —

(i) *Assets* — the Assets constitute all of the rights, assets and properties that are held for use in connection with or otherwise relate to the Business and there are no other material assets of the Corporation that are unrelated to the Business;

(ii) *Title to Assets* — the Corporation is the legal and beneficial owner of, and has good and marketable title to, the Assets, free and clear of all Encumbrances, the Assets are in the Corporation' possession and all of the Assets are wholly owned by the Corporation;

(iii) *Permits and Licences* — the Corporation is not required to hold any permits or licenses under any Applicable Laws other than pursuant to AGCO Requirements;

(iv) *Condition of Assets* — the Assets are provided "as is" and without further representation or warranty, except as set out in this Agreement;

(v) *Absence of Prohibitions/Impairment* — there is no agreement (non-compete or otherwise), judgement, injunction, order or decree to which the Corporation is a party or that is otherwise binding on the Corporation which has or may reasonably be expected to have the effect of (a) prohibiting or impairing in any material way any acquisition of property (tangible or intangible) by the Corporation, or the conduct of the business by the Corporation; or (b) prohibiting or impairing in any material respect after the consummation of the transactions contemplated by this Agreement, any acquisition of property (tangible or intangible) by the Corporation.

(vi) *Material Contracts* — Appendix A to Schedule B accurately and completely sets out all the material contracts, true copies of which have provided to the Purchaser, if any;

(vii) *Absence of Options* —other than this Agreement, there is no written, oral or implied agreement, option, understanding or commitment, or any right or privilege capable of becoming any of the same, for the purchase from the Corporation of the Business or any Asset;

(viii) *Accounts Receivable* — the Corporation has no accounts receivable other than as disclosed in Appendix A to Schedule B;

(ix) *Privacy* — the Corporation has, as part of the Customer Data, obtained and retained satisfactory proof of the full and informed consent from all persons necessary to:

(A) collect, use, retain and disclose Personal Information, and has only collected, used, retained and disclosed Personal Information in the manner contemplated by such consent; and

(B) allow the Purchaser to continue to send commercial electronic messages, as such term is defined in CASL, to such person;

(x) *Ownership of Assets* — the Corporation is in compliance with Applicable Law relating to the Business and ownership of the Assets;

(n) *Intellectual Property* —

(i) List of Corporation Intellectual Property —

(A) all Intellectual Property developed by or on behalf of the Corporation used, in whole or in part, by the Corporation in connection with the Business is duly owned by the Corporation; and

(B) Schedule A or Appendix A to Schedule B lists all the Corporation' Intellectual Property, except for such licensed from Choom, that consists of domain names, websites, trade-marks and trade-mark applications, trade names, certification marks, patents and patent applications, copyrights and industrial designs, and any common law Intellectual Property rights, and the applicable expiry dates of any registrations.

(o) *Employees/Contractors* —

(i) *Employees and Contractors* — Appendix A to Schedule B sets out the name, job title, type of engagement, length of engagement, rate of pay and benefits, if any and as applicable, of each employee or contractor of the Corporation, as applicable;

(ii) *Employment/Contractor Agreements* — the Corporation has no contract, commitment or arrangement, whether written, oral or implied, with any person relating to employment or contracting except to the extent set out in Appendix A to Schedule B or Schedule A;

(iii) *Employment Obligations* — as at Closing, there will be no amounts payable in respect of accrued salaries, pensions, bonuses, overtime, commissions and other compensation or remuneration of any nature, including unpaid accrued vacation pay, severance pay, sick leave, sick time, or pay in lieu thereof, and unpaid earned wages of the present officers, directors, employees, contractors and agents of the Corporation, and, in addition, all obligations for withholding tax or income tax of any kind, mandatory pension plan contributions, employment insurance contributions, workers' compensation contributions, wage or severance payments owing to employees of the Corporation and all other payments required to be made to or on behalf of employees, will have been paid up to the Closing Date;

(iv) *Termination of Employees* — there is no employee of the Corporation in respect of whom the Corporation consider they have a right to terminate for cause, and no employee has made any claim for any action or proceeding against the Corporation arising out of any statute, ordinance or regulation relating to discrimination in employment or employment practices, harassment, occupational health and safety standards or workers' compensation;

(p) *Insurance of the Corporation* —

(i) *Insurance Coverage* —All the physical assets of the Business are covered by fire and other insurance with responsible insurers against such risks and in such amounts as are reasonable for prudent owners of comparable assets. The Corporation has provided the Purchaser with particulars of all the insurance policies held by it in respect of such, including the name of the insurer, the risks insured against and the amount of coverage;

(q) *Bank Accounts/Safety Deposit Boxes* — Schedule A includes a true and complete list of every bank account and safety deposit box of the Business or the Corporation, and the identity of those individuals who have signing authority in respect thereof;

(r) *Taxes* — in respect of taxes, the Corporation:

(i) has filed with all applicable Tax Authorities all tax returns required to be filed by it, and all such tax returns are true, complete and accurate in all material respects,

(ii) has paid to all applicable Tax Authorities all taxes and all instalments of taxes required to be paid by it, and no portion of any such taxes is outstanding,

(iii) is not subject to or a party to any audit, assessment, reassessment, determination of loss, reclassification of assets, objection, or appeal with respect to any taxes or any matter required to be disclosed in any tax return, and to the best of the Vendor's knowledge no Tax Authority has threatened to initiate or is considering initiating any such action with respect to taxes or tax returns;

(iv) has no contingent liability for taxes, and, to the best of the knowledge of the Vendor, there are no grounds which could prompt any reassessment of taxes,

(v) has withheld and remitted to all applicable Tax Authorities all amounts that the Corporation is required to withhold and remit with respect to its own taxes or any other person's taxes,

(vi) has not made any payments to non-residents and has no withholding tax liability in respect thereof,

(vii) has registered with every Tax Authority with which it is required to be registered in respect of taxes for the business as currently conducted by the Corporation, and

(viii) without limiting the generality of the foregoing, the Corporation, if and to the extent required by any Applicable Law,

(A) to the extent required by any applicable Tax Authority, is registered for the purposes of sales and use taxes in each and every jurisdiction in which it does business, to the extent it is currently conducted by the Corporation,

(B) to the extent required by any applicable Tax Authority, has filed all tax returns required to be filed by it with Governmental Authorities with respect to sales and use taxes, and all such tax returns are true, complete and accurate in all material respects,

(C) has collected, and has paid or remitted to the appropriate Government Authority, all sales and use taxes required to be collected, paid or remitted by it, and

(D) has no deferred obligation or liability under any provision of Applicable Law in respect of sales and use taxes, and there is no ground which could prompt a reassessment with respect to any such provision;

(s) *Full Disclosure* —

(i) *No Agent or Broker Fees* —there are no brokerage fees, commissions or other fees or amounts which are or may become payable to any third party by the

Corporation or Vendor in connection with the execution and delivery of this Agreement and the completion of the transactions contemplated herein;

(ii) *Undisclosed Information* — except as disclosed in this Agreement or as disclosed to the Purchaser in writing prior to the date hereof, the Vendor does not have knowledge of any fact specifically relating to the Business, the Assets or any indebtedness of the Corporation which might reasonably be expected to cause a material adverse effect on the Business or the financial condition of the Corporation;

(iii) *Information in Schedules* — all information set out in the Schedules to this Agreement is accurate and correct in every material respect;

(iv) *No Untrue Statement* — no representation or warranty made by the Vendor herein (as modified by the Schedules), nor any statement made in any Schedule, exhibit or certificate furnished by the Vendor pursuant to this Agreement, contains or will contain on the Closing Date any untrue statement of a material fact, or omits or will omit on the Closing Date to state any material fact necessary in order to ensure that no statement contained herein or therein is misleading; and

(v) *Due Diligence Documents* — all documents relating to the Corporation and the Business that have been provided the Purchaser or its agents are true, correct and complete copies of such documents and, to the best of the knowledge of the Corporation and the Vendor, all of the documents that have been requested for review have been provided to the Purchaser's Solicitors.

(t) *Money Laundering* — The operations of the Corporation has been conducted in compliance with financial record-keeping and reporting requirements of Applicable Laws relating to money laundering, including the *Proceeds of Crime (Money Laundering) and Terrorism Financing Act* (Canada) or any similar legislation

Appendix A to Schedule B

EXCEPTIONS DISCLOSURE

Schedule C
FINANCIAL STATEMENTS OF THE BUSINESS

To be attached

Commercially Sensitive Information Redacted