UNDERWRITING AGREEMENT

November 30, 2017

Neo Performance Materials Inc.
121 King Street West, Suite 1740
Toronto, Ontario
M5H 3T9

Attention: Geoff Bedford, President and Chief Executive Officer

OCM Neo Holdings (Cayman), L.P.
c/o Oaktree Capital Management, L.P.
333 S. Grand Ave., 28th Floor
Los Angeles, California
90071

Attention: Emily Stephens, Managing Director and Nicholas Basso, Senior Vice President

Dear Sirs/Mesdames:

The undersigned, Scotia Capital Inc. ("**Scotia**"), RBC Dominion Securities Inc. ("**RBC**" and together with Scotia, the "**Joint Bookrunners**") and Cormark Securities Inc. ("**Cormark**" and together with the Joint Bookrunners, the "**Lead Underwriters**"), CIBC World Markets Inc., Barclays Capital Canada Inc., Canaccord Genuity Corp., GMP Securities, L.P., and Raymond James Ltd. (collectively with the Lead Underwriters, the "**Underwriters**") understand that OCM Neo Holdings (Cayman), L.P., acting through its general partner, OCM Neo Holdings (Cayman) GP Ltd. (the "**Selling Shareholder**") proposes to sell to the Underwriters 11,115,000 common shares (the "**Purchased Shares**") of Neo Performance Materials Inc. (the "**Company**"), which Purchased Shares shall have the material attributes described in and contemplated by the Final Prospectus (as defined below) dated November 30, 2017 and executed concurrently with the execution and delivery of this Agreement.

Based on the foregoing, and subject to the terms and conditions contained in this Agreement, the Underwriters severally, on the basis of the percentages set forth in Section 15 of this Agreement and not jointly, agree to purchase from the Selling Shareholder, and by its acceptance hereof, the Selling Shareholder agrees to sell to the Underwriters, the Purchased Shares on the Closing Date (as defined below) at a price of $18.00 per share for all but not less than all of the Purchased Shares (the "**Purchase Price**").

By acceptance of this Agreement, the Selling Shareholder grants to the Underwriters an option (the "**Over-Allotment Option**") to purchase up to 1,667,250 common shares (the "**Over-Allotment Shares**"). If the Lead Underwriters, on behalf of the Underwriters, elect to exercise the Over-Allotment Option, the Lead Underwriters shall notify the Selling Shareholder and the Company in writing not later than 30 days after the Closing Date, which notice shall specify the number of Over-Allotment Shares to be purchased by the Underwriters and the date on which such Over-Allotment Shares are to be purchased. Such date may be the same as the Closing Date but not earlier than the Closing Date nor later than five Business Days after the date of such notice (the "**Over-Allotment Closing Date**"). Over-Allotment Shares may be purchased solely for the purpose of covering overallotments

made in connection with the offering of the Purchased Shares. If any Over-Allotment Shares are purchased, each Underwriter agrees, severally and not jointly, to purchase the number of Over-Allotment Shares (subject to such adjustments to eliminate fractional shares as the Lead Underwriters may determine) based on the percentages set forth in Section 15 of this Agreement.

The Purchased Shares and the Over-Allotment Shares are hereinafter collectively referred to as the "**Offered Shares**", and the offering of the Offered Shares by the Company is hereinafter referred to as the "**Offering**".

In consideration of the Underwriters' services hereunder and in connection with the Offering, the Selling Shareholder agrees to pay to the Underwriters a fee equal to 5.5% of the gross proceeds of all Purchased Shares sold pursuant to the Offering (the "**Underwriting Fee**") plus a discretionary fee of up to 25 bps payable to the Underwriters at the Selling Shareholder's sole discretion, of the gross proceeds from the sale of Purchased Shares pursuant to the Offering. The Underwriting Fee shall be due and payable at the Closing Time (as defined below) against payment for the Purchased Shares. The Underwriting Fee shall include a "step-up fee" equal to 9.0% of the Underwriting Fee, 37.5% of which shall be payable to each of the Joint Bookrunners and 25.0% of which shall be payable to Cormark.

If the Over-Allotment Option is exercised, the Selling Shareholder agrees to pay to the Underwriters the Underwriting Fee in respect of each Over-Allotment Share sold by the Selling Shareholder to the Underwriters pursuant to the Over-Allotment Option. Such Underwriting Fee shall be due and payable, by the Selling Shareholder at the Over-Allotment Closing Time (as defined below) against payment for the Over-Allotment Shares.

The Underwriters propose to distribute the Offered Shares, in Canada pursuant to the Final Prospectus. Furthermore, the Underwriters may through the U.S. Affiliates (as defined below) offer and resell the Offered Shares within the United States to Qualified Institutional Buyers pursuant to Rule 144A (as defined below) and applicable exemptions from state securities laws registration requirements, all in accordance with this Agreement and Schedule "A" (including any exhibits) hereto, provided that no such action on the part of the Underwriters or their U.S. Affiliates shall in any way oblige the Company and/or the Selling Shareholder to register any Offered Shares under the 1933 Act (as defined below) or the securities laws of any state of the United States.

DEFINITIONS

In this Agreement:

"**1933 Act**" means the United States Securities Act of 1933, as amended;

"**affiliate**", "**associate**", "**distribution**", "**material change**", "**material fact**" and "**misrepresentation**" have the respective meanings given to them in the *Securities Act* (Ontario);

"**Agreement**" means this underwriting agreement, as it may be amended;

"Amended Preliminary Prospectus" means the amended and restated long form preliminary prospectus dated November 9, 2017 prepared by the Company relating to the distribution of Offered Shares;

"**Arrangement**" means the Cayman Islands scheme of arrangement involving Neo Cayman, the shareholders of Neo Cayman and the Company pursuant to section 86 of the Cayman Islands *Companies Act (2016 Revision)* and which is the subject of proceedings before the Court with FSD Cause No. 190 of 2017 (NSJ) pursuant to which all of the issued and outstanding ordinary shares of Neo Cayman are to be exchanged for an aggregate of 39,878,383 common shares of the Company;

"**Business Day**" means any day, other than a Saturday or Sunday, on which commercial banks in Toronto, Ontario are open for commercial banking business during normal banking hours;

"**Canadian Securities Laws**" means all applicable securities laws in each of the Qualifying Jurisdictions and the respective rules, regulations, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements and notices of the securities regulatory authorities in the Qualifying Jurisdictions;

"**Canadian Securities Regulators**" means the applicable securities commission or securities regulatory authority in each of the Qualifying Jurisdictions;

"**CFPOA**" has the meaning given to it in Section 4(4)(ee);

"**Claim**" has the meaning given to it in Section 11(2);

"**Closing**" means the completion of the sale by the Selling Shareholder of the Purchased Shares and the purchase by the Underwriters of the Purchased Shares pursuant to this Agreement;

"**Closing Date**" means December 8, 2017 or such other date as the Company, the Selling Shareholder and the Underwriters may agree upon in writing or as may be changed pursuant to Section 4(8) but in any event shall not be later than January 11, 2018;

"**Closing Time**" means 8:00 a.m. (Toronto Time) on the Closing Date;

"**Company**" has the meaning given to it above;

"**Comparables**" has the meaning given to it in Part 13 of NI 41-101;

"**Cormark**" has the meaning given to it above;

"**Employment Laws**" has the meaning given to it in Section 4(4)(cc);

"**Environmental Laws**" means any federal, state, provincial, territorial or local law, statute, ordinance, rule, regulation, order, decree, judgment, injunction, permit, license, authorization or other binding requirement, or common law, relating to health, safety or the protection, cleanup or restoration of the environment or natural

resources, including those relating to the distribution, processing, generation, treatment, storage, disposal, transportation, other handling or release or threatened release of Hazardous Materials;

"**FCPA**" has the meaning given to it in Section 4(4)(ee);

"**Final Prospectus**" means the (final) long form prospectus (in both the English and French languages) prepared by the Company and relating to the distribution of the Offered Shares;

"**Financial Statements**" means, collectively, the audited financial statements of the Company for the period from September 12, 2017 to September 30, 2017, the unaudited interim condensed consolidated financial statements of Neo Cayman for the three and nine month periods ended September 30, 2017 (with predecessor condensed combined carve-out financial statements), the audited consolidated financial statements of Neo Cayman for the period from April 5, 2016 to December 31, 2016, and the audited combined carve-out financial statements for Neo Performance Materials Operations for the eight month period ended August 30, 2016 and the years ended December 31, 2015 and 2014, as included in the Final Prospectus;

"**Governmental Authority**" means any (a) multinational, federal, provincial, state, regional, municipality, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, bureau or agency, domestic or foreign, (b) any subdivision, agent, commission, board, or authority of any of the foregoing, or (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and any stock exchange or self-regulatory authority and, for greater certainty includes the Canadian Securities Regulators and the TSX;

"**Hazardous Materials**" means any material (including, without limitation, pollutants, contaminants, hazardous or toxic substances or wastes) that is regulated by or may give rise to liability under any Environmental Law;

"**Indemnified Party**" has the meaning given to it in Section 11(2);

"**Indemnifier**" has the meaning given to it Section 11(2);

"Intellectual Property" has the meaning given to it in Section 4(4)(y);

"**Joint Bookrunners**" has the meaning given to it above;

"**knowledge of the Company**" means the actual knowledge of Geoff R. Bedford, Rahim Suleman, and Kevin D. Morris after reasonable inquiry;

"**Lead Underwriters**" has the meaning given to it above;

"**Lock-Up Agreement**" means the lock-up agreement substantially in the form attached as Schedule "B" to this Agreement";

"**marketing materials**" has the meaning given to that term under NI 41-101;

"**Marketing Materials of the Company**" means the marketing materials filed by the Company under its profile on The System for Electronic Document Analysis and Retrieval (SEDAR) and incorporated by reference in the Final Prospectus;

"**Material Contracts**" has the meaning given to it in Section 4(4)(y);

"**Material Subsidiaries**" means Magnequench Neo Powders Pte. Ltd., Neo Chemicals and Oxides (Europe) Limited, Jiangyin Jiahua Advanced Material Resources Co., Ltd., Zibo Jiahua Advanced Material Resources Co., Ltd., Magnequench (Korat) Co., Ltd., Magnequench (Tianjin) Company Limited, NPM Silmet OU and Neo Cayman;

"**MI 11-102**" means Multilateral Instrument 11-102 — *Passport System* adopted by certain of the Canadian Securities Regulators;

"**Money Laundering Laws**" has the meaning given to it in Section 4(4)(hh);

"**Neo Cayman**" means Neo Cayman Holdings Ltd.;

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements* adopted by the Canadian Securities Regulators;

"**notice**" has the meaning given to it in Section 22;

"**Offered Shares**" has the meaning given to it above;

"**Over-Allotment Closing Date**" has the meaning given to it above;

"**Over-Allotment Closing Time**" means 8:00 a.m. (Eastern Time) on the Over-Allotment Closing Date;

"**Over-Allotment Option**" has the meaning given to it above;

"**Preliminary Prospectus**" means the preliminary long form prospectus (in both the English and French languages) dated October 17, 2017 prepared by the Company relating to the distribution of the Offered Shares;

"**Prospectus**" means, collectively, the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus;

"**Prospectus Amendment**" means any amendment to the Preliminary Prospectus (in both the English and French languages)**,** the Amended Preliminary Prospectus or the Final Prospectus;

"**Purchase Price**" has the meaning given to it above;

"**Purchased Shares**" has the meaning given to it above;

"**Qualified Institutional Buyer**" means a qualified institutional buyer as that term is defined in Rule 144A;

"**Qualifying Jurisdictions**" means all of the provinces and territories of Canada;

"**RBC**" has the meaning given to it above;

"**Regulation D**" means Regulation D adopted by the SEC under the 1933 Act;

"**Regulation S**" means Regulation S adopted by the SEC under the 1933 Act;

"**Rule 144A**" means Rule 144A under the 1933 Act;

"**Scotia**" has the meaning given to it above;

"**SEC**" means the United States Securities and Exchange Commission;

"**Selling Firm**" has the meaning given to it in Section 3(1);

"**Selling Shareholder**" has the meaning given to it above;

"**Selling Shareholder's Information**" means with respect the Selling Shareholder, the legal name and the number of common shares of the Company beneficially owned by the Selling Shareholder before the Offering and immediately following the Closing, excluding percentages;

"**Subsidiaries**" means collectively, Neo Cayman, Magnequench, LLC, Neo Chemicals & Oxides (Europe) Ltd., Neo US Holdings, Inc., Neo International Corp., Magnequench Limited, Magnequench Japan, Inc., Neo Performance Materials Korea Inc., NMT Holdings GmbH, Neo Performance Materials ULC, Neo Performance Materials (Singapore) Pte. Ltd., Zibo Jiahua Advanced Material Resources Co., Ltd., Jiangyin Jiahua Advanced Material Resources Co., Ltd., Neo Performance Materials (Beijing) Co., Ltd., Jiangyin Kidikoro Glass Manufacture Co., Ltd., Magnequench GmbH, Buss & Buss Spezialmetalle GmbH, Neo Japan, Inc., Neo Rare Metals (Korea) Inc., Magnequench Neo Powders Pte. Ltd., NPM Holdings (US), Inc., Gan Zhou Ke Li Rare Earth New Material, Magnequench International, LLC, NPM Silmet OU, Neo Rare Metals (Utah), LLC, Neo Rare Metals (Oklahoma), LLC, Neo Magnequench Distribution, LLC, Neo Chemicals & Oxides, LLC, Shanxi Jia Hua Galaxy Electronic Materials Co., Ltd., Xin Bao Investment Limited, Magnequench (Tianjin) Company Limited, Toda Magnequench Magnetic Material (Tianjin) Co., Ltd., Magnequench International Trading (Tianjin) Co., Ltd., Zibo Jia Xin Magnetic Materials Ltd. and Magnequench (Korat) Co., Ltd.;

"**TSX**" means the Toronto Stock Exchange;

"**Underwriter**" and "**Underwriters**" have the respective meanings given to them above;

"**Underwriters' Expenses**" has the meaning given to it in Section 14;

"**Underwriting Fee**" has the meaning given to it above;

"**United States**" means the United States of America, its territories and possessions, and any State of the United States and the District of Columbia; and

"**U.S. Affiliate**" of any Underwriter means the U.S. registered broker-dealer affiliate of such Underwriter; and

"**U.S. Placement Memorandum**" means the preliminary and final U.S. private placement memorandum (which shall include the Amended Preliminary Prospectus and Final Prospectus, respectively) used to make offers and sales of common shares of the Company in the United States to Qualified Institutional Buyers pursuant to Rule 144A.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and vice versa and words importing gender include all genders.

All references to dollars or "$" are to Canadian dollars unless otherwise expressed.

TERMS AND CONDITIONS

Section 1 Compliance with Securities Laws

The Company represents and warrants to, and covenants and agrees with, the Underwriters that the Company has prepared and filed the Preliminary Prospectus and the Amended Preliminary Prospectus and has obtained a receipt from the Ontario Securities Commission for the Preliminary Prospectus and the Amended Preliminary Prospectus, which receipts also evidence that, pursuant to MI 11-102, a receipt for the Preliminary Prospectus and the Amended Preliminary Prospectus is deemed to have been issued by the Canadian Securities Regulators in each of the other Qualifying Jurisdictions. The Company also represents and warrants to the Underwriters that the Company has filed the Marketing Materials of the Company with the Canadian Securities Regulators. The Company will promptly and, in any event no later than the first Business Day after the execution and delivery of this Agreement, prepare and file a Final Prospectus and will obtain a receipt from the Ontario Securities Commission, which receipt will also evidence that, pursuant to MI 11-102, a receipt for the Final Prospectus will be deemed to have been issued by the Canadian Securities Regulators in each of the other Qualifying Jurisdictions. The Company and the Selling Shareholder will promptly fulfill and comply with, to the satisfaction of the Underwriters, the Canadian Securities Laws required to be fulfilled or complied with by the Company and the Selling Shareholder to enable the Offered Shares to be lawfully distributed to the public in the Qualifying Jurisdictions through the Underwriters or any other investment dealers or brokers registered as such in the Qualifying Jurisdictions.

Section 2 Due Diligence

Prior to the filing of the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus, the Company shall permit the Underwriters to review each of the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus and shall allow each of the Underwriters to conduct any due diligence investigations which any of them reasonably requires in order to fulfill its obligations as an underwriter under the Canadian Securities Laws and in order to enable it to responsibly execute the certificate in the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus required to be executed by the Underwriters. Following the filing of the Final Prospectus up to the later of the Closing Date and the date of completion of the distribution of the Offered

Shares, the Company shall allow each of the Underwriters to conduct any due diligence investigations which any of them reasonably requires.

Section 3 Distribution and Certain Obligations of the Underwriters

(1) The Underwriters shall, and shall require any investment dealer or broker, other than the Underwriters, with which the Underwriters have a contractual relationship in respect of the distribution of the Offered Shares (a "**Selling Firm**"), to comply with Canadian Securities Laws in connection with the distribution of the Offered Shares and shall offer the Offered Shares for sale in Canada to the public directly and through Selling Firms upon the terms and conditions set out in the Prospectus and this Agreement. The Underwriters shall, and shall require any Selling Firm to, offer for sale to the public in Canada and sell the Offered Shares only in those jurisdictions where they may be lawfully offered for sale or sold.

(2) The Underwriters shall, and shall require any Selling Firm to agree to, distribute the Offered Shares in a manner which complies with and observe all applicable laws and regulations (including Rule 144A, Regulation S, and applicable exemptions from the registration requirements of the securities laws of any state of the United States) in each jurisdiction into and from which they may offer to sell the Offered Shares or distribute the Prospectus or any Prospectus Amendment in connection with the distribution of the Offered Shares (including those set forth in Schedule "A" to this Agreement and any exhibits thereto) and will not, directly or indirectly, offer, sell or deliver any Offered Shares or deliver the Prospectus or any Prospectus Amendment to any person in any jurisdiction other than in the Qualifying Jurisdictions where a receipt or similar document for the Prospectus shall have been obtained from the applicable securities commission following the filing of the Prospectus, except in a manner which will not require the Company to comply with the registration, prospectus, filing, continuous disclosure or other similar requirements under the applicable securities laws of such other jurisdictions.

(3) The Company, the Selling Shareholder and the Underwriters agree that Schedule "A" to this Agreement (and any exhibits thereto), entitled "*United States Offers and Sales*" is incorporated by reference in and shall form part of this Agreement.

(4) During the distribution of the Offered Shares:

(a) the Company shall prepare, in consultation with the Lead Underwriters, any marketing materials (including any template version thereof) to be provided to potential investors in the Offered Shares, and approve in writing (which approval may be provided by e-mail) any such marketing materials (including any template version thereof), as may reasonably be requested by the Underwriters, such marketing materials to comply with Canadian Securities Laws and to be acceptable in form and substance to the Underwriters and their counsel, acting reasonably;

(b) the Lead Underwriters shall, on behalf of the Underwriters, approve in writing (which approval may be provided by e-mail) any such marketing materials (including any template version thereof), as contemplated by Canadian Securities Laws, prior to any marketing materials being provided to potential

investors in the Offered Shares and filed with the Canadian Securities Regulators; and

(c) the Company shall, to the extent required by Canadian Securities Laws, file any such marketing materials (including any template version thereof) with the Canadian Securities Regulators as soon as reasonably practicable after such marketing materials are so approved in writing by the Company and the Lead Underwriters, on behalf of the Underwriters, and in any event on or before the day the marketing materials are first provided to any potential investor in the Offered Shares. Any Comparables and any disclosure relating to such Comparables shall be removed from the publicly available template version of any marketing materials in accordance with NI 41-101 prior to filing such template version with the Canadian Securities Regulators.

(5) The Company, the Selling Shareholder and each Underwriter agree, during the distribution of the Offered Shares, not to provide any potential investors in the Offered Shares with any materials or information in relation to the distribution of the Offered Shares or the Company other than: (a) marketing materials that have been approved and filed in accordance with this Section 3; (b) any standard term sheets (provided they are in compliance with Canadian Securities Laws); and (c) the Prospectus.

(6) Notwithstanding Section 3(4) and Section 3(5), following the approval and filing of any template version of any marketing materials in accordance with Section 3(4), the Underwriters may provide a limited-use version of such marketing materials to potential investors in the Offered Shares in accordance with Canadian Securities Laws.

(7) The obligations of the Underwriters under this Section 3 are separate and several and not joint or joint and several. No Underwriter will be liable for any act, omission, default or conduct by any other Underwriter or any Selling Firm appointed by any other Underwriter.

Section 4 Representations, Warranties and Covenants of the Company

(1) Deliveries on Filing

On or on the day preceding the day of the filing of the Final Prospectus, the Company shall deliver to each of the Underwriters:

(a) a copy of the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus in the English and French languages signed and certified as required by the Canadian Securities Laws in the Qualifying Jurisdictions;

(b) a copy of any other document required to be filed by the Company under the Canadian Securities Laws;

(c) an opinion of BCF LLP, dated the date of each of the Preliminary Prospectus and the Final Prospectus, each in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters, the board of

directors of the Company and the Selling Shareholder, to the effect that the French language version of the Preliminary Prospectus and the Final Prospectus, as applicable, except for: (i) the financial statements of the Company included in the Preliminary Prospectus and the Final Prospectus; (ii) the corresponding management's discussion and analysis of financial condition and results of operations for the three and six months ended June 30, 2017, or for the three and nine months ended September 30, 2017, as applicable; (iii) information under the heading "Consolidated Capitalization" contained in the Preliminary Prospectus and the Final Prospectus, as applicable; and (iv) information under the headings "Non-IFRS Financial Measures", "Selected Financial Information", and "Management's Discussion and Analysis" contained in the Preliminary Prospectus and the Final Prospectus (collectively, the "**Excluded Financial Information**"), as to which no opinion need be expressed by such counsel, is, in all material respects, a complete and proper translation of the English language version thereof;

(d) an opinion of KPMG LLP dated the date of each of the Preliminary Prospectus and the Final Prospectus, each in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters, the board of directors of the Company and the Selling Shareholder, to the effect that the French language version of the Excluded Financial Information contained in the Preliminary Prospectus and the Final Prospectus, as applicable, is, in all material respects, a complete and proper translation of the English language version thereof;

(e) a "long-form" comfort letter of KPMG LLP dated the date of the Final Prospectus (with the requisite procedures to be completed by such auditors within two Business Days of the date of the Final Prospectus), addressed to the Underwriters and the directors of the Company, in form and substance satisfactory to the Underwriters, with respect to certain financial and accounting information relating to the Company and other numerical data in the Marketing Materials of the Company and the Final Prospectus, which letter shall be in addition to the auditors' report contained in the Final Prospectus and the auditors' comfort letters addressed to the Canadian Securities Regulators;

(f) evidence satisfactory to the Underwriters and their counsel that the Company has received all necessary corporate and shareholder approvals to effect the Arrangement and the Offering at or prior to the Closing Time;

(g) a letter of the TSX advising the Company that approval of the conditional listing of the Offered Shares has been granted by the TSX, subject to the satisfaction of certain usual conditions set out therein; and

(h) a duly executed Lock-Up Agreement from each of: (A) the persons that beneficially own or control in excess of 1% of the outstanding common shares of the Company, assuming the conversion, exchange or exercise of all securities of the Company that are convertible into or exercisable or exchangeable for common shares of the Company (should they continue to beneficially own or control an interest in the Company after the closing of the Offering); (B) the directors and members of management of the Company

(being each member of management at the vice-president level or higher, including the Chief Executive Officer and the Chief Financial Officer; (C) the affiliates and associates of the persons identified in (A) and (B) above who own or control common shares of the Company; and (D) the employees of the Company or its affiliates who own or control common shares of the Company or securities convertible into or exercisable or exchangeable for common shares of the Company.

(2) Prospectus Amendments

In the event that the Company is required by Canadian Securities Laws to prepare and file a Prospectus Amendment, the Company shall prepare and deliver promptly to the Underwriters signed and certified copies of such Prospectus Amendment in both the English and French languages. Any Prospectus Amendment shall be in form and substance satisfactory to the Underwriters and the Selling Shareholder. Concurrently with the delivery of any Prospectus Amendment, the Company shall deliver to the Underwriters, with respect to such Prospectus Amendment, documents similar to those referred to in Section 4(1)(b), (c) and (d).

(3) Representations as to Prospectus and Prospectus Amendments

(a) Filing of the Preliminary Prospectus, the Amended Preliminary Prospectus, Final Prospectus and any Prospectus Amendment shall constitute a representation and warranty by the Company to each of the Underwriters that as at their respective dates and filing dates:

(i) all information and statements (except for Selling Shareholder's Information and information and statements relating solely to the Underwriters made in reliance upon and in conformity with written information furnished to the Company by the Underwriters through any of the Lead Underwriters specifically for use in such documents) contained in the Preliminary Prospectus, Amended Preliminary Prospectus, Final Prospectus and any Prospectus Amendment contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Company and the Offered Shares as required by Canadian Securities Laws;

(ii) except with respect to any information relating solely to the Underwriters and except for Selling Shareholder's Information, such documents comply with the requirements of Canadian Securities Laws, other than as to non-material matters; and

(iii) the statistical and market-related data included in the Preliminary Prospectus, the Amended Preliminary Prospectus, the Prospectus and any Prospectus Amendment and the Marketing Materials of the Company are based on or derived from sources that are, to the knowledge of the Company, reliable and accurate in all material respects.

(b) Such filings shall also constitute the Company’s consent to the Underwriters’ use of the Final Prospectus and any Prospectus Amendment in connection

with the distribution of the Offered Shares in the Qualifying Jurisdictions in compliance with this Agreement and Canadian Securities Laws.

(4) Representations and Warranties of the Company

The Company represents and warrants to each of the Underwriters that, and acknowledges that the Underwriters are relying upon such representations and warranties in purchasing the Offered Shares:

(a) the Company is a corporation existing under the laws of Ontario and is properly registered under the laws of all jurisdictions in which its business is carried on except where the failure to be so registered would not have a material adverse effect on the business or operations of the Company and the Subsidiaries, taken as a whole;

(b) each Subsidiary is duly incorporated and validly existing under the laws of its jurisdiction of incorporation;

(c) the Company has the requisite corporate power, authority and capacity to enter into this Agreement and to perform the transactions contemplated herein and each of the Company and the Subsidiaries has the requisite corporate power, authority and capacity to own, lease and to operate its property and assets including licences or other similar rights and to carry on the business as currently carried on or as currently proposed to be carried on;

(d) the Company has authorized share capital consisting of an unlimited number of preferred shares without nominal or par value, issuable in series and an unlimited number of common shares, without nominal or par value, of which 39,878,384 common shares are currently issued and outstanding. No person, firm or Company has any agreement or option, or right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Company of any unissued shares of the Company, except as otherwise referred to in the Final Prospectus;

(e) the financial statements in the Preliminary Prospectus and the Final Prospectus present fairly in all material respects the financial position of the entity, entities or operations, to which they relate, as the case may be, and for the periods therein indicated and have been prepared in accordance with International Financial Reporting Standards;

(f) with respect to forward-looking information contained in the Prospectus: (i) the Company has a reasonable basis for the forward-looking information; all material forward-looking information is identified as such, and all such documents cautions users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information, and accurately states the material factors or assumptions used to develop forward-looking information; and (ii) the Company has not published any future oriented financial information or financial outlook in the Prospectus;

(g) the Company is not in material violation of, and the execution and delivery of this Agreement and the performance by the Company of its obligations under this Agreement will not result in any material breach or violation of, or be in material conflict with, or constitute a material default under, or create a state of facts which after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents or by-laws of the Company or any resolution of the directors or shareholders of the Company or any material contract, mortgage, note, indenture, joint venture or partnership arrangement, agreement (written or oral), instrument, lease, judgment, decree, order, statute, rule, licence or regulation applicable to the Company;

(h) no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority is required of the Company in connection with the execution, delivery or performance by the Company of this Agreement except as disclosed in the Final Prospectus and compliance with the Canadian Securities Laws with regard to the distribution of the Offered Shares in the Qualifying Jurisdictions;

(i) this Agreement has been duly authorized, executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law;

(j) the Offered Shares are duly and validly authorized and issued;

(k) to the knowledge of the Company, no securities commission, stock exchange or comparable authority has issued any order preventing or suspending the use or effectiveness of the Preliminary Prospectus, the Amended Preliminary Prospectus, the Final Prospectus, or any Prospectus Amendment or preventing the distribution of the Offered Shares, in any Qualifying Jurisdiction nor instituted proceedings for that purpose and, to the knowledge of the Company, no such proceedings are pending or contemplated;

(l) Computershare Trust Company of Canada, at its principal office in Toronto, Ontario, has been duly appointed as registrar and transfer agent for the common shares of the Company;

(m) except as disclosed in the Final Prospectus, including the Financial Statements included therein, and as disclosed to the Lead Underwriters, there is no litigation or governmental or other proceeding or investigation at law or in equity before any court or before or by any federal, provincial, state, municipal or other governmental or public department, commission, board, agency or body, domestic or foreign, pending or, to the knowledge of the Company, threatened (and the Company does not know of any basis therefor) against, or involving the assets, properties or business of, the Company or the Subsidiaries nor are there any matters under discussion with

any Governmental Authority relating to taxes, governmental charges or assessments asserted by any such authority which would materially adversely affect the value or the operation of such assets or properties or the business, results of operations, prospects or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole;

(n) no person, firm or Company has (or will have at the Closing Time) any agreement or option, or right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Company of any unissued equity securities of the Company, except as described in the Final Prospectus;

(o) (A) none of the officers or employees of the Company or the Subsidiaries, (B) no person who owns, directly or indirectly, more than 10% of any class of securities of the Company or securities of any person exchangeable, convertible or exercisable for more than 10% of any class of securities of the Company, and (C) to the knowledge of the Company, no associate or Affiliate of any of the foregoing, had or has any material interest, direct or indirect, in any transaction or any proposed transaction with the Company or the Subsidiaries, except as disclosed in the Final Prospectus, including the Financial Statements contained therein;

(p) the Company has not made any payment or loan to, or borrowed any moneys from nor is otherwise indebted to, any director, employee, shareholder or any person not dealing at arm's length (within the meaning of the *Income Tax Act* (Canada) or any Affiliate (as this term is defined in the *Business Corporation Act* (Ontario)) of any of the foregoing, except as disclosed in the Final Prospectus, including the Financial Statements contained therein;

(q) other than as disclosed to the Lead Underwriters, there are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the Company with unconsolidated entities or other persons that may have a material adverse effect on the financial condition, changes in financial conditions, results of operations, earnings, cash flow, liquidity, capital expenditures, capital resources or significant components of revenue or expenses of the Company and the Subsidiaries, taken as a whole, or that would reasonably be expected to be material to an investor in making a decision to purchase the Offered Shares;

(r) the Company has no outstanding indebtedness or liabilities and is not a party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any person, other than those identified in the Prospectus, including the Financial Statements included therein or as disclosed to the Lead Underwriters;

(s) KPMG LLP is or was (at the relevant time(s), as applicable) independent with respect to the Company within the meaning of the applicable Canadian Securities Laws, and there has not been any disagreement (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*

of the Canadian Securities Regulators) between the Company and KPMG LLP;

(t) each of the Company and the Subsidiaries maintains a system of internal control over financial reporting which is designed to be effective in providing reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards and National Instrument 52-109-*Certification of Disclosure in Issuers' Annual and Interim Filings*. The Company and its Subsidiaries will maintain a system of internal accounting controls designed to be sufficient to provide reasonable assurance that: (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity International Financial Reporting Standards to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded carrying value for assets is compared with the recoverable value for assets at reasonable intervals and appropriate action is taken with respect to any differences;

(u) except with respect to such matters as would not be material to the Company and the Subsidiaries, taken as a whole, (A) the Company and each of the Subsidiaries has duly and in a timely manner filed all returns, elections and designations relating to taxes which are required to be filed by it with any Governmental Authority; (B) all of such returns, elections and designations have been prepared and made in accordance with applicable law and have completely and correctly reported all income and expenses and other amounts and information required to be reported thereon; (C) the Company and each of the Subsidiaries has duly and timely paid all taxes, including all installments on account of taxes for the current year, that are due and payable prior to the date hereof, other than those which are being contested in good faith and in respect of which adequate reserves have been provided in the Financial Statements contained in the Prospectus. Except as disclosed to the Lead Underwriters, provision has been made in such financial statements for amounts at least equal to the amount of all taxes owing by the Company and the Subsidiaries that are not yet due and payable and that relate to periods ending on or prior to the Closing. Neither the Company nor any Subsidiary has requested any extension of time within which to file any tax return, which tax return has not since been filed. The Company and the Subsidiaries have not received any refund of taxes to which it is not entitled; (D) there are no actions, suits, proceedings, investigations or claims pending or threatened against the Company or the Subsidiaries in respect of taxes, or any matters under discussion with any Governmental Authority relating to taxes asserted by any such authority; (E) neither the Company nor any Subsidiary has executed any outstanding waivers or comparable consents regarding the application of the statute of limitations with respect to any taxes or tax returns. There are no liens for taxes upon any asset of the Company or the Subsidiaries; and (F) all taxes and other contributions that the Company or the Subsidiaries are required by law to withhold, collect or remit including, without limitation, for employee income tax, unemployment insurance, sales tax, goods and services tax, revenue taxes and non-resident withholding tax,

have been duly withheld or collected and will be duly withheld or collected up until Closing Time, and have been paid or will in a timely manner be paid over to the proper Governmental Authority or held by them or on behalf of them;

(v) the Company and each of the Subsidiaries has conducted and is conducting its business in compliance with all applicable laws, rules and regulations of each jurisdiction in which it carries on business including, without limitation, all applicable Canadian federal, provincial, municipal and local laws and regulations and other lawful requirements of any governmental or regulatory body and is in good standing as a foreign Company or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, would not reasonably be expected to result in a material adverse effect on the business or operations of the Company and the Subsidiaries, taken as a whole;

(w) the Company and each of the Subsidiaries holds in good standing all material permits, licenses, registrations and qualifications, necessary for the conduct of its business as presently conducted. The Company is in compliance, in all material respects, with each licence and permit held by it and no event has occurred which allows, or after notice or lapse of time would allow, revocation or termination of any such permit or license or has resulted, or after notice or lapse of time would result, in any other material impairment of the rights of the holder of any such permit or license;

(x) except as disclosed in the Prospectus or except as has been disclosed to the Lead Underwriters: the Company and each of the Subsidiaries and their properties, assets and operations are in material compliance with, and hold all material permits, authorizations and approvals which the Company and the Subsidiaries are required to hold under Environmental Laws (as defined below); there are no past, present or reasonably anticipated future events, conditions, circumstances, activities, practices, actions, omissions or plans that could reasonably be expected to give rise to any material costs or liabilities to the Company or the Subsidiaries, or to interfere with or prevent compliance by the Company or the Subsidiaries with, Environmental Laws; neither the Company nor any of the Subsidiaries: (A) to the knowledge of the Company, is the subject of any investigation; (B) has received any notice or claim; (C) is a party to or affected by any pending or, to the knowledge of the Company, threatened action, suit or proceeding; (D) is bound by any judgment, decree or order; or (E) is a party to any agreement; in each case relating to any alleged violation of any Environmental Law or any actual or alleged release or threatened release or cleanup at any location of any Hazardous Materials;

(y) except as described in the Prospectus and in the Financial Statements contained therein, except as disclosed to the Lead Underwriters, or except as would not reasonably be expected to have , individually or in the aggregate, a material adverse effect on the operations or financial condition of the Company and the Subsidiaries, taken as a whole and as a going concern, to the knowledge of the Company (A) the Company and the Subsidiaries own all right, title and interest in and to, or have validly licensed (and are not in

material breach of such licenses) or have the right to use pursuant to licenses, the inventions, patent applications, patents, trademarks (both registered and unregistered), trade names, copyrights, trade secrets and other proprietary information that are material to the conduct of the business, as presently conducted, of the Company and the Subsidiaries (collectively, the "**Intellectual Property Rights**"); (ii) all such Intellectual Property Rights that are owned by or licensed to the Company and the Subsidiaries are sufficient, in all material respects, for conducting the business, as presently conducted, of the Company and the Subsidiaries; (iii) all Intellectual Property Rights owned or licensed by the Company and the Subsidiaries are valid and enforceable, and the carrying on of the business of the Company and the Subsidiaries and the use by the Company and the Subsidiaries of the Intellectual Property Rights or Technology owned by or licensed to them does not breach, violate, infringe or interference with any rights of any other person; and (iv) all computer hardware and associated firmware and operating systems, application software, database engines and processed data, technology infrastructure and other computer systems used in connection with the conduct of the business, as presently conducted, of the Company and the Subsidiaries (collectively, the "**Technology**") are sufficient, in all material respects, for conducting the business, as presently conducted, of the Company and the Subsidiaries;

(z) except for the contract listed under the section of the Prospectus entitled "Material Contracts", (collectively, the "**Material Contracts**"), the Company is not party to any other material contract or agreement. Full, correct and complete copies of the Material Contracts have been delivered by the Company to the Underwriters. The Company has performed all of the obligations required to be performed by it and is entitled to all benefits under the Material Contracts. To the knowledge of the Company, the Company is not alleged to be in default of any Material Contract. Each of the Material Contracts is in full force and effect, unamended, and to the knowledge of the Company there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default under any Material Contract;

(aa) the Company has not knowingly withheld from the Underwriters any material facts relating to the Company, the Subsidiaries or the Offering, and the information supplied by the Company to the Underwriters and their counsel in connection with the due diligence conducted by them including information provided at due diligence sessions, was true and accurate in all material respects and not misleading and all expressions of opinion and expectation therein contained are honestly and fairly based and such replies have been prepared or approved by persons having appropriate knowledge and responsibility to enable them properly to provide such replies and all such replies have been given in good faith;

(bb) the corporate records and minute books for each of the Company and each of the Subsidiaries which have been made available to the Underwriters and their counsel for review contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders of the

Company and the Subsidiaries held since incorporation, other than those which are not material in the context of such entities, as applicable;

(cc) except as otherwise disclosed in the Prospectus or in the Financial Statements included therein, (A) the Company and each of the Subsidiaries is in material compliance with all the provisions of all federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours (collectively, "**Employment Laws**"), except where any such non-compliance would not reasonably be expected to result in a material adverse effect on the business or operations of the Company and the Subsidiaries, taken as a whole and as a going concern; (B) to the knowledge of the Company, there is no pending investigation, inquiry or claim involving the Company or the Subsidiaries by or before any Governmental Authority or body of any province of Canada or any other country responsible for the enforcement of any Employment Law; (C) no collective labour dispute, grievance, arbitration or legal proceeding is ongoing, pending or, to the knowledge of the Company, threatened; and (D) no union has been accredited or otherwise designated to represent any employees of the Company or the Subsidiaries;

(dd) except as otherwise disclosed in the Prospectus and in the Financial Statements contained therein, the Company has no pension, retirement or similar plans relating to the current or former employees, officers or directors of the Company or the Subsidiaries, whether written or oral;

(ee) there are no reports or information that in accordance with the requirements of the Canadian Securities Regulators must be made publicly available or filed in connection with the offering of the Offered Shares that have not been made publicly available as required;

(ff) neither the Company nor the Subsidiaries, nor to the knowledge of the Company, any employee or agent of the Company or the Subsidiaries, has made any unlawful contribution or other payment to any official of, or candidate for, any Canadian or United States federal, state, provincial or municipal office or any similar office of any other country, or failed to disclose fully any contribution, in violation of any law, or made any payment to any federal, provincial, state or municipal governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or permitted by applicable laws;

(gg) neither the Company nor the Subsidiaries or, to the knowledge of the Company, nor any director, officer, agent, employee, affiliate or other person acting on behalf of the Company or the Subsidiaries has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "**FCPA**") or the *Corruption of Foreign Public Officials Act* (Canada), as amended (the "**CFPOA**"), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any

"foreign official" (as such term is defined in the FCPA), or any "foreign public official" (as such term is defined in the CFPOA), or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and the CFPOA, and the Company and, to the knowledge of the Company, its affiliates have conducted their businesses in compliance with the FCPA and the CFPOA;

(hh) the operations of the Company and the Subsidiaries are, and have been conducted at all times, in compliance with all material applicable financial recordkeeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar applicable rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or the Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

(ii) the filing by the Company of any signed Prospectus Amendment or material change report required to be filed under the Canadian Securities Laws will constitute a representation and warranty by the Company to each of the Underwriters that all the information and statements contained therein are true and correct and that no material information has been omitted therefrom which is necessary to make the statements contained therein not misleading; and

(jj) the Offered Shares are conditionally approved for listing and trading on the TSX, subject to the satisfaction of the listing conditions set forth in the conditional approval letter of the TSX dated November 22, 2017, a copy of which has been provided to the Underwriters;

(5) Representations and Warranties of the Selling Shareholder

The Selling Shareholder represents and warrants to each of the Underwriters and acknowledges that the Underwriters are relying upon such representations and warranties in purchasing the Offered Shares, if any, that:

(a) it is an exempted limited partnership existing under the laws of the Cayman Islands and has the requisite power, authority and capacity to own, lease and operate its properties and assets;

(b) the Selling Shareholder has the requisite power and authority and capacity to execute and deliver this Agreement and to perform its obligations hereunder;

(c) this Agreement and the performance by the Selling Shareholder of its obligations hereunder have been duly authorized by all necessary action and this Agreement has been duly executed and delivered by the Selling Shareholder and constitutes a legal, valid and binding obligation of the Selling Shareholder, enforceable against it in accordance with its terms, except as

enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally and by the application of equitable principles when equitable remedies are sought and subject to the fact that rights of indemnity and contribution may be limited by applicable law;

(d) the Selling Shareholder is and will be until immediately prior to the Closing, the sole legal and beneficial owner of the applicable number of Purchased Shares set out on the first page of this Agreement with good and marketable title thereto, free and clear of any and all liens; and the Selling Shareholder has the sole right to sell, assign, transfer and otherwise dispose of, and vote, the applicable number of Purchased Shares. No person (other than the Underwriters) has any agreement or option, or any right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase, acquisition or transfer from the Selling Shareholder of any of the Purchased Shares;

(e) other than as may be required under Canadian Securities Laws and as has been or will have been obtained on or prior to the Closing Date, no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority is required of the Selling Shareholder in connection with (i) the execution and delivery by the Selling Shareholder of this Agreement and (ii) the performance by the Selling Shareholder of its obligations under this Agreement;

(f) except as would not have a material adverse effect on the business or operations of the Company and the Subsidiaries, taken as a whole and as a going concern, or on the ability of the Selling Shareholder to perform its obligations under this Agreement, the execution and delivery by the Selling Shareholder of this Agreement and the performance by the Selling Shareholder of its obligations hereunder: (i) will not result in any breach or violation of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under: (A) any term or provision of its constitutional documents or any resolution of each of the Selling Shareholder's board of directors, shareholders, equity holders or partners, or (B) any contract, mortgage, note, indenture, joint venture or partnership arrangement, agreement (written or oral), instrument, lease, judgment, decree, order, statute, rule, licence, law or regulation applicable to the Selling Shareholder or by which it is bound, and (ii) will not give rise to any lien in or with respect to the properties or assets now owned or hereafter acquired by it or the acceleration or the maturity of any debt under any indenture, mortgage, lease, agreement or instrument binding or affecting it or any of its properties or assets;

(g) there is no litigation or governmental or other proceeding or investigation at law or in equity before any Governmental Authority, domestic or foreign, in progress, pending or, to the Selling Shareholder's knowledge, threatened (and the Selling Shareholder does not know of any basis therefor) against or affecting the Selling Shareholder in relation to the Purchased Shares and to the Selling Shareholder's knowledge there are no facts or circumstances

which would reasonably be expected to form the basis for any such litigation, governmental or other proceeding or investigation;

(h) the Selling Shareholder has not solicited offers to purchase any Purchased Shares or sell any Purchased Shares to, any person, except in a manner that is exempt from registration and prospectus requirements under applicable securities laws;

(i) the Selling Shareholder did not determine to dispose of any Purchased Shares on the basis of a material fact or material change with respect to the Company actually known to it that has not been publicly disclosed or which is not disclosed in the Prospectus, and the Selling Shareholder is not aware of such a material fact or material change; and

(j) other than as contemplated hereby, there is no person acting at the request of the Selling Shareholder who is entitled to any commission, finder's fee, advisory fee, underwriting fee or agency fee in connection with or as a result of the sale of the Purchased Shares.

All references in this Section 5 to a Selling Shareholder shall be construed as references to the general partner of such Selling Shareholder unless the context otherwise requires.

(6) Arrangement

Neo Cayman shall complete the Arrangement prior to the Closing Time in the manner described under the caption "Corporate Structure - The Arrangement" in the Final Prospectus.

(7) Commercial Copies

The Company shall cause commercial copies of the Final Prospectus in both English and French languages and the U.S. Placement Memorandum to be delivered to the Underwriters without charge, in such quantities and in such cities as the Underwriters may reasonably request by oral instructions to the printer of such documents. Such delivery of the Final Prospectus shall be effected as soon as possible after filing thereof with the Canadian Securities Regulators but, in any event on or before 5:00 p.m. (Toronto time) on the next business day after the filing thereof in Toronto and two business days following the filing thereof in other North American cities. Such deliveries shall constitute the consent of the Company and the Selling Shareholder to the Underwriters' use of the Final Prospectus for the distribution of the Offered Shares in the Qualifying Jurisdictions in compliance with the provisions of this Agreement and Canadian Securities Laws. The Company shall similarly cause to be delivered commercial copies of any Prospectus Amendments in both the English and French languages.

(8) Change of Closing Date

Subject to the termination provisions contained in Section 10, if a material change or a change in a material fact occurs prior to the Closing Date, the Closing Date shall be, unless the Company, the Selling Shareholder and the Underwriters otherwise agree in

writing or unless otherwise required under Canadian Securities Laws, the fifth Business Day following the later of:

(a) the date on which all applicable filings or other requirements of Canadian Securities Laws with respect to such material change or change in a material fact have been complied with in all Qualifying Jurisdictions and any appropriate receipts obtained or deemed to have been obtained for such filings and notice of such filings from the Company or its counsel have been received by the Underwriters; and

(b) the date upon which the commercial copies of any Prospectus Amendments have been delivered in accordance with Section 4(5).

(9) Completion of Distribution

The Underwriters shall after the Closing Time:

(a) use their best efforts to complete distribution of the Offered Shares as promptly as possible; and

(b) give prompt written notice to the Company when, in the opinion of the Underwriters, they have completed distribution of the Offered Shares, including the total proceeds realized in each of the Qualifying Jurisdictions and any other jurisdiction from such distribution.

Section 5 Changes

(1) Material Change or Change in Material Fact During Distribution

(a) During the period from the date of this Agreement to the later of the Over-Allotment Closing Date and the date of completion of distribution of the Offered Shares under the Final Prospectus, the Company and, to the extent it has knowledge of such matters, the Selling Shareholder shall promptly notify the Underwriters in writing of:

(i) any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Company or the Subsidiaries;

(ii) any material fact which has arisen or has been discovered and would have been required to have been stated in the Final Prospectus or the final U.S. Placement Memorandum had the fact arisen or been discovered on, or prior to, the date of such document; and

(iii) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Final Prospectus or the final U.S. Placement Memorandum or any Prospectus Amendment which fact or change is, or may be, of such a nature as to render any statement in the Final Prospectus or the final

U.S. Placement Memorandum or any Prospectus Amendment misleading or untrue or which would result in a misrepresentation in the Final Prospectus or the final U.S. Placement Memorandum or any Prospectus Amendment or which would result in the Final Prospectus or the final U.S. Placement Memorandum or any Prospectus Amendment not complying (to the extent that such compliance is required) with Canadian Securities Laws or applicable U.S. securities laws, in each case, as at any time up to and including the later of the Over-Allotment Closing Date and the date of completion of the distribution of the Offered Shares.

(b) The Company shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Underwriters, acting reasonably, with all applicable filings and other requirements under the Canadian Securities Laws as a result of such fact or change; provided that the Company shall not file any Prospectus Amendment or other document without first obtaining from the Underwriters and the Selling Shareholder the approval of the Underwriters and the Selling Shareholder, after consultation with the Underwriters and the Selling Shareholder with respect to the form and content thereof, which approval will not be unreasonably withheld. The Company shall in good faith discuss with the Underwriters and the Selling Shareholder any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt whether written notice need be given under this section.

(2) Change in Canadian Securities Laws

If during the period of distribution of the Offered Shares there shall be any change in Canadian Securities Laws which, in the opinion of the Underwriters and the Selling Shareholder, acting reasonably, requires the filing of a Prospectus Amendment, the Company shall, to the satisfaction of the Underwriters and the Selling Shareholder, acting reasonably, promptly prepare and file such Prospectus Amendment with the appropriate securities regulatory authority in each of the Qualifying Jurisdictions where such filing is required.

Section 6 Services Provided by Underwriters and Underwriting Fee

In return for the Underwriters' services in acting as underwriters in connection with the offering of Offered Shares, the Selling Shareholder agrees to pay the Underwriters, at the Closing Time and the Over-Allotment Closing Time, as the case may be, the Underwriting Fee. The Underwriting Fee shall be payable as provided for in Section 7.

Section 7 Delivery of Purchase Price, Underwriters' Fee and Certificates

(1) The purchase and sale of the Purchased Shares shall be completed at the Closing Time at the offices of Fogler, Rubinoff LLP in Toronto, Ontario or at such other place as the Underwriters, the Selling Shareholder and the Company may agree upon. The purchase and sale of the Over-Allotment Shares shall be completed at the Over-Allotment Closing Time at the offices of Fogler, Rubinoff LLP in Toronto, Ontario or

at such other place as the Underwriters, the Selling Shareholder and the Company may agree upon.

(2) At the Closing Time or the Over-Allotment Closing Time, as the case may be, the Selling Shareholder shall duly and validly deliver to the Underwriters (a) in electronic, uncertificated form, or in the manner directed by the Underwriters in writing, the Purchased Shares or the Over-Allotment Shares, as the case may be, registered in the name of "CDS & Co." or in such other name or names as the Lead Underwriters may direct the Selling Shareholder in writing not less than 24 hours prior to the Closing Time, and (b) the Underwriting Fee payable by the Selling Shareholder, against payment by the Lead Underwriters to the Company of the Purchase Price for the Purchased Shares or the Over-Allotment Shares, as the case may be, by wire transfer, certified cheque or bank draft, together with a receipt signed by the Lead Underwriters for such Purchased Shares or Over-Allotment Shares, as the case may be, and the Underwriting Fee.

Section 8 Delivery of Certificates to Transfer Agent

(1) The Company and the Selling Shareholder shall, prior to the Closing Date and the Over-Allotment Closing Date, as the case may be, make all necessary arrangements for the preparation and delivery of the Purchased Shares on the Closing Date, (or the Over-Allotment Shares on the Over-Allotment Closing Date, as the case may be), at the principal offices of Computershare Trust Company of Canada in the City of Toronto representing such number of the Purchased Shares registered in such names as shall be designated by the Underwriters not less than 48 hours (or 72 hours if the Closing Date is a Monday) prior to the Closing Time (or the Over-Allotment Closing Date, as the case may be).

(2) The Company shall pay all fees and expenses payable to Computershare Trust Company of Canada in connection with the preparation, delivery, certification and exchange of the Offered Shares contemplated by this Section 8 and the fees and expenses payable to Computershare Investor Services Inc. in connection with the initial or additional transfers as may be required in the course of the distribution of the Offered Shares.

Section 9 Underwriters' Obligation to Purchase

The Underwriters' obligation to purchase the Purchased Shares at the Closing Time shall be subject to the accuracy of the representations and warranties of the Company and the Selling Shareholder contained in this Agreement as of the date of this Agreement and as of the Closing Date, the performance by the Company of its obligations under this Agreement and the following conditions:

(1) Delivery of Opinions

(a) The Underwriters shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to counsel to the Underwriters, acting reasonably, addressed to the Underwriters and counsel to the Underwriters from Fogler, Rubinoff LLP, counsel to the Company, as to the laws of Canada and the Qualifying Jurisdictions, which counsel in turn may rely upon the opinions of local counsel where they deem such reliance

proper (or alternatively make arrangements to have such opinions directly addressed to the Underwriters and counsel to the Underwriters), and all of such counsel may rely upon, as to matters of fact, certificates of the auditors of the Company, public and stock exchange officials and officers of the Company, with respect to the following matters, and subject to usual qualifications:

(i) adequacy of the corporate power of the Company to carry out its obligations under this Agreement and the performance of the obligations hereunder;

(ii) as to the authorized and issued capital of the Company;

(iii) as to the ownership by the Company of the issued and outstanding shares of the Material Subsidiaries;

(iv) that the Company and each of the Material Subsidiaries have all requisite corporate power and authority under the laws of its respective jurisdiction of incorporation and all other jurisdictions where it carries on a material part of its business or owns any material property to, and each is qualified to, carry on its businesses as presently carried on and to carry out the transactions contemplated by the Prospectus and any Prospectus Amendments, as applicable;

(v) that all necessary corporate action has been taken by the Company to authorize the execution and delivery of each of the Preliminary Prospectus, the Amended Preliminary Prospectus and the Final Prospectus and, if applicable, any Prospectus Amendments and the filing of such documents under the Canadian Securities Laws in each of the Qualifying Jurisdictions;

(vi) that the Offered Shares have been duly authorized and, when delivered, will be validly issued by the Company and outstanding as fully paid and non-assessable shares;

(vii) that the attributes of the Offered Shares will be consistent in all material respects with the description of the Offered Shares in the Prospectus;

(viii) that the execution and delivery of this Agreement, the fulfillment of the terms of this Agreement, the sale of the Offered Shares and the consummation of the transactions contemplated by this Agreement do not and will not result in a breach (whether after notice or lapse of time or both) of any of the terms, conditions or provisions of the Company's constating documents;

(ix) that this Agreement has been duly authorized executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company and is enforceable in accordance with its terms, except as enforcement of this Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws

affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought; provided that such counsel may express no opinion as to the enforceability of the indemnity provisions of Section 11 and the contribution provisions of Section 12;

(x) if, as and when listed on the TSX, the Offered Shares will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder for a trust governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plan;

(xi) that the form and terms of the Offered Shares meet all legal requirements under the *Business Corporations Act* (Ontario) and the rules of the TSX and have been duly approved by the Company;

(xii) that Computershare Trust Company of Canada at its principal office in Toronto, Ontario has been duly appointed as the transfer agent and registrar for the common shares of the Company;

(xiii) that all necessary documents have been filed, all requisite proceedings have been taken and all legal requirements under applicable Canadian Securities Laws have been fulfilled by the Company to qualify the Offered Shares for distribution and sale to the public in each of the Qualifying Jurisdictions through investment dealers or brokers registered under the applicable laws of the Qualifying Jurisdictions who have complied with the relevant provisions of such applicable laws;

(xiv) that the Offered Shares have been conditionally approved for listing by the TSX on or before the Closing Date;

(xv) as to all other legal matters reasonably requested by counsel to the Underwriters relating to the distribution of the Offered Shares; and

(xvi) as to compliance with the laws of the Province of Québec relating to the use of the French language in connection with the offering of the Purchased Shares and documents to be delivered to purchasers in such province, including without limitation the Preliminary Prospectus, the Final Prospectus and any Prospectus Amendment.

(b) if the Offered Shares are sold in the United States, the Underwriters and the Company shall have received at the Closing Time a customary legal opinion dated the Closing Date of Milbank, Tweed, Hadley & McCloy LLP in form and substance satisfactory to the Underwriters, acting reasonably, to the effect that no registration is required under the 1933 Act, in connection with the offer and sale of such Offered Shares in the United States conducted in accordance with this Agreement and Schedule “A” hereto with customary assumptions and qualifications.

(c) The Underwriters shall have received at the Closing Time a legal opinion dated the Closing Date, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters (and, if required for opinion purposes, counsel to the Underwriters) from Walkers, counsel to the Selling Shareholder, as to the laws of the jurisdiction of the Selling Shareholder's existence, which counsel in turn may rely upon certificates of Governmental Authorities and the directors of the general partner of the Selling Shareholder, with respect to the following matters:

(i) as to the existence of the Selling Shareholder under the laws of its jurisdiction of formation and as to the power and capacity of the Selling Shareholder to execute, deliver and perform its obligations under this Agreement;

(ii) that all necessary action has been taken by the Selling Shareholder to authorize the execution and delivery of this Agreement and the performance by the Selling Shareholder of its obligations hereunder;

(iii) that no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority having jurisdiction in the Cayman Islands is required of the Selling Shareholder in connection with (i) the execution and delivery of or with the performance by the Selling Shareholder of its obligations under this Agreement; and (ii) the delivery to the Underwriters of the Purchased Shares by the Selling Shareholder pursuant to this Agreement, except as have been obtained or made and are in full force and effect;

(iv) that this Agreement has been duly executed by the Selling Shareholder and constitutes a legal, valid and binding obligation of the Selling Shareholder and is enforceable against the Selling Shareholder in accordance with its terms, subject to customary qualifications for enforceability opinions; and

(v) that the execution and delivery of this Agreement by the Selling Shareholder and the performance of its obligations hereunder do not and will not result in a breach (whether after notice or lapse of time or both) of any of the terms, conditions or provisions of the constating documents of the Selling Shareholder or any laws applicable to the Selling Shareholder.

All references in this Section 9(1)(c) to the Selling Shareholder shall be construed as references to the general partner of the Selling Shareholder unless the context otherwise requires.

(2) Delivery of Comfort Letter

The Underwriters shall have received at the Closing Time a letter dated the Closing Date, in form and substance satisfactory to the Underwriters, addressed to the Underwriters and the directors of the Company from KPMG LLP, confirming the continued accuracy of the comfort letter to be delivered to the Underwriters pursuant to Section 4(1)(c) with such

changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date, which changes shall be acceptable to the Underwriters.

(3) Delivery of Certificates

(a) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters and counsel to the Underwriters and signed by appropriate officers of the Company, with respect to the constating documents of the Company, all resolutions of the board of directors of the Company relating to this Agreement, the incumbency and specimen signatures of signing officers of the Company and such other matters as the Underwriters may reasonably request.

(b) Counsel to the Company and counsel to the Underwriters shall have received at the Closing Time a certificate dated the Closing Date equivalent to the certificate in Section 4(1)(f).

(c) The Underwriters shall have received at the Closing Time a certificate dated the Closing Date, addressed to the Underwriters and counsel to the Underwriters and signed on behalf of the Company by the Chief Executive Officer and the Chief Financial Officer of the Company or other officers of the Company acceptable to the Underwriters, certifying for and on behalf of the Company without personal liability after having made due enquiry and after having carefully examined the Prospectus and any Prospectus Amendments, that:

(i) since the respective dates as of which information is given in the Final Prospectus as amended by any Prospectus Amendments that (A) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Company and the Subsidiaries, and (B) no transaction has been entered into by any of the Company or the Subsidiaries which is material to the Company and the Subsidiaries, other than as disclosed in the Final Prospectus or the Prospectus Amendments, as the case may be;

(ii) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the common shares or any other securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened under any of the Canadian Securities Laws or by any other regulatory authority;

(iii) the Company has complied in all material respects with the terms and conditions of this Agreement on its part to be complied with up to the Closing Time;

(iv) the representations and warranties of the Company contained in this Agreement are true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time, except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they will be true and correct in all material respects as of that date only, and in respect of any representations and warranties that are subject to a materiality qualification, in which case they will be true and correct in all respects ; and

(v) such other matters as the Underwriters may reasonably request.

(4) The Underwriters shall have received at the Closing Time certificates dated the Closing Date, addressed to the Underwriters and counsel to the Underwriters and signed by the Selling Shareholder, or for the Selling Shareholder, by a director of the general partner of the Selling Shareholder acceptable to the Underwriters, acting reasonably, certifying for and on behalf of the Selling Shareholder and, without personal liability, after having made due enquiry and after having carefully examined the Final Prospectus, the U.S. Placement Memorandum and any Prospectus Amendments:

(a) that the Selling Shareholder's Information is true and correct and does not contain a misrepresentation;

(b) that the Selling Shareholder has complied in all material respects with the terms and conditions of this Agreement on its part to be complied with up to the Closing Time; and

(c) that the representations and warranties of the Selling Shareholder contained in this Agreement are true and correct as of the Closing Time in all material respects (except for such representations and warranties of the Selling Shareholder qualified by materiality or which refer to a material adverse effect, which shall be true and correct in all respects) with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement, except in respect of any representations and warrantees that are to be true and correct as of a specified date, in which case they will be true and correct in all respects as of that date only.

(5) The Offered Shares shall be listed and posted for trading on the TSX at the opening of trading on the Closing Date.

(6) The separate and several obligations of the Underwriters to purchase the Over-Allotment Shares hereunder upon the exercise of the Over-Allotment Option are subject to the delivery to the Lead Underwriters on the Over-Allotment Closing Date of certificates dated the Over-Allotment Closing Date substantially similar to the certificate referred to in Section 9(3)(c)and such other documents as they may reasonably request with respect to the good standing of the Company, the due authorization and issuance of the Over-Allotment Shares and other matters related to the issuance of the Over-Allotment Shares.

Section 10 Rights of Termination

(1) Litigation

If any enquiry, action, suit, investigation or other proceeding whether formal or informal is instituted, threatened or announced or any order is made by any federal, provincial or other Governmental Authority in relation to the Company, which, in the opinion of any of the Underwriters, acting reasonably, operates to prevent or restrict the distribution or trading of the Offered Shares, any of the Underwriters shall be entitled, at their option and in accordance with Section 10(6), to terminate their obligations under this Agreement by notice to that effect given to the Company any time prior to the Closing Time.

(2) Market Out Clause

If prior to the Closing Time, the state of financial markets in Canada or in the United States is such that, in the reasonable opinion of the Underwriters (or any of them), the Offered Shares cannot be marketed profitably, any Underwriter shall be entitled, at its option, in accordance with Section 10(6), to terminate its obligations under this Agreement by written notice to that effect given to the Selling Shareholder and the Company at or prior to the Closing Time.

(3) Disaster Out Clause

If prior to the Closing Time:

(a) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation (or any change in the interpretation or administration of any law or regulation) which in the opinion of any of the Underwriters seriously adversely affects, or involves, or will seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Company and the Subsidiaries taken as a whole;

(b) if trading in any securities of the Company has been suspended or materially limited by any Canadian Securities Regulator or the TSX or if trading generally on the TSX has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by the TSX or by order of any Canadian Securities Regulator or any other Governmental Authority; or

(c) if a banking moratorium has been declared by Canadian authorities,

any Underwriter shall be entitled, at its option, in accordance with Section 10(6), to terminate its obligations under this Agreement by written notice to that effect given to the Selling Shareholder and the Company at or prior to the Closing Time.

(4) Material Change or Change in Material Fact

If prior to the Closing Time, there should occur or be discovered any material change or a change in any material fact as contemplated by Section 5 (other than a material change or a change in material fact related solely to the Underwriters) or any new material fact

which results or, in the opinion of the Underwriters (or any one of them), is reasonably expected to result in the purchasers of a material number of Offered Shares exercising their right under applicable legislation to withdraw from their purchase of Offered Shares or, in the reasonable opinion of the Underwriters (or anyone of them), would be expected to have a significant adverse effect on the market price or value of the Offered Shares, any Underwriter shall be entitled, at its option, in accordance with Section 10(6), to terminate its obligations under this Agreement by written notice to that effect given to the Selling Shareholder and the Company prior to the Closing Time.

(5) Non-Compliance with Conditions

Each of the Company and the Selling Shareholder agrees that all terms and conditions in Section 9 shall be construed as conditions and complied with so far as they relate to acts to be performed or caused to be performed by it, that it will use its reasonable commercial efforts to cause such conditions to be complied with, and that any breach or failure by the Company or the Selling Shareholder to comply with any such conditions shall entitle any of the Underwriters to terminate their obligations to purchase the Offered Shares by notice to that effect given to the Selling Shareholder and the Company at or prior to the Closing Time, unless otherwise expressly provided in this Agreement. Each Underwriter may waive, in whole or in part, or extend the time for compliance with, any terms and conditions without prejudice to its rights in respect of any other terms and conditions or any other or subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon an Underwriter only if such waiver or extension is in writing and signed by the Underwriter.

(6) Exercise of Termination Rights

The rights of termination contained in Section 10(1), (2), (3), (4) and (5) may be exercised by any of the Underwriters and are in addition to any other rights or remedies any of the Underwriters may have in respect of any default, act or failure to act or non-compliance by the Company or the Selling Shareholder in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the Underwriters to the Company or the Selling Shareholder or on the part of the Company or the Selling Shareholder to the Underwriters except in respect of any liability which may have arisen prior to or arise after such termination under Section 11, Section 12 and Section 14. A notice of termination given by an Underwriter under Section 10(1), (2), (3), (4) and (5) shall not be binding upon any other Underwriter.

Section 11 Indemnity

(1) Rights of Indemnity from the Company

The Company agrees to indemnify and save harmless each of the Underwriters and their respective affiliates, and each of their respective current or former directors, officers, employees, shareholders, equityholders and agents from and against all liabilities, claims, losses, costs, damages and expenses (including without limitation any legal fees or other expenses reasonably incurred by such Underwriters in connection with defending or investigating any of the above but excluding any loss of profits), in any way caused by, or arising directly or indirectly from, or in consequence of:

(a) any information or statement (except any statement relating solely to the Underwriters which has been provided by the Underwriters in writing specifically for use in the Prospectus, any Prospectus Amendment or the U.S. Placement Memorandum or the Selling Shareholder's Information) contained in the Prospectus, any Prospectus Amendment or the U.S. Placement Memorandum or in any certificate of the Company delivered pursuant to this Agreement which at the time and in the light of the circumstances under which it was made contains or is alleged to contain a misrepresentation;

(b) any omission or alleged omission to state in the Prospectus, any Prospectus Amendment, the U.S. Placement Memorandum or any certificate of the Company delivered pursuant to this Agreement any fact (except any fact relating solely to the Underwriters or the Selling Shareholder), whether material or not, required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made;

(c) any order made or enquiry, investigation or proceedings commenced or threatened by any securities commission or other competent authority based upon any untrue statement or omission or alleged untrue statement or alleged omission or any misrepresentation or alleged misrepresentation (except a statement which has been provided by the Underwriters in writing specifically for use in the Prospectus or any Prospectus Amendment or omission relating solely to the Underwriters or alleged untrue statement which has been provided by the Underwriters in writing specifically for use in the Prospectus or any Prospectus Amendment or alleged omission relating solely to the Underwriters or the Selling Shareholder's Information) contained in the Prospectus or any Prospectus Amendments or based upon any failure to comply with the Canadian Securities Laws (other than any failure to comply by the Underwriters), preventing or restricting the trading in or the sale or distribution of the Securities in any of the Qualifying Jurisdictions;

(d) the non-compliance or alleged non-compliance by the Company with any of the Canadian Securities Laws or the 1933 Act including the Company's non-compliance with any statutory requirement to make any document available for inspection; or

(e) any breach of any representation or warranty of the Company contained herein or in any certificate of the Company or of any officer of the Company delivered hereunder or pursuant hereto or the failure of the Company to comply with any of its covenants or obligations hereunder.

(2) Rights of Indemnity from the Selling Shareholder

The Selling Shareholder agrees to indemnify and save harmless each of the Underwriters and their respective affiliates, and each of their respective current or former directors, officers, employees, shareholders, equityholders and agents from and against all liabilities, claims, losses, costs, damages and expenses (including without limitation any legal fees or other expenses reasonably incurred by such Underwriters in connection with defending or investigating any of the above but excluding any loss of profits), in any way caused by, or arising directly or indirectly from, or in consequence of:

(a) any information or statement in any Selling Shareholder's Information related to the Selling Shareholder contained in the Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment or in any certificate of such Selling Shareholder delivered pursuant to this Agreement which at the time and in the light of the circumstances under which it was made contains or is alleged to contain a misrepresentation or an untrue statement of a material fact;

(b) any omission or alleged omission to state in any Selling Shareholder's Information related to the Selling Shareholder contained in the Prospectus, the U.S. Placement Memorandum, any Prospectus Amendment or any certificate of such Selling Shareholder delivered pursuant to this Agreement, any material fact required to be stated in such document or necessary to make such Selling Shareholder's Information in such document not misleading in light of the circumstances under which it was made;

(c) any order made or enquiry, investigation or proceedings commenced or threatened by any securities commission or other competent authority based upon any actual or alleged untrue statement of a material fact or omission or alleged omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in light of the circumstances under which it was made or any misrepresentation or alleged misrepresentation in the Selling Shareholder's Information related to such Selling Shareholder contained in the Prospectus, the U.S. Placement Memorandum or any Prospectus Amendment, preventing or restricting the trading in or the sale or distribution of the Shares in any of the Qualifying Jurisdictions;

(d) the non-compliance or alleged non-compliance by such Selling Shareholder with any Canadian Securities Laws or applicable U.S. securities laws in connection with the transactions contemplated by this Agreement; or

(e) any breach by such Selling Shareholder of its representations, warranties, covenants or obligations to be complied with under this Agreement.

(3) Notification of Claims

If any matter or thing contemplated by Section 11(1) or (2) (any such matter or thing being referred to as a "**Claim**") is asserted against any person or corporation in respect of which indemnification is or might reasonably be considered to be provided, such person or company (the "**Indemnified Party**") will notify the Company, in the case of Section 11(1), or the Selling Shareholder, in the case of Section 11(2), (the "**Indemnifier**") as soon as possible of the nature of such Claim (but the omission so to notify the Company or the Selling Shareholder, as applicable, of any potential Claim shall not relieve the Company or the Selling Shareholder, as applicable, from any liability which it may have to any Indemnified Party and any omission so to notify the Company or the Selling Shareholder, as applicable of any actual Claim shall affect the Company's or Selling Shareholder's, as applicable, liability only to the extent that the Company or the Selling Shareholder, as applicable, are materially prejudiced by that failure). The Company or the Selling Shareholder, as applicable, shall assume the defence of any suit brought to enforce such Claim; provided, however, that:

(a) the defence shall be conducted through legal counsel acceptable to the Indemnified Party, acting reasonably; and

(b) no settlement of any such Claim or admission of liability may be made by the Company or the Selling Shareholder, as applicable, without the prior written consent of the Indemnified Party, acting reasonably, unless such settlement includes an unconditional release of the Indemnified Party from all liability arising out of such action or claim and does not include a statement as to or an admission of fault, culpability or failure to act, by or on behalf of any Indemnified Party.

(4) Right of Indemnity in Favour of Others

With respect to any Indemnified Party who is not a party to this Agreement, the parties to this Agreement shall obtain and hold the rights and benefits of this section in trust for and on behalf of their respective affiliates, associates, directors, officers, employees and agents.

(5) Retaining Counsel

In any such Claim, the Indemnified Party shall have the right to retain other legal counsel to act on such Indemnified Party's behalf, provided that the fees and disbursements of such other legal counsel shall be paid by such Indemnified Party, unless: (a) the Indemnifier fails to assume the defence of such suit on behalf of the Indemnified Party within ten (10) days of receiving notice of such suit or having assumed such defense, fails to pursue it, provided, however, that no settlement of any such suit or admission of liability may be made by the Indemnified Party without the prior written consent of the Indemnifier, acting reasonably; (b) the employment of such counsel has been authorized by the Indemnifier; or (c) the named parties to any such suit (including any added or third parties) include both the Indemnified Party and the Indemnifier, and the Indemnified Party shall have been advised in writing by counsel that there may be one or more legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnifier or the Indemnified Party is advised by counsel that there is an actual or potential conflict between the interests of the Indemnified Party and the Indemnifier (in each of which cases the Indemnifier shall not have the right to assume the defence of such suit on behalf of the Indemnified Party), in any of which circumstances the Indemnified Party shall be required to keep the Indemnifier apprised of the developments of the Claim, including providing copies of any material documents related thereto to the Indemnifier, and the Indemnifier shall be liable to pay the reasonable fees and expenses of the counsel for the Indemnified Party.

(6) Trust

To the extent that any Indemnified Party is not a party to this Agreement, the Underwriters shall obtain and hold the right and benefit of this section in trust for and on behalf of such Indemnified Party.

Section 12 Contribution

(1) Rights of Contribution

In order to provide for a just and equitable contribution in circumstances in which the indemnity provided in Section 11 would otherwise be available in accordance with its terms but is, for any reason, held to be unavailable to or unenforceable by the Underwriters or enforceable otherwise than in accordance with its terms, the Company, the Selling Shareholder and the Underwriters shall contribute to the aggregate of all claims, expenses, costs and liabilities and all losses (other than loss of profits) of a nature contemplated by Section 11 in such proportions as is appropriate to reflect the relative fault of the Company, Selling Shareholder and the Underwriters, provided, however, that in no case shall any Underwriter (except as may be provided in any agreement among Underwriters relating to the offering of the Offered Shares) be responsible for any amount in excess of the Underwriting Fee applicable to the Offered Shares purchased by such Underwriter from the Selling Shareholder hereunder. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided, by the Company, the Selling Shareholder or the Underwriters, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company, Selling Shareholder and the Underwriters agree that it would not be just and equitable if contribution were determined by *pro rata* allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this Section 12(1), no person who has engaged in fraud, gross negligence or wilful misconduct (as determined by a court of competent jurisdiction in a final non-appealable judgment), shall be entitled to contribution from any person who was not so determined to be guilty of such fraud, gross negligence or wilful misconduct. For purposes of this Section 12, each person who controls an Underwriter within the meaning of Canadian Securities Laws and each director, officer, employee and agent of an Underwriter shall have the same rights to contribution as such Underwriter, and each officer of the Company or a Selling Shareholder who shall have signed the Prospectus and each director of the Company or a Selling Shareholder shall have the same rights to contribution as the Company, subject in each case to the applicable terms and conditions of this Section 12(1).

(2) Rights of Contribution in Addition to Other Rights

The rights to contribution provided in this section shall be in addition to and not in derogation of any other right to contribution which the Underwriters may have by statute or otherwise at law.

(3) Calculation of Contribution

In the event that an Indemnifier may be held to be entitled to contribution from the Underwriters under the provisions of any statute or at law, the Indemnifier shall be limited to contribution in an amount not exceeding the lesser of:

(a) the portion of the full amount of the loss or liability giving rise to such contribution for which the Underwriters are responsible, as determined in Section 12(1) or Section 12(2), as the case may be, and

(b) the amount of the fee actually received by the Underwriters from the Selling Shareholder under this Agreement,

and an Underwriter shall in no event be liable to contribute any amount in excess of such Underwriter's portion of the Underwriting Fee actually received under this Agreement.

(4) Notice

If the Underwriters have reason to believe that a claim for contribution may arise, they shall give the Indemnifier notice of such claim in writing, as soon as reasonably possible, but failure to notify the Indemnifier shall not relieve the Indemnifier of any obligation which he or it may have to the Underwriters under this Section 12.

(5) Right of Contribution in Favour of Others

With respect to this Section 12, the Indemnifiers acknowledge and agree that the Underwriters are contracting on their own behalf and as agents for their affiliates, directors, officers, employees and agents (and in the case of each Underwriter, each person who controls such Underwriter).

Section 13 Severability

If any provision of this Agreement is determined to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.

Section 14 Expenses

Whether or not the transactions contemplated by this Agreement shall be completed, except as specifically provided below, the Company will pay all expenses and fees in connection with the Offering (inclusive of all applicable government sales tax but excluding the Underwriting Fee which shall be borne by the Selling Shareholder), including, without limitation: (i) all expenses of or incidental to the creation, issue, sale or distribution of the Offered Shares and the filing of the Prospectus and the U.S. Placement Memorandum; (ii) the fees and expenses of the Company's legal counsel, accountants and auditors; (iii) all costs incurred in connection with the preparation of documentation relating to the Offering and expenses related to road-shows and marketing activities, printing costs, filing fees, stock exchange fees; (iv) all reasonable out-of-pocket expenses of the Underwriters (including their travel expenses in connection with drafting any Prospectus, due diligence and marketing activities) and (v) all reasonable fees (to a maximum of $400,000) and disbursements of the Underwriters' legal counsel (including taxes and disbursements for the Underwriters' Canadian and U.S. counsel ((iv) and (v), collectively, the "**Underwriters' Expenses.** All reasonable fees and expenses incurred by the Underwriters, or on their behalf, shall be payable by the Company immediately upon receiving an invoice therefor from the Underwriters and shall be payable whether or not an offering is completed. At the option of the Lead Underwriters, such fees and expenses may be deducted from the gross proceeds otherwise payable to the Company on the closing of the Offering. Regardless of whether the transactions contemplated herein are completed or not, the Company will pay the Underwriters' Expenses, as described in this Section 14.

Section 15 Rights to Purchase

(1) Obligation of Underwriters to Purchase

The obligation of the Underwriters to purchase the Purchased Shares or the Over-Allotment Shares, as the case may be at the Closing Time or on the Over-Allotment Closing Date, as the case may be, shall be separate and several and not joint or joint and several and shall be limited to the percentage of the Purchased Shares or the Over-Allotment Shares, as the case may be set out opposite the name of the Underwriters respectively below:

Scotia Capital Inc.[(1)(2)]	27.5%
RBC Dominion Securities Inc. [(1)(2)]	27.5%
Cormark Securities Inc. [(2)]	17.5%
CIBC World Markets Inc.	10.0%
Barclays Capital Canada Inc.	5.0%
Canaccord Genuity Corp.	5.0%
GMP Securities L.P.	5.0%
Raymond James Ltd.	2.5%
	100%

[(1)] Joint Bookrunner
[(2)] 9.00**%** work fee payable (i) 37.5% to each of the Joint Bookrunners and (ii) 25% to Cormark

(2) Defaulted Shares

If one of the Underwriters fails to purchase its applicable percentage of the aggregate amount of the Purchased Shares (or the Over-Allotment Shares if the Over-Allotment Option is exercised) at the Closing Time, the other Underwriters shall have the right, but shall not be obligated, to purchase, all but not less than all, of the applicable Purchased Shares (or the Over-Allotment Shares if the Over-Allotment Option is exercised) which would otherwise have been purchased by the Underwriter that failed to purchase. If, with respect to any such securities, any non-defaulting Underwriter elects not to exercise such right so as to assume the entire obligation of the defaulting Underwriter (the Offered Shares in respect of which the defaulting Underwriter(s) fail to purchase and the non-defaulting Underwriters do not elect to purchase being hereinafter called the "**Defaulted Shares**") and the number of Defaulted Shares exceeds 10% of the number of Purchased Shares (or the Over-Allotment Shares) to be purchased hereunder, then (a) each Underwriter shall have the several right to terminate its obligation hereunder to purchase the Offered Shares required to be purchased by it and without any liability to the Selling Shareholder, and (b) the Selling Shareholder shall have the right to either (i) proceed with the sale of the applicable Offered Shares (less the Defaulted Shares) to the non-defaulting Underwriters (other than those Underwriters who terminated under (a) above), or (ii) terminate its respective obligations hereunder without liability to the non-defaulting Underwriters except under Section 11, Section 12 or Section 14.

Section 16 Restrictions on Concurrent Offerings

Neither the Company nor any of its affiliates shall, without the Lead Underwriters' prior written consent, authorize, issue or sell securities of the Company or such affiliates (whether in a public offering, by way of private placement or otherwise), or agree to do so or publicly announce any intention to do so, at any time prior to 180 days after the Closing Date, other than:

(1) the Purchased Shares and the Over-Allotment Shares;

(2) the grant of stock options approved by the Company's Compensation Committee under employee or executive incentive compensation arrangements described in the Final Prospectus or the issue by the Company of common shares of the Company upon the exercise of any such employee or executive incentive compensation arrangements, or under any other arrangement approved by the Lead Underwriters; or

(3) the common shares of the Company issued as consideration, whether in whole or in part, for the acquisition by the Company or any direct or indirect subsidiary thereof, of any property, assets or shares, whether effected by way of an acquisition, merger, amalgamation, plan of arrangement, business combination, take-over bid or otherwise.

Section 17 Publicity

The Company and the Selling Shareholder agree that each of the Lead Underwriters may separately or together, subsequent to the announcement of the issuance and sale of the Purchased Shares, make public their involvement with the Company and the Selling Shareholder, including the right of the Lead Underwriters at their own expense to, following the later of the Closing and the date of completion of distribution of the Offered Shares, place advertisements describing its services to the Company and Selling Shareholder in financial, news or business publications, consistent with what has already been publicly disclosed regarding the issuance and sale of the Offered Shares. If requested by the Lead Underwriters, the Company and/or the Selling Shareholder will include a mutually acceptable reference to the Lead Underwriters in any press release or other public announcement made by the Company or the Selling Shareholder regarding the matters described in this Agreement. In any event, any press release issued by the Company or a Selling Shareholder shall be issued only after consultation with the Lead Underwriters and in compliance with applicable laws. Any press release issued in connection with the Offering prior to the later of the Closing and the date of completion of distribution of the Offered Shares (including, for the sake of certainty, any Over-Allotment Shares) shall be made in compliance with Rule 135e under the 1933 Act and shall include the following or substantially similar legend: “NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN THE UNITED STATES.” and as applicable, “The securities offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.”

Section 18 Survival of Representations and Warranties

The representations, warranties, obligations and agreements of the Company and the Selling Shareholder contained in this Agreement and in any certificate delivered pursuant to this Agreement or in connection with the purchase and sale of the Offered

Shares shall survive the purchase of the Offered Shares and shall continue in full force and effect unaffected by any subsequent disposition of the Offered Shares by the Underwriters or the termination of the Underwriters' obligations and shall not be limited or prejudiced by any investigation made by or on behalf of the Underwriters in connection with the preparation of the Prospectus, any Prospectus Amendments or the distribution of the Offered Shares.

Section 19 Time

Time is of the essence in the performance of the parties' respective obligations under this Agreement.

Section 20 Action by Underwriters

All steps which must or may be taken by the Underwriters in connection with this Agreement, with the exception of: (a) the matters relating to termination contemplated by Section 10; (b) settlement of any indemnity claim contemplated by Section 11; and (c) waiver of a condition of closing as contemplated by Section 9, shall be taken by the Lead Underwriters, on behalf of themselves and the other Underwriters, and the execution of this Agreement shall constitute the Company's and the Selling Shareholder's authority for accepting notification of any such steps from, and for delivering the definitive certificates or electronic deposit representing the Offered Shares to, or to the account of the Lead Underwriters. Notwithstanding anything to the contrary herein, the obligations of the Underwriters to the Company and the Selling Shareholder are separate and several, and not joint, nor joint and several.

Section 21 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereto irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Ontario, sitting in the City of Toronto, with respect to any dispute related to this Agreement.

Section 22 No Fiduciary Relationship

The Company and the Selling Shareholder hereby acknowledge that the Underwriters are acting solely as underwriters in connection with the purchase and sale of the Offered Shares. The Company and the Selling Shareholder further acknowledge that the Underwriters are acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event do the parties intend that the Underwriters act or be responsible as a fiduciary to the Company or the Selling Shareholder, their management, shareholders or creditors or any other Person in connection with any activity that the Underwriters may undertake or have undertaken in furtherance of the purchase and sale of the Offered Shares, either before or after the date hereof. The Underwriters hereby expressly disclaim any fiduciary or similar obligations to the Company and the Selling Shareholder, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company and the Selling Shareholder hereby confirm their understanding and agreement to that effect. The Company, Selling Shareholder and the Underwriters agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters to the Company and the Selling

Shareholder regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Offered Shares, do not constitute advice or recommendations to the Company or the Selling Shareholder. The Company and the Selling Shareholder hereby waive and release, to the fullest extent permitted by law, any claims that the Company or the Selling Shareholder may have against the Underwriters with respect to any breach or alleged breach of any fiduciary or similar duty to the Company or the Selling Shareholder in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions.

Section 23 Notice

Any notice or other communication required or permitted to be given hereunder (a "**notice**") shall be in writing and shall be personally delivered or sent by email on a Business Day, as follows:

If to the Company, addressed and sent to:

Neo Performance Materials Inc.
121 King Street West, Suite 1740
Toronto, Ontario
M5H 3T9

Attention: Geoff Bedford, President and Chief Executive Officer
Email: g.bedford@neomaterials.com

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

Fogler, Rubinoff LLP
77 King Street West
Toronto, Ontario
M5K 1G8

Attention: Irwin Greenblatt
Email: igreenblatt@foglers.com

If to the Selling Shareholder, addressed and sent to:

OCM Neo Holdings (Cayman), L.P.
c/o Oaktree Capital Management, L.P.
333 S. Grand Ave., 28th Floor
Los Angeles, California
90071

Attention: Emily Stephens, Managing Director and Nicholas Basso, Senior Vice President
Email: estephens@oaktreecapital.com and nbasso@oaktreecapital.com

If to the Underwriters, addressed and sent to:

Scotia Capital Inc.
40 King Street West, 64th Floor

Toronto, Ontario
M5H 3Y2

Attention: Chad Graves
Email: chad.graves@scotiabank.com

and to:

RBC Dominion Securities Inc.
200 Bay Street, South Tower, 4th Floor
Toronto, Ontario
M5J 2W7

Attention: John Blanchette
Email: john.blanchette@rbccm.com

and to:

Cormark Securities Inc.
200 Bay Street, South Tower, 28th Floor
Toronto, Ontario
M5J 2J2

Attention: Alfred Avanessy
Email: aavanessy@cormark.com

and to:

CIBC World Markets Inc.
161 Bay Street
Toronto, Ontario
M5J 2S8

Attention: Ryan Voegeli
Email: ryan.voegeli@cibc.com

and to:

Barclays Capital Canada Inc.
333 Bay Street
Toronto, Ontario
M5H 2R2

Attention: Erik Charbonneau
Email: erik.charbonneau@barclays.com

and to:

Canaccord Genuity Corp.

161 Bay Street
Toronto, Ontario
M5J 2S1

Attention: Jason Robertson
Email: jrobertson@canaccordgenuity.com

and to:

GMP Securities L.P.
145 King St. W.
Toronto, Ontario
M5H 1J8

Attention: Jarrad Segal
Email: jsegal@gmpsecurities.com

and to:

Raymond James Ltd.
40 King St. W.
Toronto, Ontario
M5H 3Y2

Attention: Jimmy Leung
Email: jimmy.leung@raymondjames.ca

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

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Ivan Grbesic
Email: igrbesic@stikeman.com

or to such other address as any of the parties may designate by giving notice to the others in accordance with this section.

Each notice shall be personally delivered to the addressee or sent by fax to the addressee and:

(1) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and

(2) a notice which is sent by fax shall be deemed to be given and received on the first Business Day following the day on which it is sent.

Section 24 Authority of Lead Underwriters

The Lead Underwriters are hereby authorized by each of the other Underwriters to act on their behalf and the Company and the Selling Shareholder shall be entitled to and shall act on any notice given in accordance with Section 23 by or on behalf of the Underwriters by the Lead Underwriters which represent and warrant that they have irrevocable authority to bind the Underwriters, except in respect of any consent to a settlement pursuant to Section 11(2) which consent shall be given by the Indemnified Party, a notice of termination pursuant to Section 10 which notice may be given by any of the Underwriters, or any waiver pursuant to Section 10(5), which waiver must be signed by all of the Underwriters. The Lead Underwriters shall consult with the other Underwriters concerning any matter in respect of which they act as representative of the Underwriters. The obligation of the Underwriters under this Agreement shall be several and not joint and several.

Section 25 Counterparts

This Agreement may be executed by the parties to this Agreement in counterpart and may be executed and delivered by facsimile or pdf and all such counterparts, facsimiles and/or pdfs shall together constitute one and the same agreement.

Section 26 TMX Group Limited

Certain of the Underwriters, or affiliates thereof, own or control an equity interest in TMX Group Limited and has a nominee director serving on the TMX Group Limited's board of directors. As such, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group Limited, including the TSX, the TSX Venture Exchange and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group Limited or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service. Such investment dealers do not require the Company to list securities on any stock exchange as a condition of supplying or continuing to supply underwriting and/or any other services.

Section 27 Acceptance

If the foregoing is in accordance with your understanding and is agreed to by you, please signify your acceptance by executing the enclosed copies of this letter where indicated below and returning the same to the Underwriters upon which this letter as so accepted shall constitute an Agreement among us.

[Remainder of page left intentionally blank. Signature page follows.]

Yours very truly,

SCOTIA CAPITAL INC.

By: (Signed) *"Chad Graves"*
Name: Chad Graves
Title: Director

RBC DOMINION SECURITIES INC.

By: (Signed) *"John Blanchette"*
Name: John Blanchette
Title: Director

CORMARK SECURITIES INC.

By: (Signed) *"Alfred Avanessy"*
Name: Alfred Avanessy
Title: Managing Director

CIBC WORLD MARKETS INC.

By: (Signed) *"Ryan Voegeli"*
Name: Ryan Voegeli
Title: Managing Director

BARCLAYS CAPITAL CANADA INC.

By: (Signed) *"Erik Charbonneau"*
Name: Erik Charbonneau
Title: Managing Director

CANACCORD GENUITY CORP.

By: (Signed) *"Jason Robertson"*
Name: Jason Robertson
Title: Managing Director

GMP SECURITIES, L.P.

By: (Signed) *"Jarrad Segal"*
Name: Jarrad Segal
Title: Director

RAYMOND JAMES LTD.

By: (Signed) *"Jimmy Leung"*
Name: Jimmy Leung
Title: Managing Director

The foregoing offer is accepted and agreed to as of the date first above written.

NEO PERFORMANCE MATERIALS INC.

By: (Signed) *"Geoff Bedford"*

Name: Geoff Bedford

Title: President and Chief Executive Officer

OCM NEO HOLDINGS (CAYMAN), L.P.

By: OCM Neo Holdings (Cayman) GP Ltd., its General Partner

By: (Signed) "*Emily Stephens"*

Name: Emily Stephens

Title: Director

By: (Signed) "*Nicholas Basso*"

Name: Nicholas Basso

Title: Director

SCHEDULE "A"
UNITED STATES OFFERS AND SALES

As used in this Schedule "A", the following terms shall have the meanings indicated:

"**1934 Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"**Directed Selling Efforts**" means directed selling efforts as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "A", it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Shares and includes the placement of any advertisement in any publication with a general circulation in the United States that refers to the offering of the Offered Shares;

"**Foreign Issuer**" shall have the meaning ascribed thereto in Rule 902(e) of Regulation S;

"**General Solicitation**" and "**General Advertising**" mean "general solicitation" and "general advertising", respectively, as those terms are used in Rule 502(c) of Regulation D under the 1933 Act. Without limiting the foregoing, but for greater clarity, general solicitation or general advertising includes, but is not limited to, any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the internet or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"**Offshore Transaction**" means an "offshore transaction" as that term is defined in Rule 902(h) of Regulation S; and

"**Substantial U.S. Market Interest**" means substantial U.S. market interest as that term is defined in Rule 902(j) of Regulation S.

All other capitalized terms used but not otherwise defined in this Schedule "A" shall have the meanings assigned to them in the Underwriting Agreement to which this Schedule "A" is attached.

A. Representations, Warranties and Covenants of the Underwriters

Each Underwriter on its own behalf and on behalf of its respective U.S. Affiliate, severally and not jointly, acknowledges that the Offered Shares have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered or sold within the United States, except pursuant to and in accordance with an available exemption from the registration requirements of the 1933 Act and applicable state securities laws. Accordingly, each Underwriter on its own behalf and on behalf of its respective U.S. Affiliate, severally but not jointly, represents, warrants and covenants to the Company that:

1. The Underwriter has offered and sold, and will only offer and sell (a) the Offered Shares in Offshore Transactions in accordance with Rule 903(a) and Rule 903(b)(1)

of Regulation S or (b) in the United States through its U.S. Affiliate to Qualified Institutional Buyers pursuant to the exemption from the registration requirements of the 1933 Act under Rule 144A and in compliance with similar exemptions under applicable state securities laws. Accordingly, neither the Underwriter, its affiliates (including its U.S. Affiliate) nor any persons acting on their behalf, has engaged or will engage in, has made or will make or has facilitated or will facilitate the making of (except as permitted in Section A(2) through Section A(11) below) (i) any offer to sell or any solicitation of an offer to buy, any of the Offered Shares, to any person in the United States; or (ii) any sale of the Offered Shares to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States, or such Underwriter, affiliates (including its U.S. Affiliate) or person acting on behalf of either reasonably believed that such purchaser was outside the United States. Neither the Underwriter, its affiliates (including its U.S. Affiliate) nor any persons acting on its or their behalf has engaged or will engage in any Directed Selling Efforts, General Solicitation or General Advertising in the United States with respect to the Offered Shares, or any conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act in connection with any offer or sale of the Offered Shares in the United States.

2. All offers and sales of the Offered Shares in the United States, will be effected by or through the U.S. Affiliate of the Underwriter, a duly registered broker-dealer under the 1934 Act and applicable state securities laws in each state in which such offer or sale is made and a member in good standing with the Financial Industry Regulatory Authority, Inc. as of the date hereof and at the date of any offer or sale of the Offered Shares in the United States, and will be effected in accordance with all applicable U.S. federal and state securities laws, including broker-dealer requirements. Each such U.S. Affiliate of the Underwriter in the United States is a Qualified Institutional Buyer as of the date hereof and at the date of any offer or sale of the Offered Shares in the United States.

3. It will not offer or sell the Offered Shares in the United States except that it may offer and resell the Offered Shares to Qualified Institutional Buyers with whom the Underwriters have a pre-existing relationship that it reasonably believed immediately prior to such offer or sale and on the date of any closing to be either a Qualified Institutional Buyer who is acquiring the Offered Shares (A) for its own account or (B) for the account of a Qualified Institutional Buyer with respect to which it exercises sole investment discretion, and, in each case, in compliance with, or pursuant to an exemption from, the registration or qualification requirements of all applicable state securities laws.

4. Immediately prior to soliciting such offerees, the Underwriter and its U.S. Affiliate had reasonable grounds to believe and did believe that each offeree in the United States was a Qualified Institutional Buyer. At the time of each sale hereunder to a person in the United States, the Underwriter, its U.S. Affiliate, and any person acting on its or their behalf will have reasonable grounds to believe and will believe, that each such purchaser is a Qualified Institutional Buyer.

5. At any closing, it will either (a), together with its U.S. Affiliate offering (and, if applicable, selling) the Offered Shares in the United States, provide a certificate, substantially in the form of Exhibit “A” to this Schedule “A” relating to the manner of the offer and sale of the Offered Shares in the United States, or (b) be deemed to

represent and warrant to the Company and the Selling Shareholder that none of it, any of its affiliates (including its U.S. Affiliate) or any person acting on any of their behalf has offered or sold any of the Offered Shares in the United States.

6. All offerees of the Offered Shares in the United States solicited by it or its U.S. Affiliate shall be informed that the Offered Shares have not been registered under the 1933 Act or the securities laws of any state of the United States and that the Offered Shares are being offered and sold only to Qualified Institutional Buyers in reliance upon the exemption from the registration requirements of the 1933 Act provided by Rule 144A and applicable exemptions from the registration requirements of the securities laws of any state of the United States.

7. The Underwriter shall deliver, or shall cause its U.S. Affiliate to, (a) deliver a copy of the preliminary U.S. Placement Memorandum and the final U.S. Placement Memorandum (if then available), including the Amended Preliminary Prospectus, the Prospectus and any Prospectus Amendment, as the case may be to each of its offerees in the United States that is a Qualified Institutional Buyer at or prior to the time of purchase of the Offered Shares and (b) prior to the time of sale to such offeree, a copy of the final U.S. Placement Memorandum to each such person. No other written material will be used in connection with the offer or sale of the Offered Shares in the United States to Qualified Institutional Buyers pursuant to Rule 144A. Each Qualified Institutional Buyer solicited will be informed that the Offered Shares are "restricted securities" as defined in Rule 144(a)(3) under the U.S. Securities Act that will not be represented by certificates that bear a U.S. restricted legend or identified by a restricted CUSIP number, are subject to restrictions if in the future it decides to offer, sell, pledge, or otherwise transfer, directly or indirectly, any of such Offered Shares as set forth in the U.S. Placement Memorandum (and Exhibit "A" thereto), and that it must implement appropriate internal controls and procedures to ensure that such Offered Shares shall be properly identified in its records as restricted securities that are subject to the transfer restrictions set forth therein notwithstanding the absence of a U.S. restricted legend or restricted CUSIP number.

8. Neither the Underwriter, its U.S. Affiliate nor any persons acting on its or their behalf has engaged or will engage in any violation of Regulation M under the 1934 Act in connection with this offering.

9. Prior to completion of any sale of the Offered Shares in the United States it will cause each such purchaser to provide an executed U.S. Purchaser's Letter in the form set forth as Exhibit "A" to the U.S. Placement Memorandum.

10. At least two (2) business days prior to the Closing Date, it will provide the Company and its transfer agent with a list of all persons who were sold the Offered Shares in the United States.

11. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Shares, except with its U.S. Affiliate, and Selling Firms or with the prior written consent of the Company and the Selling Shareholder. The Underwriter shall cause its U.S. Affiliate and Selling Firms who may offer to sell the Offered Shares to agree, for the benefit of the Company, to comply with, and shall use its reasonable best efforts to ensure that each Selling Firm and its U.S. Affiliate

complies with, the same provisions as are contained in the foregoing Section 1 through 11 hereof.

B. Representations, Warranties and Covenants of the Company

The Company represents, warrants, covenants and agrees that:

1. The Company is, and on the Closing Date and Over-Allotment Closing Date it will be, a Foreign Issuer (but it is not obligated to remain a Foreign Issuer and may in the future engage in transactions that could cause the Company not to be a foreign issuer) and reasonably believes that there is no Substantial U.S. Market Interest with respect to the Offered Shares.

2. The Company is not, and as a result of the sale of the Offered Shares contemplated hereby and the application of the proceeds of the Offering, will not be, registered or required to be registered as an investment company under the United States Investment Company Act of 1940, as amended.

3. Except with respect to offers and sales in accordance with this Schedule "A" to Qualified Institutional Buyers in reliance on Rule 144A and applicable exemptions from the registration requirements of the securities laws of any state of the United States, neither the Company nor any of its affiliates, nor any person acting on their behalf (other than the Underwriters, their respective affiliates, Selling Firms, or any person acting on behalf of any of the foregoing, in respect of which no representation, covenant or warranty is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Shares to a person in the United States; or (B) any sale of the Offered Shares unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States;

4. Neither the Company nor any of its Affiliates, nor any person acting on their behalf (other than the Underwriters, their respective affiliates, Selling Firms, or any person acting on behalf of any of the foregoing, in respect of which no representation, covenant or warranty is made), has engaged or will engage in any Directed Selling Efforts with respect to the Offered Shares or in any form of General Solicitation or General Advertising with respect to offers or sales of the Offered Shares in the United States, or any conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act in connection with any offer or sale of the Offered Shares in the United States.

5. The Offered Shares are not, and will not be, and no securities of the same class as any of the Offered Shares are or will be, as of the Closing Time and the Over-Allotment Closing Time, as applicable, (i) listed on a national securities exchange in the United States registered under Section 6 of the 1934 Act; (ii) quoted in a "U.S. automated inter-dealer quotation system", as such term is used in the 1934 Act; or (iii) convertible or exchangeable at an effective conversion premium (calculated as specified in paragraph (a)(6) of Rule 144A) of less than ten percent for securities so listed or quoted.

6. Neither the Company nor any of its Affiliates, nor any person acting on their behalf has engaged or will engage in any violation of Regulation M under the 1934 Act in connection with this offering.

7. As of the Closing Date and Over-Allotment Closing Date, none of the Company, its affiliates or any person acting on its or their behalf (other than the Underwriters, its affiliates (including its U.S. Affiliates), any of the Selling Firms or any person acting on behalf of any of the foregoing, as to whom the Company makes no representation, warranty or covenant) has taken or will take any action that would cause the exemption afforded by Rule 144A to be unavailable for offers and sales of the Offered Shares in the United States in accordance with this Schedule "A", or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Shares outside the United States in accordance with the Underwriting Agreement.

8. Except with respect to the offer and sale of the Offered Shares offered hereby, the Company has not, for a period of six months prior to the commencement of the Offering, sold, offered for sale or solicited any offer to buy any of its securities in the United States in a manner that would be integrated with the offer and sale of the Offered Shares and would cause the exemption from registration set forth in Rule 144A to become unavailable with respect to the offer and sale of the Offered Shares.

The Company shall cooperate with the reasonable requests of the Underwriters and counsel for the Underwriters to use its reasonable efforts to satisfy exemptions from the application of any applicable "blue sky" or state securities laws of those jurisdictions designated by the Underwriters, shall comply with any such applicable state securities law requirements and shall continue to be in compliance with such state securities laws in effect so long as required for the initial offer and sale of the Offered Shares contemplated herein.

B. <u>Representations, Warranties and Covenants of the Selling Shareholder</u>

9. Except with respect to offers and sales in accordance with this Schedule "A" to Qualified Institutional Buyers in reliance on Rule 144A and applicable exemptions from the registration requirements of the securities laws of any state of the United States, neither the Selling Shareholder nor any of its affiliates, nor any person acting on their behalf (other than the Underwriters, their respective affiliates, any Selling Firms, or any person acting on behalf of any of the foregoing, in respect of which no representation, warranty or covenant is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Shares to a person in the United States; or (B) any sale of the Offered Shares unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States or (ii) the Selling Shareholder, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States;

10. Neither the Selling Shareholder nor any of its Affiliates, nor any person acting on their behalf, has engaged or will engage in any Directed Selling Efforts with respect to the Offered Shares or in any form of General Solicitation or General Advertising with respect to offers or sales of the Offered Shares in the United States, or any conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act in connection with any offer or sale of the Offered Shares in the United States.

11. Neither the Selling Shareholder nor any of its Affiliates, nor any person acting on their behalf has engaged or will engage in any violation of Regulation M under the 1934 Act in connection with this offering.

12. As of the Closing Date and Over-Allotment Closing Date, none of the Selling Shareholder, its affiliates or any person acting on its or their behalf (other than the Underwriters, their respective affiliates (including their U.S. Affiliates), any of the Selling Firms or any person acting on behalf of any of the foregoing, as to whom the Selling Shareholder makes no representation, warranty or covenant) has taken or will take any action that would cause the exemption afforded by Rule 144A to be unavailable for offers and sales of the Offered Shares in the United States in accordance with this Schedule "A", or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Shares outside the United States in accordance with the Underwriting Agreement.

The Selling Shareholder shall cooperate with the reasonable requests of the Underwriters and counsel for the Underwriters to use its reasonable efforts to satisfy exemptions from the application of any applicable "blue sky" or state securities laws of those jurisdictions designated by the Underwriters, shall comply with any such applicable state securities law requirements and shall continue to be in compliance with such state securities laws in effect so long as required for the initial offer and sale of the Offered Shares contemplated herein.

EXHIBIT "A" TO SCHEDULE "A"
UNDERWRITERS' CERTIFICATE

In connection with the private placement in the United States of the Offered Shares (the "**U.S. Offered Shares**") (and, for greater certainty, also comprising those Over-Allotment Shares that may be issued pursuant to the exercise of the Over-Allotment Option (as such terms are defined in the Underwriting Agreement) (as defined below)) of Neo Performance Materials Inc. (the "**Company**") pursuant to the Underwriting Agreement dated November 30, 2017 among the Company, the Selling Shareholder and the Underwriters named therein (the "**Underwriting Agreement**"), each of the undersigned does hereby certify as follows:

13. **[Name of U.S. Affiliate]** is a duly registered broker or dealer with the United States Securities and Exchange Commission under the 1934 Act and is a member of and in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof and at the date of any offer or sale of the Offered Shares in the United States. All offers and sales of, and solicitations of offers to buy, U.S. Offered Shares in the United States were made by **[U.S. Affiliate]** in accordance with Rule 15a-6 under the 1934 Act;

14. each offeree in the United States to which we offered Offered Shares, prior to the time of such offeree's purchase of Offered Shares, was provided with a copy of the Amended Preliminary Prospectus, the Prospectus, any Prospectus Amendment and each U.S. Placement Memorandum, and we did not use any other written material in connection with the offer or sale of Offered Shares in the United States;

15. immediately prior to our transmitting the preliminary U.S. Placement Memorandum to such offerees, we had reasonable grounds to believe and did believe that each such offeree was, and continue to believe that each such offeree is, a Qualified Institutional Buyer and, and, on the date of this certificate, we continue to believe that each such person purchasing U.S. Offered Shares is a Qualified Institutional Buyer;

16. prior to any sale in the United States of Offered Shares we obtained an executed U.S. Purchaser's Letter in the form set forth as Exhibit "A" to the U.S. Placement Memorandum and a copy of such Exhibit "A" has been delivered to the Company and the Selling Shareholder;

17. no form of General Solicitation or General Advertising was used by us in connection with the offer or sale of the Offered Shares in the United States including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or on the internet, or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by General Solicitation or General Advertising in connection with the offer or sale of the Offered Shares in the United States, or any conduct involving a public offering within the meaning of Section 4(a)(2) of the 1933 Act in connection with any offer or sale of the Offered Shares in the United States;

18. no Directed Selling Efforts were engaged in with respect to the offer or sale of the Offered Securities;

19. all offers and sales of the Offered Shares by us in the United States have been effected in accordance with all applicable United States federal and state securities laws, including broker-dealer requirements;

20. neither we, nor our affiliates or any person acting on any of our behalf have taken, will take, directly or indirectly, any action in violation of Regulation M under the 1934 Act in connection with the offer and sale of the Offered Shares; and

21. the offering and sale of the Offered Shares in the United States has been conducted by us in accordance with the terms of the Underwriting Agreement, including Schedule "A" thereto.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement, including Schedule "A" thereto, unless otherwise defined herein. This Underwriters' Certificate may be relied upon by counsel for the Company as if originally issued to such counsel. A newly executed copy of this Schedule "A" shall be provided in connection with any subsequent closing date, including, but not limited to, any Over-Allotment Closing Date, as applicable.

DATED this ____ day of _____, 2017.

[UNDERWRITER]

Per: _____
Name:
Title:

[U.S. AFFILIATE]

Per: _____
Name:
Title:

SCHEDULE "B"
FORM OF LOCK UP AGREEMENT

LOCK-UP AGREEMENT

November 30, 2017

Scotia Capital Inc. ("**Scotia**")
RBC Dominion Securities Inc. ("**RBC**")
Cormark Securities Inc. ("**Cormark**")
CIBC World Markets Inc.
Barclays Capital Canada Inc.
Canaccord Genuity Corp.
GMP Securities L.P.
Raymond James Ltd.

(collectively, the "**Underwriters**")

Re: Neo Performance Materials Inc. – Lock-Up Agreement

Ladies and Gentlemen:

1. The undersigned understands that the Underwriters have entered into an underwriting agreement dated on or about November 30, 2017 (the "**Underwriting Agreement**") with OCM Neo Holdings (Cayman), L.P., acting through its general partner, OCM Neo Holdings (Cayman) GP Ltd., (the "**Selling Shareholder**") and Neo Performance Materials Inc. (the "**Company**") in respect of an offering (the "**Offering**") of common shares in the capital of the Company (the "**Common Shares**").

2. All capitalized terms used herein but not otherwise defined herein have the meaning given to them in the Underwriting Agreement.

3. In consideration of the benefits that the Offering will confer upon the undersigned, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby agrees that during the period commencing on the date hereof and ending 180 days following the closing date of the Offering (the "**Lock-Up Period**"), the undersigned will not, directly or indirectly, offer, sell, contract to sell, grant or sell any option or warrant to purchase, lend, hypothecate, pledge, or otherwise dispose of, or transfer, any Common Shares or securities convertible into or exercisable or exchangeable for Common Shares, whether owned directly or indirectly, or under the undersigned's control or direction, or with respect to which the undersigned has beneficial ownership (the "**Undersigned's Securities**"), whether through the facilities of a stock exchange, by private placement or otherwise, or make any short sale of, engage in any hedging transaction with respect to, or enter into any swap, forward or other transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of the Undersigned's Securities (regardless of whether such transaction is settled by the delivery of Common Shares, other securities of the Company or of another person, cash or otherwise) or agree to or publicly announce any intention to do any of the foregoing, without the written agreement of Scotia, RBC and Cormark, on behalf of the Underwriters, such agreement not to be unreasonably withheld.

4. Section 3 above shall not apply: (i) if the Company receives a *bona fide* offer, which has not been withdrawn, to enter into a transaction or arrangement, or proposed transaction or arrangement, pursuant to which, if entered into or completed substantially in accordance with its terms, a party could, directly or indirectly acquire a controlling Common Share interest (including an economic interest) in, the Company, whether by way of take-over bid, plan of arrangement, shareholder approved acquisition, capital reduction, share buyback, securities issue, reverse takeover, dual-listed company structure or other synthetic merger, transaction or arrangement, provided, that in the event the take-over or acquisition transaction is not completed, any securities shall remain subject to the restrictions contained in this lock-up agreement; (ii) to transfers to affiliated entities of the undersigned, any family members of the undersigned, or any company, trust or other entity owned by or maintained for the benefit of the undersigned, provided that any such transferee shall have entered into an agreement having identical terms as this agreement; (iii) to transfers occurring by operation of law or in connection with transactions arising as a result of the death or incapacitation of the undersigned; (iv) to the exercise of stock options under the Company's existing stock option plan; or (v) to the sale of Common Shares in order to satisfy the payment of income tax obligations relating to the issuance of Common Shares to the undersigned in connection with employee or executive incentive compensation arrangements established and disclosed to the Lead Underwriters prior to the date hereof.

5. The undersigned hereby represents and warrants that the undersigned (A) has full power and authority to enter into this lock-up agreement, (B) has good and marketable title to the Undersigned's Securities, (C) understands that the Company, Selling Shareholder and the Underwriters are relying upon this lock-up agreement in proceeding towards consummation of the Offering, and (D) understands that it is a condition of the completion of the Offering that certain persons enter into an agreement in the form or substantially in the form hereof. The undersigned further understands that this lock-up agreement is irrevocable and shall be binding upon the undersigned's legal representatives, successors and permitted assigns, and shall enure to the benefit of the Company, Selling Shareholder and the Underwriters and their successors and assigns. This lock-up agreement shall terminate upon the earlier of: (i) the expiration of the Lock-Up Period; and (ii) 42 days after the date a receipt is issued for the Final Prospectus if the Offering has not been consummated by such date.

6. The undersigned hereby agrees and consents to the entry of stop transfer restrictions with the Company's transfer agent and registrar, or the equivalent, against the transfer of the Undersigned's Securities except in compliance with this lock-up agreement.

7. This lock-up agreement will be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein and may be executed by facsimile or PDF signature and as so executed shall constitute an original.

[Remainder of Page Intentionally Left Blank]

Very truly yours,

NAME OF SECURITYHOLDER:

_____

_____ _____

(Signature of Securityholder) **(Signature of Witness)**

ACKNOWLEDGED AND AGREED to as of the date first written above by Scotia, RBC and Cormark on behalf of the Underwriters.

SCOTIA CAPITAL INC.

By: _____

Name:

Title:

RBC DOMINION SECURITIES INC.

By: _____

Name:

Title:

CORMARK SECURITIES INC.

By: _____

Name:

Title: