

# Certificate of Amalgamation

# Certificat de fusion

Business Corporations Act

Loi sur les sociétés par actions

**FORWARD WATER TECHNOLOGIES INC.**

Corporation Name / Dénomination sociale

**1000002822**

Ontario Corporation Number / Numéro de société de l'Ontario

This is to certify that these articles are effective on

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

**October 20, 2021 / 20 octobre 2021**

*Barbara Duckitt*

Director / Directeur  
Business Corporations Act / Loi sur les sociétés par actions

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

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

*Barbara Duckitt*  
Director/Registrar



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

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

*Barbara Duckitt*  
Directeur ou registrateur



# Articles of Amalgamation

Business Corporations Act

## 1. Amalgamated Corporation Name

FORWARD WATER TECHNOLOGIES INC.

## 2. Registered Office Address

1086 Modeland Road, Sarnia, Ontario, Canada, N7S 6L2

## 3. Number of Directors

Minimum/Maximum

Min 1 / Max 10

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

Full Name

C. Howie HONEYMAN

Resident Canadian

Yes

Address for Service

159 Queens Avenue, Toronto, Ontario, Canada, M8V 2N8

Full Name

Wayne MADDEVER

Resident Canadian

Yes

Address for Service

347 East Hart Crescent, Burlington, Ontario, Canada, L7N 4B3

## 5. Method of Amalgamation

### A. Amalgamation Agreement

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

The endorsed Articles of Amalgamation are not complete without the Certificate of Amalgamation.  
Certified a true copy of the record of the Ministry of Government and Consumer Services.

A handwritten signature in black ink that reads "Barbara Duckitt".

Director/Registrar, Ministry of Government and Consumer Services

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

<b>Corporation Name</b>	<b>OCN</b>	<b>Date of Adoption/Approval</b>
FORWARD WATER TECHNOLOGIES INC.	2345660	October 20, 2021
2644246 ONTARIO LIMITED	2644246	October 20, 2021

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

None.

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

The Corporation is authorized to issue an unlimited number of Common Shares.

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

Not applicable.

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

No securities, other than non-convertible debt securities, of the Corporation may be transferred without either: (a) the consent of the directors of the Corporation expressed by a resolution passed at a meeting of those directors or a resolution in writing signed by all of them; or (b) the consent of the shareholders of the Corporation, expressed by a resolution passed at a meeting of those shareholders, or a resolution in writing signed by all of those shareholders entitled to vote on that resolution.

**10. Other provisions:**

None.

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

Supporting Document - Schedule "A"

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

The endorsed Articles of Amalgamation are not complete without the Certificate of Amalgamation.  
Certified a true copy of the record of the Ministry of Government and Consumer Services.

*Barbara Duckitt*

Director/Registrar, Ministry of Government and Consumer Services

## STATEMENT OF DIRECTOR

**RE: Amalgamation of Forward Water Technologies Inc. and 2644246 Ontario Limited.**

I, Sheldon Kales, make this statement in respect of the amalgamation of Forward Water Technologies Inc. and 2644246 Ontario Limited (the "**Amalgamation**") pursuant to Section 178(2) of the *Business Corporations Act* (Ontario) (the "**Act**"):

1. I am the sole director of 2644246 Ontario Limited (the "**Corporation**").
2. I have conducted an examination of the books and records of the Corporation and have made any inquiries and investigations that are necessary to enable me to make this statement.
3. There are reasonable grounds for believing that:
  - (a) the Corporation is, and the amalgamated corporation (the "**Amalgamated Corporation**") continuing from the Amalgamation will be, able to pay their respective liabilities as they become due;
  - (b) the realizable value of the Amalgamated Corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
  - (c) no creditor of the Corporation will be prejudiced by the Amalgamation.

DATED the 20th day of October, 2021.

  
\_\_\_\_\_  
Sheldon Kales

## STATEMENT OF DIRECTOR

**RE: Amalgamation of Forward Water Technologies Inc. and 2644246 Ontario Limited.**

I, Wayne Maddever, make this statement in respect of the amalgamation of Forward Water Technologies Inc. and 2644246 Ontario Limited (the “**Amalgamation**”) pursuant to Section 178(2) of the *Business Corporations Act* (Ontario) (the “**Act**”):

1. I am a director of Forward Water Technologies Inc. (the “**Corporation**”).
2. I have conducted an examination of the books and records of the Corporation and have made any inquiries and investigations that are necessary to enable me to make this statement.
3. There are reasonable grounds for believing that:
  - (a) the Corporation is, and the amalgamated corporation (the “**Amalgamated Corporation**”) continuing from the Amalgamation will be, able to pay their respective liabilities as they become due;
  - (b) the realizable value of the Amalgamated Corporation’s assets will not be less than the aggregate of its liabilities and stated capital of all classes; and
  - (c) no creditor of the Corporation will be prejudiced by the Amalgamation.

DATED the 20th day of October, 2021.

  
\_\_\_\_\_  
Wayne Maddever

**Supporting Document - Schedule "B"**

The directors' resolutions of each amalgamating corporation as required under section 177 of the Business Corporations Act

The endorsed Articles of Amalgamation are not complete without the Certificate of Amalgamation.  
Certified a true copy of the record of the Ministry of Government and Consumer Services.

*Barbara Duckitt*

Director/Registrar, Ministry of Government and Consumer Services

## SCHEDULE "B"

### AMALGAMATION AGREEMENT

**THIS AGREEMENT** is made as of October 20, 2021,

**BETWEEN:**

**HOPE WELL CAPITAL CORP.,**  
a corporation incorporated under the laws of the Province of Ontario  
("HWCC")

– and –

**2644246 ONTARIO LIMITED,**  
a corporation incorporated under the laws of the Province of Ontario  
("Subco")

– and –

**FORWARD WATER TECHNOLOGIES INC.,**  
a corporation incorporated under the laws of the Province of Ontario  
("FWT")

**CONTEXT:**

- A.** FWT and HWCC have agreed to combine their businesses and assets pursuant to the Business Combination Agreement.
- B.** FWT, HWCC and Subco are each incorporated under the OBCA.
- C.** Subco is a wholly-owned subsidiary of HWCC.
- D.** The authorized capital of FWT consists of an unlimited number of FWT Shares of which, as of the Effective Time, there will be 19,575,020 FWT Shares issued and outstanding on account of the following:
  - (1) 11,032,000 FWT Shares issued prior to the Business Combination Agreement,
  - (2) 200,000 FWT Shares issued pursuant to the RCC Advisory Agreement,
  - (3) 6,470,000 FWT Shares issued pursuant to the QT Financings,
  - (4) 1,652,380 FWT Shares to be issued on the Effective Date prior to the Effective Time pursuant to the FWT Convertible Debentures, and
  - (5) 220,640 FWT Shares to be issued on the Effective Date prior to the Effective Time pursuant to the Finder's Fee.
- E.** The authorized capital of Subco consists of an unlimited number of Subco Shares, of which 1 Subco Share is issued and outstanding at the date of this Agreement as fully paid and nonassessable share, owned beneficially and of record by HWCC.

- F.** Pursuant to the Amalgamation, and subject to the terms of the Business Combination Agreement, FWT and Subco will amalgamate and continue as Amalco, which will become a wholly-owned subsidiary of HWCC, and HWCC will:
- (1) issue to each FWT Shareholder five HWCC Shares for each one FWT Share held, and
  - (2) issue to each holder of FWT securities other than FWT Shares the equivalent number of securities of HWCC in such amounts and subject to such terms, as applicable, adjusted in accordance with the Exchange Ratio.
- G.** FWT, HWCC and Subco have each made full disclosure to the other of all their respective assets and liabilities.

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

### **1. Interpretation**

In this Agreement, including the recitals hereto, the following words and expressions will have the respective meanings ascribed to them below:

**“Agreement”** means this agreement, its recitals and exhibits, as the same may be amended, modified or supplemented from time to time.

**“Amalco”** means the corporation resulting from the Amalgamation and continuing the corporate existence of the Amalgamating Corporations.

**“Amalco Shareholder”** means a registered holder of Amalco Shares, from time to time, and **“Amalco Shareholders”** means all of such holders.

**“Amalco Shares”** means the Common Shares in the capital of Amalco.

**“Amalgamating Corporations”** means FWT and Subco and **“Amalgamating Corporation”** means either of them as applicable.

**“Amalgamation”** means the amalgamation of the Amalgamating Corporations pursuant to the provisions of the OBCA in the manner contemplated in and pursuant to this Agreement.

**“Articles of Amalgamation”** means the articles of amalgamation giving effect to the Amalgamation to be filed with the Director appointed under the OBCA pursuant to this Agreement, in the form annexed hereto as Exhibit A;

**“Business Combination Agreement”** means the business combination agreement dated June 2, 2021 between FWT and HWCC, as amended on August 30, 2021 and October 19, 2021.

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

**“Certificate of Amalgamation”** means the certificate of amalgamation to be issued by the Director in respect of the Amalgamation.

**“Depository”** means TSX Trust Company at its principal office in Toronto, Ontario, which is also the transfer agent and registrar for the HWCC Shares and warrant agent for the HWCC Warrants.

**“Director”** means the Director appointed under section 278 of the OBCA.

**“Dissenting Shareholder”** means a registered FWT Shareholder who, in connection with the special resolution of the FWT Shareholders which approves and adopts this Agreement, has exercised the right to dissent pursuant to section 185 of the OBCA in strict compliance with the provisions of this Agreement and thereby becomes entitled to be paid the fair value of his, her or its FWT Shares and who has not withdrawn the notice of the exercise of such right as permitted by section 185 of the OBCA.

**“Effective Date”** means the date shown on the Certificate of Amalgamation.

**“Effective Time”** means 12:02 a.m. (Toronto time) on the Effective Date.

**“Exchange Ratio”** means five HWCC Shares for each FWT Share.

**“fair value”** where used in relation to a FWT Share held by a Dissenting Shareholder, means fair value as determined by a court under section 185 of the OBCA or as agreed between FWT and the Dissenting Shareholder.

**“Finder’s Fee”** means the finder’s fee agreed to in the advisory agreement dated October 27, 2020 between FWT and WD Capital Markets Inc.

**“FWT”** is defined in the recital of the Parties above.

**“FWT Convertible Debentures”** means, collectively:

- (a) FWT’s first secured convertible debenture dated March 29, 2019 issued to Firstline Ventures Partners Corporation in the principal amount of \$300,000 together with interest accrued and compounded annually at 8% per annum;
- (b) FWT’s first secured convertible debenture dated March 29, 2019 issued to Sustainable Chemistry Alliance in the principal amount of \$300,000 together with interest accrued and compounded annually at 8% per annum;
- (c) FWT’s first secured convertible debenture dated September 24, 2019 issued to Firstline Ventures Partners Corporation in the principal amount of \$200,000 together with interest accrued and compounded annually at 8% per annum; and
- (d) FWT’s first secured convertible debenture dated September 24, 2019 issued to Sustainable Chemistry Alliance in the principal amount of \$200,000 together with interest accrued and compounded annually at 8% per annum.

**“FWT Finder Warrants”** means the 110,320 warrants of FWT issuable to finders of FWT in aggregate as directed by WD Capital Markets Inc.

**“FWT Shareholder”** means a registered holder of FWT Shares, from time to time, and **“FWT Shareholders”** means all of such holders.

**“FWT Shares”** means the Common Shares in the capital of FWT.

**“FWT Warrantholder”** means a registered holder of FWT Warrants, from time to time, and **“FWT Warrantholders”** means all of such holders.

**“FWT Warrants”** means the FWT Share purchase warrants.

**“GCC Note”** means the promissory note issued by FWT to GreenCentre Canada in April 2018 for a principal amount of \$300,000.

**“HWCC”** is defined in the recital of the Parties above.

**“HWCC Name Change”** means, subject to the completion of the Amalgamation, a change in the name of HWCC to “Forward Water Technologies Corp.” or such other similar name as may be accepted by the relevant regulatory authorities and approved by the board of directors of HWCC following the Amalgamation.

**“HWCC Shares”** means the Common Shares in the capital of HWCC.

**“HWCC Warrants”** means the HWCC Share purchase warrants.

**“OBCA”** means the *Business Corporations Act* (Ontario) as the same has been and may hereafter from time to time be amended.

**“Parties”** means FWT, Subco and HWCC, and **“Party”** means each of them as applicable.

**“QT Broker Warrantholder”** means the holders of QT Broker Warrants.

**“QT Broker Warrants”** means the non-transferrable broker warrants issued in connection with the QT Financings.

**“QT Financings”** means the brokered private placement offering by FWT of subscription receipts that closed on June 4 and July 26, 2021.

**“RCC Advisory Agreement”** means the advisory agreement between FWT and Research Capital Corporation dated March 23, 2021.

**“RCC Advisory Warrants”** means the 200,000 warrants of FWT issuable to Research Capital Corporation under the RCC Advisory Agreement.

**“Replacement Finder Warrants”** means the non-transferrable HWCC Warrants to be issued to the former holders of the FWT Finder Warrants pursuant to the Amalgamation in exchange for and on equivalent terms as the FWT Finder Warrants.

**“Replacement QT Broker Warrants”** means the non-transferrable HWCC broker warrants to be issued to the former QT Broker Warrantholders pursuant to the Amalgamation in exchange for and on equivalent terms as the QT Broker Warrants adjusted based on the Exchange Ratio.

**“Replacement RCC Advisory Warrants”** means the non-transferrable HWCC Warrants to be issued to the former holders of the RCC Advisory Warrants pursuant to the Amalgamation in exchange for and on equivalent terms as the RCC Advisory Warrants adjusted based on the Exchange Ratio.

**“Replacement Warrants”** means the HWCC Warrants to be issued to the former FWT Warrantholders pursuant to the Amalgamation in exchange for and on equivalent terms as the FWT Warrants, as adjusted based on the Exchange Ratio.

**“Subco”** is defined in the recital of the Parties above.

**“Subco Shareholder”** means the registered holder of Subco Shares, being HWCC.

**“Subco Shares”** means the Common Shares in the capital of Subco.

## **2. Paramountcy**

In the event of any conflict between the provisions of this Agreement and the provisions of the Business Combination Agreement, the provisions of this Agreement will prevail.

## **3. Agreement to Amalgamate**

Each of the Parties hereby agrees to the Amalgamation such that the Amalgamating Corporations will amalgamate to create and continue as Amalco under the provisions of section 175 of the OBCA, on the terms and conditions set out in this Agreement.

## **4. Filing of Articles**

Following the approval of this Agreement by the shareholders of the Amalgamating Corporations in accordance with the OBCA, and in accordance with the terms and conditions of the Business Combination Agreement, including the satisfaction or waiver of all conditions precedent set forth in the Business Combination Agreement, FWT will file the Articles of Amalgamation with the Director as provided under the OBCA.

## **5. Conditions Precedent to the Amalgamation**

The Amalgamation is subject to the satisfaction or waiver by the Party entitled to make such waiver, of the conditions precedent set forth in Article 8 of the Business Combination Agreement. The signing and delivery of the Articles of Amalgamation by FWT and Subco will be conclusive evidence that such conditions have been satisfied to the satisfaction of FWT and HWCC, or waived by the Party entitled to make such waiver, and that FWT and HWCC may amalgamate in accordance with the provisions of this Agreement.

## **6. Amalgamation Events**

Pursuant to the Amalgamation, on the Effective Date:

- (a) each issued and outstanding FWT Share held by a Dissenting Shareholder will become an entitlement to be paid the fair value of such share;
- (b) each issued and outstanding Subco Share will be exchanged for one fully paid and non-assessable Amalco Share;
- (c) each issued and outstanding FWT Share (other than those held by Dissenting Shareholders) will be exchanged for five fully paid and non-assessable HWCC Shares;

- (d) as consideration for the issuance of HWCC Shares in exchange for the FWT Shares, Amalco will issue to HWCC one Amalco Share for each HWCC Share so issued;
- (e) FWT and Subco will be amalgamated and continue as Amalco;
- (f) all of the property and assets of each of FWT and Subco will be the property and assets of Amalco and Amalco will be liable for all of the liabilities and obligations of each of FWT and Subco, including civil, criminal and quasi criminal, and all contracts, liabilities and debts of Subco and FWT;
- (g) all rights of creditors against the property, assets, rights, privileges and franchises of Subco and FWT and all liens upon their property, rights and assets will be unimpaired by the Amalgamation and all debts, contracts, liabilities and duties of Subco and FWT will thenceforth attach to and be enforced against Amalco;
- (h) no action or proceeding by or against Subco or FWT will abate or be affected by the Amalgamation but, for all purposes of such action or proceeding, the name of Amalco will be substituted in such action or proceeding in place of Subco or FWT, as the case may be;
- (i) each FWT Warrant outstanding immediately prior to the Effective Time will be exchanged (subject to Section 16) for such number of Replacement Warrants issued by HWCC in accordance with the Exchange Ratio, and upon such exchange all FWT Warrants will be cancelled;
- (j) each QT Broker Warrant outstanding immediately prior to the Effective Time will be exchanged (subject to Section 16) for such number of Replacement QT Broker Warrants issued by HWCC in accordance with the Exchange Ratio, and upon such exchange all QT Broker Warrants will be cancelled;
- (k) each RCC Advisory Warrant outstanding immediately prior to the Effective Time will be exchanged (subject to Section 16) for such number of Replacement RCC Advisory Warrants issued by HWCC in accordance with the Exchange Ratio, and upon such exchange all RCC Advisory Warrants will be cancelled;
- (l) each FWT Finder Warrant outstanding immediately prior to the Effective Time will be exchanged (subject to Section 16) for such number of Replacement Finder Warrants issued by HWCC in accordance with the Exchange Ratio, and upon such exchange all FWT Finder Warrants will be cancelled; and
- (m) The GCC Note and all other FWT non-convertible debt outstanding immediately prior to the Amalgamation, if any, shall become obligations of Amalco.

## **7. Articles of Amalgamation**

The Articles of Amalgamation of Amalco will be in the form annexed hereto as Exhibit A.

**8. Name**

The name of Amalco will be "Forward Water Technologies Inc.", or such other name as mutually agreed to by the Parties.

**9. Registered Office**

The registered office of Amalco will be in the Province of Ontario.

**10. Authorized Capital**

The authorized capital of Amalco will consist of an unlimited number of Amalco Shares, the rights, privileges, restrictions and conditions attaching to which will be as set out in the Articles of Amalgamation annexed hereto as Exhibit A.

**11. Share Transfer Restrictions**

The Amalco Shares will be subject to restrictions on transfer as set out in the Articles of Amalgamation annexed hereto as Exhibit A.

**12. Business**

There will be no restrictions on the business that Amalco is authorized to carry on or the powers which Amalco may exercise.

**13. Number of Directors**

The board of directors of Amalco will consist of not less than one and not more than 10 directors, the exact number of which will be determined by the directors from time to time.

**14. First Directors**

The first directors of Amalco will be the individuals whose names and residential addresses appear below:

Name	Address	Resident Canada
C. Howie Honeyman	[REDACTED]	Yes
Wayne Maddever	[REDACTED]	Yes

The above directors will hold office from the Effective Date until the first annual meeting of Amalco Shareholders or until his successor is elected or appointed.

**15. By-laws**

The by-laws of Amalco will be, to the extent not inconsistent with this Agreement, the by-laws of Subco, until repealed or amended.

## **16. Fractional Shares**

No fractional HWCC Shares or Amalco Shares will be issued or delivered to any former FWT Shareholders or the former Subco Shareholder otherwise entitled thereto, if any. Instead, the number of HWCC Shares or Amalco Shares issued to each former holder of FWT Shares or Subco Shares will be rounded down to the nearest whole number.

## **17. Stated Capital**

The stated capital account in the records of Amalco for the Amalco Shares will be equal to the stated capital attributed to the FWT Shares and the Subco Shares, determined immediately before the Amalgamation.

## **18. Delivery of Securities**

Following Amalgamation as soon as practicable after the Effective Date:

- (a) Amalco will issue a certificate representing the appropriate number of Amalco Shares to the former Subco Shareholder. Until delivery of such certificate, the share certificate or certificates representing the Subco Shares held by the former Subco Shareholder will be evidence of the former Subco Shareholder's right to be registered as a shareholder of Amalco. Share certificates formerly representing Subco Shares which are held by the former Subco Shareholder will cease to represent any claim upon or interest in Subco other than the right of the registered holder to receive the number Amalco Shares to which it is entitled pursuant to the terms of this Agreement.
- (b) In accordance with normal commercial practice, HWCC will issue or cause to be issued certificates, direct registration statements or electronic positions within CDS representing the appropriate number of HWCC Shares (post-HWCC Name Change) to the former FWT Shareholders (other than Dissenting Shareholders) by:
  - (i) depositing such HWCC Shares with the Depository and/or the electronic positions representing such HWCC Shares with CDS, as applicable, to satisfy the consideration issuable to such former FWT Shareholders; and
  - (ii) as soon as reasonably practicable after the Effective Date, causing the Depository to forward to, or hold for pick-up by, each former FWT Shareholder that submitted evidence of entitlement to the Depository, together with the certificate (if any) representing the FWT Shares held by such former FWT Shareholder or such other evidence of ownership of such FWT Shares as is satisfactory to the Depository, acting reasonably,
    - (A) the certificates or direct registration statements representing the HWCC Shares to which such FWT Shareholder is entitled, or
    - (B) confirmation of a non-certificated electronic position transfer in CDS representing the HWCC Shares to which such former FWT Shareholder is entitled.

- (c) In accordance with normal commercial practice, HWCC will issue or cause to be issued certificates, direct registration statements or electronic positions within CDS representing the appropriate number of HWCC Warrants (post-HWCC Name Change) to the former FWT Warranholders by:
  - (i) depositing such HWCC Warrants with the Depositary and/or the electronic positions representing such HWCC Warrants with CDS, as applicable, to satisfy the consideration issuable to such former FWT Warranholders; and
  - (ii) as soon as reasonably practicable after the Effective Date, causing the Depositary to forward to, or hold for pick-up by, each former FWT Warranholders that submitted a duly completed Letter of Transmittal or other evidence of entitlement to the Depositary, together with the certificate (if any) representing the FWT Warrants held by such FWT Warranholders or such other evidence of ownership of such former QT Broker Warrants as is satisfactory to the Depositary, acting reasonably,
    - (A) the certificates or direct registration statements representing the HWCC Warrants to which such former FWT Warranholder is entitled, in accordance with its Letter of Transmittal, or
    - (B) confirmation of a non-certificated electronic position transfer in CDS representing the HWCC Warrants to which such former FWT Warranholder is entitled, in accordance with its Letter of Transmittal.
- (d) In accordance with normal commercial practice, HWCC will issue or cause to be issued certificates representing the appropriate number of (i) Replacement QT Broker Warrants (post-HWCC Name Change) to the former QT Broker Warranholders; (ii) Replacement RCC Advisory Warrants (post-HWCC Name Change) to the former holders of RCC Advisory Warrants; and (iii) Replacement Finder Warrants (post-HWCC Name Change) to the former holders of FWT Finder Warrants.
- (e) Any certificates formerly representing FWT securities (other than GCC Note and any non-convertible debt of FWT) which are held by the former registered holders of FWT securities will cease to represent any claim upon or interest in FWT other than the right of the registered holder to receive the number of HWCC securities to which it is entitled pursuant to the terms of this Agreement.

## 19. Negative Covenants

From the date of this Agreement to and including the Effective Date, each of FWT, Subco and HWCC covenants that it will not:

- (a) reserve, allot, create, issue or distribute any of its securities, other than:
  - (i) securities issuable upon the exercise, conversion or exchange of previously issued securities including, in the case of FWT, the FWT

Convertible Securities (as defined in the Business Combination Agreement);

- (ii) stock options granted under its stock option plan;
  - (iii) securities to be issued pursuant to employee purchase plans; or
  - (iv) securities to be issued in order to effect the transactions described in the Business Combination Agreement;
- (b) declare or pay dividends on any of its shares other than as has been publicly disclosed as of the date of this Agreement or make any other issue, payment or distribution to the holders of its securities including, without limitation, the issue, payment or distribution of any of its assets or property to such holders;
- (c) authorize or take any action to amalgamate, merge, reorganize, effect an arrangement, liquidate, dissolve, wind-up or transfer all or substantially all of its undertaking or assets to another corporation or entity;
- (d) reclassify any outstanding securities or change such securities into other shares or securities or subdivide, redivide, reduce, combine or consolidate such securities into a greater or lesser number of securities, effect any other capital reorganization or amend the designation of or the rights, privileges, restrictions or conditions attaching to such securities, other than in order to effect the transactions described in the Business Combination Agreement;
- (e) amend its articles or by-laws, other than in order to effect the transactions described in the Business Combination Agreement; or
- (f) enter into any transaction, or take any other action, out of the ordinary course of its business, other than in order to effect the transactions described in the Business Combination Agreement.

## **20. Termination**

Subject to the terms of the Business Combination Agreement, this Agreement may be terminated by the board of directors of each of the Amalgamating Corporations, despite the approval of this Agreement by the shareholders of the Amalgamating Corporations, at any time prior to the issuance of the Certificate of Amalgamation. If this Agreement is terminated pursuant to this Section, this Agreement will forthwith become void and of no further force and effect.

## **21. Governing Law**

This Agreement will be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario sitting in and for the judicial district of Toronto in respect of all matters arising under or in relation to this Agreement.

**22. Further Assurances**

Each of the Parties agrees to execute and deliver such further instruments and to do such further reasonable acts and things as may be necessary or appropriate to carry out the intent of this Amalgamation Agreement.

**23. Time of the Essence**

Time will be of the essence of this Agreement.

**24. Amendments**

This Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

**25. Number**

In this Agreement, words signifying the singular number include the plural and vice versa.

**26. Counterparts**

This Agreement may be signed in counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument.

***[Remainder of page intentionally left blank]***

**IN WITNESS WHEREOF** the Parties have executed this Agreement by their duly authorized officers as of the day and year first above written.

**HOPE WELL CAPITAL CORP.**

By: \_\_\_\_\_  
Name: Sheldon Kales  
Title: Chief Executive Officer

**2644246 ONTARIO LIMITED**

By: \_\_\_\_\_  
Name: Sheldon Kales  
Title: President

**FORWARD WATER TECHNOLOGIES INC.**

By: \_\_\_\_\_  
Name: C. Howie Honeyman  
Title: Chief Executive Officer

**IN WITNESS WHEREOF** the Parties have executed this Agreement by their duly authorized officers as of the day and year first above written.

**HOPE WELL CAPITAL CORP.**

By: \_\_\_\_\_  
Name: Sheldon Kales  
Title: Chief Executive Officer

**2644246 ONTARIO LIMITED**

By: \_\_\_\_\_  
Name: Sheldon Kales  
Title: President

**FORWARD WATER TECHNOLOGIES INC.**

By: \_\_\_\_\_  
Name: C. Howie Honeyman  
Title: Chief Executive Officer

**EXHIBIT A**  
**ARTICLES OF AMALGAMATION**

(Attached)

For questions or more information to complete this form, please refer to the instruction page.

Fields marked with an asterisk (\*) are mandatory.

### 1. Applicant Information

Corporation Name \*

Forward Water Technologies Inc.

Ontario Corporation Number (OCN) \*

002345660

Company Key \*

### 2. Contact Information

Please provide the following information for the person we should contact regarding this filing. This person will receive official documents or notices and correspondence related to this filing. By proceeding with this filing, you are confirming that you have been duly authorized to do so.

First Name \*

Peter

Middle Name

Last Name \*

Doelman

Telephone Country Code

Telephone Number \*

416-862-3636

Extension

Email Address \*

peter.doelman@ca.gowlingwlg.com

### 3. Amalgamating Corporations

#### Amalgamating Corporation 1

Corporation Name \*

Forward Water Technologies Inc.

Ontario Corporation Number (OCN) \*

002345660

Adoption/Approval Date \*

October 20, 2021

#### Amalgamating Corporation 2

Corporation Name \*

2644246 Ontario Limited

Ontario Corporation Number (OCN) \*

002644246

Adoption/Approval Date \*

October 20, 2021

### 4. Method of Amalgamation

Please select your method of amalgamation \*  Long-Form  Short-Form

Please include the following Schedules/Documents with your application

**Schedule A:** Signed statement(s) of a director or an officer of each amalgamating corporation required by subsection 178(2) of the *Business Corporations Act*. \*

**Schedule B:** Copy of the signed amalgamation agreement adopted by a special resolution under section 176(4) of the *Business Corporations Act*. \*

## 5. Corporation Name

Please indicate whether you would like to use the name of one of the amalgamating corporations or if you would like to use a new name for the name of the amalgamated corporation.

### Options: \*

I want to use the name of one of the amalgamating corporations

I want to use a new name (including number name)

Please select the name you would like to use from the drop down list of amalgamating corporations. \*

[Forward Water Technologies Inc.](#)

## 6. General Details

Requested Date for Amalgamation \*

[October 20, 2021](#)

Primary Activity Code \*

[562910](#)

Official Email Address \*

[GWL.G.Ontario.Corporate@ca.gowlingwlg.com](mailto:GWL.G.Ontario.Corporate@ca.gowlingwlg.com)

An official email address is required for administrative purposes and must be kept current. All official documents or notices and correspondence to the corporation will be sent to this email address.

## 7. Address

Every corporation is required to have a registered office address in Ontario. This address must be set out in full. A post office box alone is not an acceptable address.

### Registered Office Address \*

Standard Address  Lot/Concession Address

Street Number \*

[1086](#)

Street Name \*

[Modeland Road](#)

Unit Number

City/Town \*

[Sarnia](#)

Province

[Ontario](#)

Postal Code \*

[N7S 6L2](#)

Country

[Canada](#)

## 8. Director(s)

Please specify the number of directors for your Corporation \*

Fixed Number  Minimum/Maximum

Minimum Number of Directors \*

[1](#)

Maximum Number of Directors \*

[10](#)

### Director 1

First Name \*

[C. Howie](#)

Middle Name

Last Name \*

[Honeyman](#)

Email Address

Is this director a Resident Canadian? \*

Yes  No

Address for Service \*

Canada  U.S.A.  International

Street Number \*

██████

Street Name \*

██████████████████

Unit Number

City/Town *	Province *	Postal Code *
Country		

## Director 2

First Name *	Middle Name	Last Name *
Wayne		Maddever
Email Address		

Is this director a Resident Canadian? \*  Yes  No

Address for Service \*  Canada  U.S.A.  International

Street Number *	Street Name *	Unit Number
City/Town *	Province *	Postal Code *
Country		

## 9. Shares and Provisions

Every corporation must be authorized to issue at least one class of shares. You must describe the classes of shares of the corporation and the maximum number of shares the corporation is authorized to issue for each class. If the corporation has more than one class of shares, you must specify the rights, privileges and conditions for each class.

### Description of Classes of Shares

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

Enter the Text \*  
The Corporation is authorized to issue an unlimited number of Common Shares.

### Rights, Privileges, Restrictions and Conditions

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

Enter the Text \*  
Not applicable.

### Restrictions on Share Transfers

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

Enter the Text \*  
No securities, other than non-convertible debt securities, of the Corporation may be transferred without either:

(a) the consent of the directors of the Corporation expressed by a resolution passed at a meeting of those directors or a resolution in writing signed by all of them; or

or a resolution in writing signed by all of them; or

(b) the consent of the shareholders of the Corporation, expressed by a resolution passed at a meeting of those shareholders, or a resolution in writing signed by all of those shareholders entitled to vote on that resolution.

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**Restrictions on Business or Powers**

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

Enter the Text \*  
None.

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**Other Provisions, if any**

Enter other provisions, or if no other provisions enter "None":

Enter the Text \*  
None.

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**10. Authorization**

\* I, Peter Doelman

confirm that this form has been signed by all the required persons:

**Caution** - The Act sets out penalties, including fines, for submitting false or misleading information.

**Required Signature**

Corporation Name, Full Name and Position Forward Water Technologies Inc., C. Howie Honeyman, Chief Executive Officer	Signature
Corporation Name, Full Name and Position 2644246 Ontario Limited, Sheldon Kales, President	Signature