

SECOND AMENDED AND RESTATED LOAN AGREEMENT

THIS SECOND AMENDED AND RESTATED LOAN AGREEMENT is made as of October 10, 2023

AMONG: SANDTON CAPITAL SOLUTIONS MASTER FUND V, LP (“**Lender**”);

AND: WILDPACK HOLDINGS US INC., a Delaware corporation (“**WH**”), HUNGRY HIPPO COMPANY a Delaware corporation (“**HH**”), THIRSTY CAT LLC, a Delaware limited liability company (“**TC**”), CRAFTPAC LLC, a Georgia limited liability company (“**CP**”), K.T. MURRAY CORPORATION, a Michigan corporation (“**Murray**”), WILD LEAF HOLDINGS U.S. LLC a Delaware limited liability company (“**WLH**”) and WILD LEAF VENTURES GROUP NEVADA INC. a Nevada corporation (“**WLV**”, together with WLH, Murray, CP, TC, HH and WH, jointly and severally liable hereunder, collectively referred to herein as the “**Borrower**”).

WHEREAS, the Borrower and the Initial Lender entered into that certain Loan Agreement dated as of April 18, 2023 and into that certain Amended and Restated Loan Agreement dated as of May 23, 2023 (collectively, the “**Original Loan**”);

WHEREAS, the Borrower and the Lender have agreed to amend and restate the Original Loan in accordance with the terms and conditions of this Agreement and secured by the Security as provided in the Security Agreements on the terms and subject to the conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing, and the representations, warranties, covenants and conditions set out below, the Parties, intending to be legally bound, hereby agree as follows.

ARTICLE 1
INTERPRETATION

1.1 Definitions

- (a) “**Affiliate**” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified;
- (b) “**Agreement**” means this Second Amended and Restated Loan Agreement and the Exhibits and Schedules hereto or thereto, as the same may be amended, modified or restated, and in effect at any time;
- (c) “**Applicable Law**” means, with respect to any Person, property, transaction or event, any present or future: (i) domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, convention, rule, regulation, restriction or by-law (zoning or otherwise); (ii) judgment, order, writ, injunction, decision, direction, determination, ruling, decree or award; (iii) regulatory policy, practice, ruling, interpretation, guideline or directive; or (iv) any order, permit, approval, grant, license, consent, right, franchise, privilege, certificate exemption, waiver, registration or other authorization, binding on or affecting the Person, property, transaction or event referred to in the context in which the term is used in each case whether or not having the force of law;
- (d) “**Applicable Securities Laws**” means all Applicable Laws of any Governmental Authority (including the rules and regulations of any stock exchange on which any of the securities

of the Borrower are listed for trading or to which application has been made by the Borrower for the listing of any of its securities) relating to the distribution, issue, transfer, trading or purchase and sale in or of securities;

- (e) “**Blocked Accounts**” means Borrower’s accounts that are listed in the Disclosure Statement;
- (f) “**Business**” means the business of the Borrower, as conducted by the Borrower as of the date hereof, including without limitation, engaging in the business of beverage packaging and other packaging;
- (g) “**Business Day**” means a day (other than a Saturday, Sunday or statutory holiday) on which banks are generally open for business in the New York, New York;
- (h) “**Change of Control**” means any transaction or series of transactions where more than fifty percent (50%) of the voting control of any Borrower or Parent is transferred, either directly or indirectly, or any other event whereby Control with respect to any Borrower or Parent is changed, other than such a transfer or change of Control in which Parent or another Borrower, immediately after such transfer or change, has more than fifty percent (50%) of the voting control, or Control, with respect to the subject entity.
- (i) “**Closing**” means the closing of Tranche 1 Loan and the Tranche 2 Loan in accordance with the terms of this Agreement.
- (j) “**Contract**” means any contract, agreement, license, franchise, lease, arrangement, commitment, understanding or other right or obligation (written or oral);
- (k) “**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise and “**Controlling**” and “**Controlled**” have meanings correlative thereto;
- (l) “**Conversion Date**” means the date when the Lender converts the outstanding principal balance relative to the Loan Amount into equity interests of TC;
- (m) “**deliver**” or any derivative thereof means actual delivery to the other Party or its professional legal advisors;
- (n) “**Deposit Account Control Agreement**” means an agreement reasonably acceptable in form and substance to Lender perfecting Lender’s security interest in the Blocked Accounts;
- (o) “**Disclosure Statement**” means the Disclosure Statement attached hereto as Exhibit A, which shall expressly include by reference the UCC Summary attached hereto as Exhibit E;
- (p) “**Distribution**” means any amount paid to or on behalf of the directors, officers, shareholders, partners or unitholders of the Borrower, or to any Affiliates thereto, by way of salary (except for the regular reasonable salary of the officers of the Borrower), bonus, commission, management fees, directors’ fees, dividends, redemption of shares, distribution of profits or otherwise, and whether payments are made to such Persons in their capacity as shareholders, partners, unitholders, directors, officers, owners or creditors

or otherwise, or any other direct or indirect payment in respect of the earnings or capital of the Borrower.

- (q) “**Encumbrance**” includes any assignment, mortgage, charge, pledge, lien, hypothec, encumbrance, security interest or insurance securing or in effect securing any obligation, conditional sale or title retention agreement, contractual deposit, trust deposit, escrow arrangement or other preferential arrangement whatsoever, howsoever created or arising, whether absolute or contingent, fixed or floating, legal or equitable, perfected or not, and includes the rights of a lessor pursuant to an operating lease, capitalized lease or sale leaseback arrangement, any right of setoff and any guarantees or indemnities;
- (r) “**Environment**” means soil, surface waters, groundwater, land, stream sediments, surface or subsurface strata, and ambient air;
- (s) “**Environmental Laws**” means all Applicable Laws that address, are related to, or are otherwise concerned with, the protection of the Environment, health or safety issues (including occupational safety and health);
- (t) “**Equity Interests**” of any Person means (i) any and all shares or other equity interests (including common shares, preferred shares, partnership interests, trust interests, limited liability company interests and limited liability partnership interests) in such Person and (ii) all rights to purchase, warrants or options, including securities convertible into or exchangeable for, participations or other equivalents of or interests in (however designated) such shares or other interests in such Person (whether or not currently exercisable, exchangeable or convertible);
- (u) “**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.
- (v) “**Financial Indebtedness**” of any Person at any date means, without duplication, all Indebtedness of such Person: (i) for borrowed money (whether or not the recourse of the lender is to the whole of the assets of such Person or only to a portion thereof); (ii) evidenced by bonds, debentures, notes or other similar instruments; (iii) in respect of letters of credit or other similar instruments (or reimbursement obligations with respect thereto); (iv) to pay the deferred and unpaid purchase price of property or services; (v) in respect of capitalized lease obligations of such Person; (vi) secured by an Encumbrance on any property of such Person, whether or not such Indebtedness is assumed by such Person or the recourse of the holder of such Indebtedness is limited to such property; (vii) under conditional sale or other title retention agreements relating to assets purchased by such Person; (viii) to the extent not otherwise included in this definition, Hedging Obligations of such Person; (ix) in respect of redemption obligations with respect to any Equity Interests issued in that Person which are (I) redeemable, retractable, payable or required to be purchased or otherwise retired or extinguished, or convertible into debt of such Person (A) at a fixed or determinable date, (B) at the option of any holder thereof, or (C) upon the occurrence of a condition not solely within the control and discretion of such Person; or (II) convertible into any other securities that are convertible described in (I) above; and (x) all Guarantees of Indebtedness of the type referred to in any of the foregoing sub-clauses (i) to (ix) of another Person. Notwithstanding the foregoing, the following shall not be considered Financial Indebtedness: (i) earn-outs or similar profit sharing arrangements provided for in acquisition agreements which are determined on the basis of future operating earnings or other similar performance criteria (which are not determinable at the

time of acquisition) of the acquired assets or entities; (ii) accrued expenses, trade payables, customer deposits or deferred income taxes arising in the ordinary course of business of such Person; and (iii) reserves for deferred income taxes or general contingencies. Any Indebtedness which is incurred at a discount to the principal amount at maturity thereof shall be deemed to have been incurred at the full principal amount at maturity thereof. For all purposes hereof, the Financial Indebtedness of any Person shall include the Financial Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly non-recourse to such Person;

- (w) “**GAAP**” or “**Generally Accepted Accounting Principles**” means generally accepted accounting principles in effect in the United States of America or International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as of the date of determination thereof consistently applied, without giving effect to any principles that would allow Borrower to value its Indebtedness at fair value; provided, however, expenses related to rental payments under real estate leases may be recognized on either an accrual or a cash basis. In the event Borrower modifies its accounting principles and procedures as applied as of the date hereof, Borrower shall provide Lender with such statements of reconciliation in form and substance acceptable to Lender
- (x) “**Guarantor**” means Parent;
- (y) “**Guaranty**” means that certain Guaranty Agreement between Parent and Lender;
- (z) “**General Security Agreement**” means that certain General Security Agreement by and among the Borrowers and Lender.
- (aa) “**Governmental Authority**” means any (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government or any governmental or public department, (ii) court, tribunal, arbitral body, statutory body, commission, board, bureau or agency, (iii) self-regulatory organization or authority including any stock exchange on which any securities of the Borrower are listed, (iv) subdivision, agent, commission, board or authority of any of the foregoing, or (v) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing and includes a Securities Regulatory Authority;
- (bb) “**Hazardous Substances**” means any pollutant, contaminant, waste of any nature, hazardous substance, hazardous material, toxic substance, dangerous substance, dangerous good or other substance that is prohibited, listed, defined, designated or classified as dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, and specifically including petroleum and all derivatives thereof or synthetic substitutes therefore and asbestos or asbestos-containing materials or any substance which is deemed under Environmental Laws to be deleterious to natural resources or worker or public health and safety;
- (cc) “**Hedging Obligations**” of any Person means the obligations of such Person pursuant to (i) any interest rate swap agreement, interest rate collar agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in interest rates; (ii) agreements or arrangements designed to protect such Person against fluctuations in foreign currency exchange rates in the conduct of its operations; or (iii) any forward

contract, commodity swap agreement, commodity option agreement or other similar agreement or arrangement designed to protect such Person against fluctuations in commodity prices, in each case entered into in the ordinary course of business for bona fide hedging purposes and not for the purpose of speculation;

- (dd) “**Indebtedness**” means all present and future obligations, indebtedness, liabilities, covenants, agreements and undertakings of a Person howsoever arising, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether such Person be bound alone or with others and whether as principal or surety, including all interest, fees, expenses, indemnities and costs;
- (ee) “**Loan**” means the Tranche 1 Loan and the Tranche 2 Loan;
- (ff) “**Loan Amount**” means Tranche 1 Loan and the Tranche 2 Loan Amount;
- (gg) “**Loan Compliance Package**” means the monthly package to be prepared by the Borrower and delivered to the Lender pursuant to the terms of this Agreement as described in the attached Exhibit B together with the monthly “**Loan Compliance Certificate**”, a form of which is attached as Exhibit C;
- (hh) “**Margin Stock**” has the meaning specified in Regulation U of the Board of Governors of the Federal Reserve System of the United States (or any successor thereto) as in effect from time to time.
- (i) “**Material Adverse Change**” means any event, occurrence, development or state of occurrence or state of circumstances or facts which, individually or in the aggregate, has had or would reasonably be expected to have: (i) a material and adverse effect on the business, financial condition, results of operations, assets or liabilities (actual or contingent) of the Borrower, taken as a whole; (ii) a material impairment of the ability of the Borrower, taken as a whole, to perform its obligations under any Transaction Document to which it is a Party; (iii) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower of any Transaction Document to which it is a Party; (iv) a material adverse effect on the enforceability of the Transaction Documents against the party(ies) thereto; or (v) a material adverse effect on the ability of the Lender to enforce its rights and remedies under the Transaction Documents; except any such effect resulting from or arising in connection with: (a) any change in GAAP; (b) any change in the global, national or regional political conditions (including the outbreak of war or acts of terrorism) or in the general economic, business, regulatory, political or market conditions or in the national or global financial or capital markets or (c) any change in the industry in which the Borrower operates; provided that, for the purposes of (b) and (c), such effect does not primarily relate to (or have the effect primarily relating to) the Borrower or disproportionately adversely affects the Borrower compared to other entities operating in the industries in which the Borrower operates.
- (jj) “**Multiemployer Plan**” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which an Obligor or any member of its Controlled Group makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

- (kk) “**Multiple Employer Plan**” means any employee benefit plan of the type described in Section 4064 of ERISA which has two or more contributing sponsors (including an Obligor or any member of its Controlled Group) at least two of whom are not under common control.
- (ll) “**Obligations**” means all present and future indebtedness, obligations, and liabilities of each Borrower to the Lender arising under or in connection with this Agreement or any other Transaction Document, whether or not the right of payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed, undisputed, legal, equitable, secured, unsecured, and whether or not such claim is discharged, stayed or otherwise affected by any insolvency proceeding. Without limiting the generality of the foregoing, the Obligations of each Borrower under the Transaction Documents include (a) the obligation (irrespective of whether a claim therefor is allowed in an Insolvency Proceeding) to pay principal, interest, charges, expenses, fees, premiums, reasonable attorneys’ fees and disbursements, indemnities and other amounts payable by such Person under the Transaction Documents, and (b) the obligation of such Person to reimburse any amount in respect of any of the foregoing that Lender (in its sole discretion) may elect to pay or advance on behalf of such Person in accordance with the terms and conditions of this Agreement.
- (mm) “**OFAC**” means the United States Department of Treasury Office of Foreign Assets Control.
- (nn) “**OFAC SDN List**” means the list of the Specially Designated Nationals and Blocked Persons maintained by OFAC.
- (oo) “**Option**” means an option issued by Mitchell Barnard to Lender or its designee to acquire 3,546,753 Common shares of Parent held by Mitchell Barnard (inclusive of 1,687,500 Common shares issuable to Mitchell Barnard on vesting of restricted share units held him), substantially in the form attached hereto as Exhibit H.
- (pp) “**Order**” means any order, judgment, ruling, injunction, assessment, award, decree, directive or writ of any Governmental Authority;
- (qq) “**Parent**” means Wildpack Beverage Inc., a Canadian corporation;
- (rr) “**Parties**” means the Borrower and the Lender and “**Party**” means any of them;
- (ss) “**Payment Date**” means the date of the payments made by the Borrower to the Lender on a monthly basis starting on May 1, 2023 and continuing on the first (1’) day of each month to and including the Maturity Date;
- (tt) “**PBGC**” means the Pension Benefit Guaranty Corporation or any Person succeeding to any or all of its functions under ERISA.
- (uu) “**Pension Plan**” means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by an Obligor and any member of its Controlled Group and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.
- (x) “**Permitted Encumbrances**” means:

- (i) Encumbrances in respect of Financial Indebtedness referred to under “Permitted Financial Indebtedness”;
 - (ii) Encumbrances arising by statute in connection with worker’s compensation, unemployment insurance, old age benefits, social security obligations, taxes, assessments, statutory obligations or other similar charges, good faith cash deposits in connection with tenders, contracts or leases to which the Borrower is a party or other cash deposits required to be made in the ordinary course of business, provided in each case that the obligation is not for borrowed money and that the obligation secured is not overdue or, if overdue, is being contested in good faith by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves have been established therefor;
 - (iii) mechanics’, workmen’s, materialmen’s, landlords’, carriers’ or other similar Encumbrances with respect to obligations arising in the ordinary course of business which are not due or which are being contested in good faith by appropriate proceedings which prevent enforcement of the matter under contest, provided in any event such Encumbrances are not registered or recorded;
 - (iv) customary rights of setoff, revocation, refund or chargeback under deposit agreements with banks or other financial institutions where the Borrower maintains deposits in the ordinary course of business; and
 - (v) Encumbrances listed on the Disclosure Statement;
- (ww) “**Permitted Financial Indebtedness**” means any of the following:
- (i) unsecured trade Indebtedness, income taxable payable, accounts payable and other accrued liabilities incurred in the ordinary course of business in accordance with customary commercial terms; and
 - (ii) Financial Indebtedness listed on the Disclosure Statement, certain of which shall be subject to a subordination agreement acceptable to Lender in its sole discretion;
- (xx) “**Person**” means any individual, firm, partnership, company, corporation or other body corporate, government, governmental body, agency, instrumentality, unincorporated body or association and the heirs, executors, administrators or other legal representatives of an individual;
- (yy) “**Pledge Agreement**” means that certain Pledge Agreement by and among WB, HH, TC, WH and Lender.
- (zz) “**Proceeding**” means any action, suit, proceeding, claim, arbitration, mediation or civil, criminal or administrative investigation or examination before any Governmental Authority or before any arbitrator or mediator or similar party, or any investigation or review by any Governmental Authority or similar party;
- (aaa) “**Proprietary Assets**” means, the following, all of which are listed in the Disclosure Statement:

- (i) any patent, patent application, trademark (whether registered or unregistered), trademark application, trade name, fictitious business name, service mark (whether registered or unregistered), service mark application, copyright (whether registered or unregistered), copyright application, application, trade secret, know-how, customer list, franchise, system, computer software, computer program, source code, invention, design, blueprint, engineering drawing, proprietary product, technology, proprietary right or other intellectual property right or intangible asset; and
 - (ii) any right to use or exploit any of the foregoing;
- (bbb) “**Restricted Payment**” means, with respect to any Person, any payment to such Person:
- (i) of any dividends, withdrawals of capital or other payments of any kind on or in respect of any shares of its capital or any other payments of any kind from Borrower to Parent, except for (i) Tax distributions made to members or shareholders of Borrower in accordance with and pursuant to the Borrower's Organizational Documents and (ii) ordinary course payments to Parent to cover Parent's ordinary expenses including trade payables, interest payments and payroll; provided, however, that if Borrower or Parent are in Default under the terms of this Agreement, no such exceptions shall be permitted;
 - (ii) on account of, or for the purpose of setting apart any property for a sinking or other analogous fund for, the purchase, redemption, retirement or other acquisition of any share of its capital or any warrants, options or rights to acquire any such shares, or the making by such persons of any other distribution in respect of any shares of its capital;
 - (iii) of any principal of or interest or premium on or of any amount in respect of a sinking or analogous fund or defeasance fund for any debt or liability of such person ranking in right of payment subordinate to any liability of such Person under the Transaction Documents;
 - (iv) in respect of any loan (excluding repayment of any Permitted Financial Indebtedness) or advance to, or arrangement for the purpose of providing funds or credit to (excluding extensions of trade credit in the ordinary course of business in accordance with customary commercial terms), or capital contribution to (whether by means of a transfer of cash or other property or any payment for property or service for the account or use of) any other Person, or any purchase or other acquisition of all or substantially all of the assets of any other Person;
 - (v) in respect of salary or bonus other than at fair market levels; or
 - (vi) of any management, consulting or similar fee or any bonus payment or comparable payment, or by way of gift or other gratuity, to any Affiliate of such Person or to any shareholder, member, manager, director or officer thereof.
 - (vii) For the avoidance of doubt, no payment of money from one Borrower to another or to Parent shall be deemed a “**Restricted Payment**” for the purposes of this Agreement.

- (ccc) “**Sanctioned Person**” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by OFAC (including the OFAC SDN List), the United States Department of State or any other relevant sanctions authority, (b) any Person located, organized or resident in a Designated Jurisdiction or (c) any Person owned or controlled by any such Person or Persons described in clauses (a) or (b) above.
- (ddd) “**Sanctions**” means all economic or financial sanctions, sectoral sanctions, secondary sanctions or trade embargoes imposed, administered or enforced from time to time by the United States government (including those administered by OFAC or the United States Department of State), or any other relevant sanctions authority with jurisdiction over any Loan Party or any of their respective Subsidiaries or Affiliates.
- (eee) “**Security**” means the security interests provided or intended to be provided in the Security Agreements;
- (fff) “**Security Agreements**” means the Security Interest Reaffirmations, Deposit Account Control Agreement, General Security Agreement and Pledge Agreement;
- (ggg) “**Security Interest Reaffirmations**” means those certain Security Interest Reaffirmations with respect to each of the Guaranty, General Security Agreement and Pledge Agreement executed by Parent and the Borrower, as applicable, each in favor of the Lender dated the date of the Tranche 2 Closing Date.
- (hhh) “**Subsidiary**” or “**subsidiary**” means: (i) any corporation or company of which at least a majority of the outstanding securities having by the terms thereof ordinary voting power to elect a majority of the board of such corporation or company is at the time directly, indirectly or beneficially owned or under the Control of the Borrower; (ii) any partnership of which, at the time, the Borrower directly, indirectly or beneficially owns or Controls at least a majority of the voting interests (however designated) thereof, or otherwise Controls such partnership; and (iii) any other Person of which at least a majority of the voting interests (however designated) are at the time directly, indirectly or beneficially owned or Controlled by the Borrower;
- (iii) “**Tax**” or “**Taxes**” shall mean any federal, state, county, local, or foreign tax, charge, fee, levy, impost, duty, or other assessment, including without limitation income, gross receipts, excise, employment, sales, use, consumption, asset, transfer, recording, license, payroll, franchise, severance, documentary, stamp, environmental, withholding, social security, real property, personal property, registration, ad valorem, or other tax or governmental fee of any kind whatsoever, imposed or required to be withheld by any Governmental Authority, including any estimated payments relating thereto, any interest, charges, surcharges, penalties, and additions imposed thereon or with respect thereto;
- (jjj) “**Tax Act**” means the Internal Revenue Code of 1986 (as amended from time to time);
- (kkk) “**Tax Returns**” means all reports, forms, elections, designations, schedules, statements, estimates, declarations of estimated tax, information statements and returns required to be filed with a Governmental Authority with respect to any Tax;
- (lll) “**Thirsty Cat**” means Thirsty Cat LLC;
- (mmm) “**Tranche 1 Closing Date**” means May 23, 2023;

- (nnn) “**Tranche 2 Closing Date**” means October 10, 2023;
- (ooo) “**Tranche 1 Loan**” means that certain loan made pursuant to Section 2.1(a) hereof on the Tranche 1 Closing Date;
- (ppp) “**Tranche 2 Loan**” means that certain loan made pursuant to Section 2.1(b) hereof on the Tranche 2 Closing Date;
- (qqq) “**Tranche 1 Loan Amount**” means the aggregate principal amount of Twenty Six Million Three Hundred Fifteen Thousand Seven Hundred Eighty-Nine Dollars and fifty cents (\$26,315,789.50);
- (rrr) “**Tranche 2 Loan Amount**” means the aggregate principal amount of Five Million Dollars (\$5,000,000.00);
- (sss) “**Tranche 1 Loan**” means that certain loan made pursuant to Section 2.1(a) hereof on the Tranche 1 Closing Date;
- (ttt) “**Tranche 2 Loan**” means that certain loan made pursuant to Section 2.1(b) hereof on the Tranche 2 Closing Date;
- (uuu) “**Transaction Documents**” means, collectively, this Agreement, Security Interest Reaffirmations, Deposit Account Control Agreement, General Security Agreement, Guaranty, Pledge Agreement, the Promissory Notes and all other documents, instruments, certificates, ancillary agreements and other writings delivered in connection with the foregoing or the consummation of the transactions contemplated hereunder or thereunder;
- (vvv) “**US GAAP**” means generally accepted accounting principles in effect in the United States of America, as of the date of determination thereof;
- (www) “**Warrant**” means a warrant to be issued by TC to Lender or its designee, substantially in the form attached hereto as Exhibit I.
- (xxx) “**Welfare Plan**” means a “welfare plan” as defined in Section 3(1) of ERISA.
- (yyy) “**Working Capital**” shall be calculated as the Borrowers’ combined cash balance plus accounts receivable (excluding any intercompany trade receivables and any intercompany loans) less accounts payable (excluding any amounts owing to or from related party entities that are stood still and subordinate to the Loan and any intercompany trade payables) as at any calendar month-end.

1.2 Other Terms

The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set out herein or in any other Transaction Document)

in accordance with the terms hereof and thereof, (ii) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (iii) the words "herein," "hereof" and "hereunder," and words of similar import, when used in any Transaction Document, shall be construed to refer to such Transaction Document in its entirety and not to any particular provision thereof, (iv) all references in a Transaction Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement of the other Transaction Document in which such references appear, (v) any reference to any Applicable Law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such Applicable Law and any reference to any Applicable Law shall, unless otherwise specified, refer to such Applicable Law as amended, modified or supplemented from time to time, (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights; (vii) in the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day, and (viii) all amounts are in United States dollars and "\$" means United States dollars. The recitals are incorporated herein by reference.

1.3 Exhibits

The following are the Exhibits hereto:

Exhibit A	Disclosure Statement
Exhibit B	Loan Compliance Package
Exhibit C	Form of Loan Compliance Certificate
Exhibit D	Borrower Ownership
Exhibit E	UCC Summary
Exhibit F	Minority Provisions
Exhibit G	EBITDA Test Requirements
Exhibit H	Form of Option
Exhibit I	Form of Warrant

ARTICLE 2

LOAN

2.1 Loan

- (a) **Tranche 1 Loan.** Subject to the terms and conditions of this Agreement, Lender made available the Tranche 1 Loan on or before the Tranche 1 Closing Date.
- (b) **Tranche 2 Loan.** Subject to the terms and conditions of this Agreement, Lender will make available the Tranche 2 Loan before the Tranche 2 Closing Date.
- (c) **Collateral.** The Loans are only secured by the Security Agreements and is a non-revolving term credit facility.
- (d) **Non-Revolving.** The Loans are a non-revolving loans and any payment on account of any Loan may not be re-borrowed.

2.2 Fees and Expenses

The Borrower shall pay:

- (a) all reasonable and documented out-of-pocket expenses and fees and disbursements (“**Transaction Expenses**”) incurred by the Lender in connection with (i) the negotiation and consummation of this Agreement and the other Transaction Documents and the transactions contemplated hereunder and thereunder, including any due diligence, legal fees or other review conducted prior to the negotiation of this Agreement as well as any filing fees related to the Transaction Documents; and (ii) any amendment, modification or waiver, or consent with respect to, this Agreement or any of the other Transaction Documents requested or required due to the action or inaction of the Borrower;
- (b) all reasonable and documented out-of-pocket expenses and fees and disbursements incurred by or on behalf of the Lender in connection with any attempt to enforce any right of the Lender against the Borrower or any Person or other entity that may be obligated to the Lender by virtue of this Agreement or any of the other Transaction Documents, unless a court of competent jurisdiction determines that such Lender is not entitled to enforce such right or the Lender is not otherwise the prevailing party in any such attempt to enforce such Lender’s rights;
- (c) an original discount fee of five percent (5%) of the Tranche 1 Loan Amount (“**Tranche 1 OID**”), which shall be subtracted from the principal amount of the Tranche 1 Loan actually disbursed on or before the Tranche 1 Closing Date;
- (d) an original discount fee of ten percent (10%) of the Tranche 2 Loan Amount (“**Tranche 2 OID**”), which shall be subtracted from the principal amount of the Tranche 2 Loan actually disbursed on or before the Tranche 2 Closing Date.

2.3 Interest Rates

The Borrower agrees to pay to the Lender interest payable and calculated monthly and in arrears on the outstanding principal balance of the applicable Loan, computed on the basis of a 365-day year for the actual

number of days elapsed, accruing from each respective date of Closing at the “*Applicable Rate*”, determined as follows:

- (a) Tranche 1 Loan: With respect to the Tranche 1 Loans, in all situations other than as described in Section 2.3(c), the Applicable Rate shall mean an annual rate equal to thirteen percent (13%) per annum;
- (b) Tranche 2 Loan: With respect to the Tranche 2 Loans, in all situations other than as described in Section 2.3(c), the Applicable Rate shall mean an annual rate equal to fifteen percent (15%) per annum; and
- (c) For any period during which an Event of Default has occurred and continues uncured or waived, the Applicable Rate shall mean an annual rate equal to the Applicable Rate set forth (i) with respect to the Tranche 1 Loan, in Section 2.3(a) and (ii) with respect to the Tranche 2 Loan, in Section 2.3(b), in each case of (i) and (ii) plus five percent (5%) per annum;

2.4 Promissory Notes.

The obligation of the Borrower to repay the Loan shall be evidenced by the Amended and Restated Promissory Note and the Tranche 2 Promissory Note, (each a “*Promissory Note*” and together the “*Promissory Notes*”) executed by the Borrower to the order of the Lender at Closing. The outstanding balance payable under the Promissory Notes shall be payable subject to the terms and conditions contained herein. For the avoidance of doubt, the First Tranche Loans were advanced by Lender to Borrower on or before the Tranche 1 Closing Date and the Tranche 2 Loan will be advanced by Lender to Borrower on the Tranche 2 Closing Date.

2.5 Repayment

- (a) **Tranche 1 Maturity Date or Conversion Date.** The outstanding balance of the Loan and accrued and unpaid interest thereon shall become immediately due and payable upon the earlier of: (a) May 23, 2027 (the “*Tranche 1 Maturity Date*”); (b) the Conversion Date; and (c) ten (10) Business Days after notice of an Event of Default is issued by the Lender to the Borrower, unless that default is cured by the Borrower or waived by the Lender; or the closing of a sale of all or substantially all of the Borrower’s assets or shares, unless otherwise extended or waived, as applicable, only as approved in writing by Lender.
- (b) **Tranche 2 Maturity Date.** The outstanding balance of the Loan and accrued and unpaid interest thereon shall become immediately due and payable upon the earlier of (a) October 10, 2026 (the “*Tranche 2 Maturity Date*”) and (b) ten (10) Business Days after notice of an Event of Default is issued by the Lender to the Borrower, unless that default is cured by the Borrower or waived by the Lender; or the closing of a sale of all or substantially all of the Borrower’s assets or shares, unless otherwise extended or waived, as applicable, only as approved in writing by Lender.
- (c) **Payment of principal and interest.**
 - (i) **Paid In Kind Interest and Cash Interest.**
 - (A) **Tranche 1 Loan.** The Borrower shall pay interest in-kind (“*PIK Interest*”) on the unpaid principal balance of the Tranche 1 Loan (which shall include

all PIK that has been added thereto) monthly in arrears on the first day of each of month through and including June 1, 2024 (each, an “**Interest Payment Date**”), by adding an amount equal to the monthly aggregate accrued but unpaid PIK Interest as of such Interest Payment Date to the principal amount of the Tranche 1 Loan.

Commencing July 1, 2024 through the Tranche 1 Maturity Date, the Borrower shall pay interest on the unpaid principal balance of the Tranche 1 Loan (which shall include all PIK Interest that has been added thereto) in cash monthly in arrears on each Interest Payment Date.

- (B) **Tranche 2 Loan.** The Borrower shall pay PIK Interest on the unpaid principal balance of the Tranche 2 Loan (which shall include all PIK that has been added thereto) monthly in arrears on each Interest Payment Date through and including November 1, 2024, by adding an amount equal to the monthly aggregate accrued but unpaid PIK Interest as of such Interest Payment Date to the principal amount of the Tranche 2 Loan.

Commencing December 1, 2024 through the Tranche 2 Maturity Date, the Borrower shall pay interest on the unpaid principal balance of the Tranche 2 Loan (which shall include all PIK Interest that has been added thereto) in cash monthly in arrears on each Interest Payment Date.

(ii) **Principal Payment.**

- (A) On the Tranche 1 Maturity Date, the Borrower shall make unto the Lender full repayment of the outstanding principal balance of the Tranche 1 Loan, accrued and unpaid interest thereon and any fees and expenses owing to Lender pursuant to this Agreement.
- (B) On the Tranche 2 Maturity Date, the Borrower shall make unto the Lender full repayment of the outstanding principal balance of the Tranche 2 Loan, accrued and unpaid interest thereon and any fees and expenses owing to Lender pursuant to this Agreement.

2.6 Prepayment

The outstanding principal balance (including any OID and PIK), and all accrued interest, of any Loan may only be prepaid by the Borrower with the express written consent of the Lender, in whole and only whole, at any time on or before the second anniversary of the applicable Closing Date (the “**Two-Year Term**”), provided that at the time of such prepayment, Borrower shall pay unto Lender the outstanding principal balance (including any OID and PIK) and an amount equal to two (2) years of interest compounded monthly calculated on the original principal balance of the applicable Loan (less any PIK included in the outstanding principal balance). After the applicable Two-Year Term, Borrower may only prepay the outstanding principal balance (including any OID and PIK) of the applicable Loan with the consent of Lender, in its sole discretion. In addition, at such time, Lender shall also have the option to (i) convert the original principal balance of the Tranche 1 Loan pursuant to Section 9.1 herein, in which case all OID, PIK and any accrued but unpaid interest in respect of the Tranche 1 Loan shall be paid in cash at the time of conversion, or (ii) accept cash payment of the outstanding principal balance (including any OID and PIK) and all accrued but unpaid interest of the Tranche 1 Loan.

2.7 Manner of Payments

All payments to be made by the Borrower to the Lender under this Agreement shall be made to the Lender in lawful currency of the United States and by wire transfer in immediately available funds to such account or accounts of the Lender as the Lender may direct from time to time.

2.8 No set-off.

Repayment of the Loan shall be made without set-off, counterclaim or reduction of any kind. To the extent permitted by Applicable Law, any provision of Applicable Law which would restrict the rate of interest on any judgment debt shall be inapplicable to this Agreement and is hereby waived by the Borrower.

2.9 Investment Unit

Lender and Borrower mutually agree that (a) Tranche 2 Loans and the Option and (b) Tranche 2 Loans and the Warrant, respectively, constitute an “investment unit” for purposes of Section 1273(c)(2) of the U.S. Internal Revenue Code of 1986, as amended. For purposes of the allocation of the issue price of such investment unit among the (a) Loans on the one hand, and (b) the Option or the Warrant, as applicable in accordance with Section 1273(c)(2) of the U.S. Internal Revenue Code of 1986, as amended, and U.S. Treasury Regulation Section 1.1273-2(h), the purchase price of the Option or the Warrant, as applicable set forth therein shall be allocated to the Option or the Warrant, as applicable, and neither Lender nor Borrower shall take any position inconsistent with such allocation in any U.S. federal, state or local tax return unless otherwise required by a tax authority or court.

ARTICLE 3 **CONDITIONS TO FUNDING**

3.1 Conditions to Obligations of the Lender as to the Loan Amount

This Agreement will not become effective until, and the obligation of the Lender to advance the Loan Amount to Borrower is subject to, the satisfaction (or waiver by the Lender or, in the case of subsection (k), Borrower) of the following conditions:

- (a) **No Restraining Order.** No temporary restraining order, preliminary or permanent injunction or other order or decree issued by any court of competent jurisdiction or other legal restraint or prohibition which has the effect of preventing the consummation of the transactions contemplated in this Agreement is in effect.
- (b) **Approvals.** All approvals and consents of or filings with any Governmental Authority required in connection with the transactions contemplated by this Agreement have been obtained or made (other than filings required to be made at a future time), and are in full force and effect; and all necessary approvals as required under the Organizational Documents of the Borrower to (i) enter into this Agreement, and (ii) otherwise perform its obligations under the Transaction Documents, have been obtained, are in effect and have not been rescinded.
- (c) **Representations and Warranties Correct.** The representations and warranties of the Borrower set out in the Transaction Documents are true and correct in all material respects as of the date of the advance, except that the accuracy of representations and warranties that by their terms speak as of a specified date will be determined as of such date.

- (d) **Performance of Obligations.** The Borrower has performed or complied with all agreements and covenants required to be performed or complied with by it at such time under the Transaction Documents.
- (e) **Compliance Certificate.** The Lender has received a certificate, in the form provided by Lender to Borrower, dated as of the date of the advance and signed by a duly authorized officer of the Borrower on behalf of the Borrower stating that the conditions herein are satisfied.
- (f) **Transaction Expenses.** All transaction expenses incurred by the Lender and payable by the Borrower have been paid or provided for in a manner satisfactory to the Lender.
- (g) **Consents and Waivers.** All required consents, approvals, authorizations, permits and waivers of third parties necessary for the Borrower to consummate and perform the transactions contemplated in and by the Transaction Documents have been obtained, have not been amended and remain in full force and effect.
- (h) **Transaction Documents.** Each of the Transaction Documents shall have been executed by the applicable signatory thereto and delivered to the Lender.
- (i) **Payment of Existing Indebtedness.** All existing Indebtedness of Borrower (other than Permitted Financial Indebtedness) shall be paid in full.
- (j) **Officer's Certificate.** The Borrower has delivered to the Lender a certificate, executed by a duly authorized signatory, dated as of the Tranche 1 Closing Date, certifying the authenticity and continued effectiveness of attached copies of the Organizational Documents and resolutions of its board of directors, members or partners approving the transactions contemplated by each of the Transaction Documents and authorizing the execution and delivery of each of the Transaction Documents by the applicable Borrower.
- (k) **Stock Exchange Approval.** Borrower shall use its commercially reasonable efforts to obtain, in a form and substance satisfactory to Lender, the approval of the transactions contemplated in this Agreement by the TSX Venture Exchange, which approval may not be granted until the transactions contemplated in this Agreement have been approved by a simple majority of the shareholders of Parent.
- (l) **Other Documents and Undertakings.** The Lender shall have received from the Borrower such other documents as it may reasonably request in respect of the transactions contemplated by this Agreement.

3.2 **Tranche 2 Closing Conditions.** The obligation of the Lender to advance the Tranche 2 Loan Amount to Borrower is subject to, the satisfaction (or waiver by the Lender or, in the case of subsection (k), Borrower) of the following conditions:

- (a) **Certificates.** Delivery of bring down certificates with respect to all certificates delivered to Lender under Section 3.1 above.
- (b) **Approvals.** All approvals and consents of or filings with any Governmental Authority required in connection with the transactions contemplated by this Agreement have been obtained or made (other than filings required to be made at a future time), and are in full force and effect; and all necessary approvals as required under the Organizational

Documents of the Borrower to (i) enter into this Agreement, and (ii) otherwise perform its obligations under the Transaction Documents, have been obtained, are in effect and have not been rescinded.

- (c) **Representations and Warranties Correct.** The representations and warranties of the Borrower set out in the Transaction Documents are true and correct in all material respects as of the date of the advance, except that the accuracy of representations and warranties that by their terms speak as of a specified date will be determined as of such date.
- (d) **No Event of Default; Performance of Obligations.** No default or Event of Default has occurred hereunder and Borrower has performed or complied with all agreements and covenants required to be performed or complied with by it at such time under the Transaction Documents.
- (e) **Transaction Expenses.** All transaction expenses incurred by the Lender and payable by the Borrower have been paid or provided for in a manner satisfactory to the Lender.
- (f) **Consents and Waivers.** All required consents, approvals, authorizations, permits and waivers of third parties necessary for the Borrower to consummate and perform the transactions contemplated in and by the Transaction Documents have been obtained, have not been amended and remain in full force and effect.
- (g) **Transaction Documents.** Each of Transaction Documents, to be executed on the Tranche 2 Closing Date shall have been fully executed and delivered to the Lender, including but not limited to
 - (i) this Agreement;
 - (ii) the Security Interest Reaffirmations;
 - (iii) the Option; and
 - (iv) and any other document Lender may reasonably require.
- (h) **Payment of Existing Indebtedness.** All existing Indebtedness of Borrower (other than Permitted Financial Indebtedness) shall be paid in full.
- (i) **Other Documents and Undertakings.** The Lender shall have received from the Borrower such other documents as it may reasonably request in respect of the transactions contemplated by this Agreement.

3.3 Lender's Termination Right

In the event any conditions set forth in Section 3.1 or Section 3.2, as applicable, are not waived by Lender (such waiver not to be unreasonably withheld) within thirty (30) days from the date hereof, Lender, in its sole discretion, may terminate this Agreement in its entirety.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE BORROWER

The Borrower hereby represents and warrants to the Lender that, except as disclosed in the **Disclosure Statement**, the statements contained in the following subsections of this Article 4 are true and correct as of the date of this Agreement and as of each Closing Date.

4.1 Power and Authority

The Borrower and Parent have the requisite power and authority to enter into the Transaction Documents to which it is a Party and to perform its obligations hereunder and thereunder. The execution and delivery of the Transaction Documents and the performance by the Borrower and Parent of the transactions contemplated by the Transaction Documents to which they are a party have been duly authorized as required by their respective Organizational Documents, and no other action on the part of any Borrower or Parent is necessary to authorize the execution and delivery by the Borrower or Parent of this Agreement or any other Transaction Document or any agreement ancillary thereto and the consummation by it of the transactions contemplated hereby and thereby. This Agreement has been, and the other Transaction Documents executed at a Closing will be, duly executed and delivered by the Borrower and Parent, as applicable, and constitute or will constitute legal, valid and binding obligations of the Borrower or Parent, as applicable, and enforceable against the Borrower or Parent, as applicable, in accordance with their respective terms.

4.2 No Conflict or Violations

Neither the execution and delivery of this Agreement nor the other Transaction Documents by the Borrower or Parent, nor the consummation of the transactions contemplated herein and therein by the Borrower or Parent, nor compliance by the Borrower or Parent with any of the provisions hereof or thereof will:

- (a) violate, conflict with, or result in a material breach of any provision of, require any consent, approval or notice under, or constitute a material default (or an event which with or without notice or lapse of time or both, would constitute a material default) under, or result in granting to a third party a right to reduce fees or other payments to any Borrower or Parent under, or result in granting to a third party a right of first refusal, first opportunity, or other right or option to acquire properties or assets of the Borrower or Parent under, or grant to a third party a right to force the Borrower or Parent to purchase one or more assets under, or result in a right of termination or acceleration under, or result in the creation of any Encumbrance upon, any of the properties or assets of the Borrower or Parent or cause any Financial Indebtedness of the Borrower or Parent to come due before its stated maturity or cause any credit commitment to cease to be available, or cause any payment or other obligation to be imposed on the Borrower or Parent under, any of the terms, conditions or provisions of:
 - (i) the Organizational Documents; or
 - (ii) any note, bond, mortgage, indenture, loan agreement, deed of trust, Encumbrance, or other Contract to which any Borrower or Parent is a Party or to which any of its properties or assets may be subject or by which it is bound; or
- (b) violate any Applicable Law;
- (c) cause the suspension or revocation of any material Permit currently in effect; or

- (d) violate or cause the suspension or revocation of any license to any Proprietary Asset.

To the knowledge of the Borrower, no director, officer, member, manager, agent or employee of the Borrower, Parent or their Affiliates has: (i) used any of corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; or (iii) made any bribe, payoff, influence payment, kickback or other unlawful payment.

4.3 Organization and Qualification

Borrower and Parent are duly organized and validly existing under applicable laws and has the requisite power and authority to own its assets as now owned and to carry on the Business. Borrower and Parent is duly registered or otherwise authorized to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary, except where the failure to so registered or otherwise authorized to do business and be in good standing could not be reasonably expected to result in a Material Adverse Change. Correct, current and complete copies of the articles of organization, operating agreement and any other member or voting agreements (collectively, the “*Organizational Documents*”) of the Borrower and Parent are attached to the officer’s certificate in Section 3.1 above and have been made available to Lender.

4.4 Subsidiaries; Ownership

- (a) **Subsidiaries.** Except as disclosed in the Disclosure Statement, neither Borrower nor Parent has any Subsidiaries or hold any securities or other ownership, equity or proprietary interests in any Person. Except as disclosed in the Disclosure Statement, as of the date hereof, neither Borrower nor Partner has any agreement of any kind regarding the acquisition of the business operations of any Person or the Equity Interests of any Person.
- (b) **Ownership.** All Persons holding any membership interests, units, shares or other ownership interest in Borrower, including any Person holding any contingent or exercisable rights to the same (including warrants) are listed on Exhibit D.

4.5 Reporting Status and Securities Laws Matters

The Borrower is not a “reporting issuer” under any Applicable Securities Laws and is in compliance in all material respects with all Applicable Securities Laws.

4.6 Sanctions; Anti-Money Laundering Laws and Anti-Corruption Laws

- (a) None of the Borrowers or any of their Subsidiaries, any director, officer or employee of any Borrower or any of their Subsidiaries, nor, to the knowledge of Borrowers, any agent or representative of any Borrower or any of their Subsidiaries, is a Sanctioned Person or currently the subject or target of any Sanctions.
- (b) The Borrowers, each of their Subsidiaries, each of the Borrowers’ and their Subsidiaries’ respective directors, officers and employees, and, to the knowledge of the Borrowers, each of the Borrowers’ and their Subsidiaries’ respective agents and representatives, is in compliance with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.

- (c) The Borrowers and their Subsidiaries have instituted and maintain in effect policies and procedures reasonably designed to ensure compliance by the Borrowers, their Subsidiaries, and the Borrowers' and their Subsidiaries' respective directors, officers, employees and agents with all applicable Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.

4.7 Investment Company

Neither the Borrowers nor any Subsidiary is an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

4.8 Consents

Except as disclosed in the Disclosure Statement, no consent, approval, order or authorization of, or designation, registration, declaration or filing with, any Governmental Authority or other Person on the part of the Borrower or Parent is required in connection with its valid execution, delivery and performance of the Transaction Documents to which it is a Party.

4.9 Indebtedness

Except as disclosed in the Disclosure Statement, Permitted Financial Indebtedness, and Indebtedness incurred in connection with the fulfillment of ordinary course operating obligations, none of which are outstanding beyond the date required for payment thereof, the Borrower has no outstanding Indebtedness.

4.10 Deposit Accounts

Other than the Blocked Accounts, there are no depository accounts or disbursement accounts in the name of the Borrower not disclosed on the Disclosure Statement.

4.11 Litigation and Judgments

Except as disclosed in the Disclosure Statement, there are no actions, suits or proceedings pending or, to the knowledge of the Borrower, threatened, at law or in equity or before any federal or state court, or before any arbitrator or mediator of any kind which could reasonably be expected to result in a Material Adverse Change and, to the knowledge of the Borrower, no Borrower is in default with respect to any judgment, order, writ, injunction, decree, rule or regulation of any court, arbitrator or mediator or federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign which could reasonably be expected to result in a Material Adverse Change.

4.12 Intellectual Property

- (a) The Borrower owns all right, title and interest in and to, or has validly licensed (and is not in material breach of such licenses), all Proprietary Assets and all other intellectual property and proprietary rights that are material to the conduct of the Business, as presently contemplated;
- (b) all such Proprietary Assets are sufficient, in all material respects, for conducting the Business, as presently contemplated;
- (c) all such Proprietary Assets are valid and enforceable (subject to the effects of bankruptcy, insolvency, reorganization, moratorium or laws relating to or affecting creditors' rights

generally), and do not infringe in any material way upon any third parties' intellectual property and proprietary rights, and no event will occur as a result of the transactions contemplated by the Transaction Documents that would render invalid or unenforceable any such Proprietary Assets; and

- (d) to the knowledge of the Borrower, no third party is infringing upon such Proprietary Assets in a manner that currently would reasonably be expected to adversely affect such Proprietary Assets in any material respect.

4.13 Contracts

- (a) The Borrower is not in material breach or violation of, or material default (in each case, with or without notice or lapse of time or both) under, any Contract of the type listed below (collectively, the "***Material Contracts***"), and except as disclosed on the Disclosure Statement, the Borrower has not received or given any notice of default under any such Material Contract which remains uncured and to the knowledge of the Borrower, there exists no state of facts which after notice or lapse of time or both would constitute a material default or breach of such Material Contract:
 - (i) any lease of real property by the Borrower, as tenant, with third parties;
 - (ii) other than leases of real property by the Borrower, any Contract under which the Borrower is obliged to make payments on an annual basis in excess of \$100,000.00 in the aggregate;
 - (iii) any partnership, limited liability company agreement, joint venture, alliance agreement or other similar agreement or arrangement relating to the formation, creation, operation, management, business or Control of any partnership or joint venture which is not wholly owned by the Borrower (other than any such agreement or arrangement relating to the operation or business of a property in the ordinary course and which is not material with respect to such property);
 - (iv) any Contract under which Financial Indebtedness in excess of \$50,000.00 is outstanding or may be incurred or pursuant to which any property or asset of the Borrower is mortgaged, pledged or otherwise subject to an Encumbrance (other than Permitted Encumbrances), or any Contract restricting the incurrence of Indebtedness by the Borrower or the incurrence of Encumbrances (other than Permitted Encumbrances) on any properties or securities or restricting the payment of dividends or distributions;
 - (v) any Contract that purports to limit the right of the Borrower to, in any material respect:
 - (A) engage in any line of business; or
 - (B) compete with any Person or operate in any location;
 - (vi) excluding ordinary course purchases and sales of inventory, any Contract providing for the sale or exchange of, or option to sell or exchange, any property with a fair market value in excess of \$10,000.00, or for the purchase or exchange of, or option to purchase or exchange, any property with a fair market value in

excess of \$10,000.00 entered into in the past twelve (12) months or in respect of which the applicable transaction has not been consummated;

- (vii) any Contract entered into in the past twelve (12) months or in respect of which the applicable transaction has not yet been consummated for the acquisition or disposition, directly or indirectly (by amalgamation, merger or otherwise), of assets (other than Contracts referenced in Section 4.11(a)(v)(B)) or Equity Interests of another Person, in each case other than in the ordinary course of business of the Borrower;
- (viii) any standstill or similar Contract currently restricting the ability of the Borrower to offer to purchase or purchase the assets or Equity Interests of another Person; and
- (ix) any agreement among or between any Borrower and any Affiliate of any Borrower.

4.14 Permits

The Borrower holds in good standing all material permits, licenses, approvals (including regulatory approvals), franchises, rights-of-way, easements and entitlements, including but not limited to the permits required in connection with the Business, (collectively, “*Permits*”) which it requires, or is required by Applicable Law, to hold, own, lease, license or use the property included in the Business and to carry on the Business except where the failure to hold any such Permit in good standing could not reasonably be expected to result in a Material Adverse Change.

4.15 Compliance with Borrower Instruments; Applicable Laws; Permits

Neither Borrower nor Parent is in violation of any provisions of its Organizational Documents as currently in effect. The Borrower and Parent is in compliance in with all Applicable Laws except where a failure to be in compliance could not reasonably be expected to result in a Material Adverse Change. All Permits and other authorizations by any Governmental Authority held by the Borrower and which are necessary to the Business are valid and sufficient in all material respects for the business presently carried or presently contemplated to be carried on by it.

4.16 Taxes

- (a) The Borrower and Parent have:
 - (i) as relates to income and sales Taxes, duly and timely filed, or caused to be filed, all material Tax Returns required to be filed by it prior to the date hereof, other than those which have been administratively waived, and all such Tax Returns are true and correct in all material respects;
 - (ii) paid, or have arrangements in place with the applicable Tax authority, on a timely basis all Tax and all assessments and reassessments of Tax due on or before the date hereof, other than Tax which is being or has been contested in good faith and for which, in the reasonable opinion of the Borrower or Parent, adequate reserves have been made, except to the extent that failure to pay such Tax is not material;
 - (iii) duly and timely withheld, or caused to be withheld, all Tax required by Law to be withheld by it (including Tax and other amounts required to be withheld by it in

respect of any amount paid or credited or deemed to be paid or credited by it to or for the account of any Person) and duly and timely remitted, or caused to be remitted, to the appropriate Tax authority such Tax required by Law to be remitted by it, except to the extent that such failure is not material; and

- (iv) duly and timely collected, or caused to be collected, any sales or transfer taxes, including goods and services, state sales, use, franchise and/or excise taxes, required by Applicable Law to be collected by it and duly and timely remitted to the appropriate Tax authority any such amounts required by Applicable Law to be remitted by it, except to the extent that such failure is not material;
- (b) the unpaid Tax of the Borrower and Parent as of the date hereof does not exceed the reserves and provisions for Tax accrued but not yet due;
- (c) no deficiencies, litigation, proposed adjustments or matters in controversy with respect to Tax exists or has been asserted which remain unresolved at the date hereof, and no action or proceeding for assessment or collection of Tax has been taken, asserted, or to the knowledge of the Borrower, threatened, against the Borrower, Parent or any of their assets, except such deficiencies, litigation, proposed adjustments, confirmations, actions or proceedings that is not material;
- (d) there are no currently effective elections, agreements or waivers extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of any Tax of, or the filing of any Tax Return or any payment of any Tax by the Borrower or Parent;
- (e) there are no Encumbrances, other than Permitted Encumbrances, for Tax upon any of the assets of the Borrower or Parent;
- (f) the Borrower and Parent is substantially in compliance with Applicable Laws, including any documentation and recordkeeping requirements thereunder, applicable to the allocation of income and deductions and transactions among related taxpayers; and
- (g) neither Borrower nor Parent is a Party to any indemnification, allocation or sharing agreement with respect to Tax that could give rise to a payment or indemnification obligation (other than customary Tax indemnification provisions contained in credit or loan agreements or agreements related thereto or other transactions entered into in the ordinary course) and neither Borrower nor Parent has liability for Tax of any Person as a transferee or successor, by contract, or otherwise.

4.17 Employment Agreements and Collective Agreements

Except as disclosed in the Disclosure Statement, the Borrower is not a Party to or bound or governed by:

- (a) any change of control agreement with any officer or any written or, to the knowledge of the Borrower, oral agreement, arrangement or understanding providing for an existing retention, severance or termination compensation or benefits to any officer; or
- (b) any existing collective bargaining or union agreements.

There are no material labor disputes, strikes or lockouts relating to or involving any employees of the Borrower. There are no actual applications or, to the knowledge of the Borrower, threatened applications for certification, voluntary recognition, related employer, successor employer or union bargaining rights in respect of the Borrower.

4.18 Property and Interests

- (a) Except as is not material, the Borrower is, except with respect to the properties referred to in the Disclosure Statement, the absolute legal and beneficial owner of, and has marketable title to, all of its owned material property or assets free of all Encumbrances or demands whatsoever, other than Permitted Encumbrances.
- (b) All real property currently leased or subleased or licensed by the Borrower from a third party (collectively, the “*Leased or Licensed Properties*”) is listed in the Disclosure Statement identifying the name of the lessee (i.e., the Borrower or otherwise) and the documents under which such lease or license is created (collectively, the “*Lease or License Documents*”). The Borrower holds good and valid leases or licenses in the Leased or Licensed Properties, free and clear of all Encumbrances other than Permitted Encumbrances. Each of the Lease or License Documents is valid, binding and in full force and effect as against the Borrower and, to the knowledge of the Borrower, as against the other Party thereto. Except as disclosed in the Disclosure Statement, none of the Borrower nor, to the knowledge of the Borrower, any of the other parties to the Lease or License Documents, is in breach or violation or default (in each case, with or without notice or lapse of time or both) under any of the Lease or License Documents which breach, violation or default has not been cured and is not material, and the Borrower has not received or given any notice of default under any Lease or License Document which remains uncured which is material. To the knowledge of the Borrower, the Borrower is not in violation of any covenants, or not in compliance with any condition, restrictions or Permitted Encumbrances, affecting any Leased or Licensed Properties which violations or non-compliances are material.
- (c) Except as disclosed in the Disclosure Statement, all accounts for materials, work and services performed or materials placed or furnished upon or in respect of construction at each Leased or Licensed Property have been fully paid or the Borrower has made arrangements with such contractor for payment in the ordinary course.
- (d) To the knowledge of the Borrower, all of the buildings and improvements (including fixtures, systems and utilities) on the real property owned or leased or licensed or otherwise held by the Borrower were constructed and are maintained in accordance with Applicable Laws and are maintained in good operating condition and repair, subject to normal wear and tear.

4.19 Personal Property

The Borrower owns or has a valid and enforceable lease or license of all personal property used in the Business as presently carried on or contemplated to be carried on, except as is not material. Other than for the Permitted Encumbrances or Encumbrances that will be released at Closing, there has been no assignment, sale, transfer, conveyance, mortgage, charge, pledge, security interest or hypothecation, absolute or contingent, direct or indirect, of the whole or any part of any rights, title and interest in any of the properties or assets that will be subject to the Transaction Documents. As of each Closing Date and as provided by, and subject to the terms of, the Security Agreements, the Lender shall have a first-ranking

security interest on all of the present and after acquired personal property of the Borrower, subject only to the Permitted Encumbrances.

4.20 Insurance

The Borrower is covered by valid and currently effective insurance policies issued in favor of the Borrower that are commercially reasonable, taking into account the industries in which the Borrower operates, copies of which have been provided to the Lender, including without limitation the Risk Insurance Policies. With respect to each such insurance policy:

- (a) the policy is in full force and effect and all premiums due thereon have been paid;
- (b) the Borrower is not in breach or default, and has not taken any action or failed to take any action which, with notice or the lapse of time, would constitute such a breach or default, or permit termination or modification of, any such policy;
- (c) to the knowledge of the Borrower, no insurer on any such policy has been declared insolvent or placed in receivership, debt restructuring proceedings or liquidation, and no notice of cancellation or termination has been received by the Borrower with respect to any such policy;
- (d) none of such policies will terminate or lapse by reason of the transactions contemplated by the Transaction Documents;
- (e) no insurer under any such policy has cancelled or generally disclaimed liability under any such policy or indicated any intent to do so or not to renew any such policy;
- (f) there is no claim by the Borrower pending under any such policy that has been denied or disputed by the insurer; and
- (g) all claims under such policies have been filed in a timely fashion.

4.21 Related Party Transactions

Except as disclosed in the Disclosure Statement:

- (a) The Borrower's Affiliates, officers, directors, members or employees, or any Affiliate of any of the foregoing, or to the Borrower's knowledge, any supplier, distributor or customer of the Borrower or any member of the immediate family of any officer or director of any Borrower has any material interest in any property, real or personal, tangible or intangible, including Proprietary Assets used in or pertaining to the Business, except for the normal rights of a member.
- (b) Other than arrangements in the ordinary course of business, there are no agreements, understandings or proposed transactions between the Borrower and any of its respective officers, directors, employees, members, managers or Affiliates.
- (c) To the Borrower's knowledge, no officer, director, member or manager of any Borrower has any material direct or indirect ownership interest in any firm or corporation with which the Borrower has a material business relationship that competes in any material respect with the Borrower. To the Borrower's knowledge, no member of the immediate family of

any Guarantor (other than any other Guarantor) is directly or indirectly interested in any Material Contract.

4.22 Margin Regulations

- (a) No Borrower is engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Loan will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

4.23 Pension and Employee Benefits

- (a) Except as disclosed in the Disclosure Statement, the Borrower does not maintain any health, welfare, supplemental unemployment benefit, bonus, profit sharing, option, insurance, incentive, incentive compensation, deferred compensation, share purchase, share compensation, disability, pension or retirement plans and other material employee or director compensation or benefit plans, policies, trusts, funds, agreements or arrangements for the benefit of directors or former directors of the Borrower, employees or former employees of the Borrower, which are maintained by or binding upon the Borrower, as applicable, or in respect of which the Borrower has any actual or, to the Borrower's knowledge, potential liability (collectively, the "**Plans**").
- (b) **ERISA.** Each Borrower and its Affiliates with an employee benefit plan has fulfilled its obligations under the minimum funding standards of and is in compliance in all material respects with ERISA and the Tax Act to the extent applicable to it and has not incurred any liability to the PBGC or a Plan under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA. No Borrower has any contingent liabilities with respect to any post-retirement benefits under a Welfare Plan, other than liability for continuation coverage described in article 6 of Title I of ERISA.
- (c) None of the execution and delivery of this Agreement or any Transaction Document by the Borrower or consummation of the transactions contemplated in this Agreement or a Transaction Document or compliance by the Borrower with any of the provisions hereof or thereof shall result in any payment (including severance, unemployment compensation, bonuses or otherwise) becoming due to any director, officer or employee of the Borrower, or result in any increase or acceleration of contributions, liabilities or benefits, or acceleration of vesting, under any Plan or restriction held in connection with a Plan.

4.24 Environmental

- (a) Except as is not material, the Borrower and Parent are in material compliance with all, and have not violated any, Environmental Laws.
- (b) Except as is not material:
 - (i) Neither Borrower nor Parent has Released, and, to the Borrower's knowledge, no other Person has Released, any Hazardous Substances (in each case except in compliance with applicable Environmental Laws) on, at, in, under or from any of the real properties (including the workplace environment) currently or previously owned, leased or operated by the Borrower; and

- (ii) there are no Hazardous Substances or other conditions that could reasonably be expected to result in liability of or adversely affect the Borrower or Parent under or related to any Environmental Law on, at, in, under or from any of the real properties (including the workplace environment) currently or, to the Borrower's knowledge, previously owned, leased or operated by the Borrower.
- (c) There are no pending claims or, to the Borrower's knowledge, threatened claims, against the Borrower or Parent arising out of any Environmental Laws.
- (d) No Encumbrance in favor of a Governmental Authority arising under Environmental Laws is pending or, to the Borrower's knowledge, threatened, affecting the Borrower or Parent or any real property owned, or leased by the Borrower or Parent, except as is not material.
- (e) There are no Orders from any Governmental Authority which relates to Environmental Laws and which requires any material work, repairs, construction or capital expenditures by the Borrower or Parent.

4.25 Full Disclosure

The written statements and information furnished to the Lender by the Borrower in connection with the negotiation of this Agreement and the Transaction Documents, taken together as a whole (as modified or supplemented by other information so furnished and when taken as a whole), do not as of the date thereof or date furnished contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the material statements contained therein not materially misleading in light of the circumstances under which such statements were made.

4.26 No Brokers

Neither Borrower nor Parent is obligated for the payment of fees or expenses of any broker or finder in connection with the origination, negotiation or execution of this Agreement or the other Transaction Documents, or in connection with any transaction contemplated hereby or thereby.

4.27 Financial Statements

The financial statements furnished to Lender pursuant to this Agreement or in connection with the Borrower's request for credit, present fairly in all material respects the financial condition of the applicable Borrower and Parent and have been prepared in accordance with GAAP consistently applied and there has been no Material Adverse Change since the date of such statements. The Borrower does not have any liability (contingent or otherwise) or other obligations for the payment of money of the type required to be disclosed in accordance with generally accepted accounting principles which are not disclosed on such financial statements.

ARTICLE 5 **[Reserved].**

ARTICLE 6
EVENTS OF DEFAULT

6.1 Events of Default

The occurrence of any of the following events is an event of default (each, an “*Event of Default*”):

- (a) the Borrower defaults in the payment of any amount when due under this Agreement, which default, in the case of payment of interest or fees, is not remedied within five (5) Business Days; or
- (b) the Borrower transfers (in a single transaction or series of related transactions) any assets having a fair market or book value, individually or in aggregate, greater than \$10,000.00, to another Person without the prior written consent of the Lender, other than: (i) sales in the ordinary course of business; or (ii) the sale, transfer or other disposition of any tangible personal property that, in the reasonable business judgment of the Borrower has become redundant, obsolete or worn out and which is disposed of in the ordinary course of business; or
- (c) the Borrower or Parent shall (i) institute or commence proceedings to be adjudicated a bankrupt or insolvent or consent to the filing of a bankruptcy or insolvency proceeding, (ii) file, institute or commence or otherwise take any proceeding relating to reorganization, adjustment, arrangement, composition, compromise, stay of proceedings or relief similar to any of the foregoing under any Applicable Law regarding bankruptcy, insolvency, reorganization or relief of debtors or similar or analogous laws of any other jurisdiction, (iii) consent to the filing of any such proceeding, (iv) consent to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or similar official or to the liquidation, dissolution or winding-up or of all or a substantial part of its property and assets, (v) make an assignment for the benefit of creditors, or (vi) take any limited liability company or other action authorizing or in furtherance of any of the foregoing; or
- (d) any proceeding is filed, instituted or commenced by any Person seeking (i) to adjudicate any Borrower or Parent as bankrupt or insolvent or the liquidation, reorganization, winding-up, adjustment, arrangement, compromise, composition, stay of proceedings or similar relief of or for any Borrower or Parent under any Applicable Law regarding bankruptcy, insolvency, reorganization or relief of debtors or analogous or similar laws of any other jurisdiction, or (ii) to appoint a receiver, liquidator, trustee or assignee in bankruptcy or similar official of any Borrower or Parent or of all or a material part of the applicable Borrower’s or Parent’s property and assets, if such proceeding shall continue un-dismissed or un-stayed for a period of sixty (60) days; or
- (e) any material representation or warranty made by any Borrower in this Agreement or any of the Transaction Documents shall be false in any material respect as of the time such representation and warranty was made or deemed to be made; or
- (f) if there is any material breach by any Borrower or Parent of any other covenant, condition or provision contained in this Agreement or any Transaction Document; or
- (g) if a writ, execution, attachment or similar process is issued or levied against all or a portion of the property of the Borrower or Parent in connection with any judgment or judgments against the Borrower or Parent aggregating in excess of \$250,000.00 and is not released,

satisfied, discharged, vacated or stayed within sixty (60) days after its entry, commencement or levy; or

- (h) if a judgment for the payment of money aggregating in excess of \$250,000.00 shall be rendered against the Borrower or Parent and the same shall remain undischarged for a period of sixty (60) days or execution thereof shall not be effectively stayed;
- (i) if Borrower opts out of Article 8 of the applicable Uniform Commercial Code in contravention of its organizational documents in effect as of the date hereof;
- (j) if the Borrower incurs any Indebtedness, other than Permitted Financial Indebtedness, without the prior written consent of the Lender;
- (k) if Parent and/or Borrower amends its organizational documents which would in any way impact the ability of Lender to convert the Loan Amount into equity of TC on the terms and conditions set forth herein;
- (l) if, without the consent of Lender, at least one (1) designee of Lender is not elected or appointed to serve as a voting member of Parent's Board of Directors not later than 15 Business Days after the Tranche 1 Closing Date and, thereafter, any change on Parent's Board of Directors results in the failure of at least one (1) designee of Lender to serve as a voting member for a period longer than 15 Business Days; provided however, that the Parent and Borrower will not be in default of this provision in respect of any designee of Lender who (i) is not approved by the TSX Venture Exchange to serve as a member of Parent's Board of Directors or (ii) has received less than a majority of votes in favor of their election at a meeting of Parent's shareholders (each, a "*Rejected Nominee*"), so long as Parent has, in good faith, used its commercially reasonable efforts to obtain approval for such nominee from the TSX Venture Exchange and/or the shareholders of Parent. If a nominee of Lender is a Rejected Nominee, Lender may designate a replacement for such nominee and, if requested by Lender, Parent will use its commercially reasonable efforts to obtain approval for such replacement nominee from the TSX Venture Exchange and/or the shareholders of Parent, as applicable, and appoint such replacement nominee to Parent's Board of Directors; and
- (m) if Borrower fails to satisfy its obligations pursuant to Section 7.1(ff).

6.2 Remedies for Events of Default

Upon the occurrence of an Event of Default not remedied within fifteen (15) Business Days of receipt by the Borrower of written notice from the Lender (provided that such written notice shall not be required (and such fifteen (15) Business Day cure period shall not be provided) with respect to any Event of Default described in Section 6.1(a) or, Section 6.1(k)), the Lender may:

- (a) Accelerate and forthwith declare due and payable the remaining Loan Amount outstanding (including any OID and PIK) and any and all accrued interest, and without demand, protest or other notices of any kind, all of which are hereby expressly waived; and
- (b) exercise any and all rights, powers, remedies and recourses available to the Lender under this Agreement, any of the Transaction Documents at law, in equity or otherwise.

6.3 Waiver of Default

The Lender may by written instrument at any time and from time to time waive any breach of this Agreement or Event of Default.

6.4 No Waiver

No failure or delay on the part of the Lender in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, and any single or partial exercise of any right, power or privilege under this Agreement will not preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly specified are cumulative and not exclusive of any rights or remedies which the Lender would otherwise have under this Agreement, at common law or in equity. The acceptance by the Lender of any further security or of any payment of or on account of the Loan after a default or of any payment on account of any partial default will not be construed to be a waiver of any right to take advantage of any future default or of any past default not completely cured thereby. The Lender may exercise any and all rights, powers, remedies and recourses available to it under this Agreement, any related agreements, or any other remedy available to them at law, concurrently or individually without the necessity of an election.

ARTICLE 7 **COVENANTS**

7.1 Borrower's Covenants

Borrower covenants and agrees with Lender as follows:

- (a) **Perform Obligations.** Borrower shall fully observe, carry out and perform its obligations under the Transaction Documents, including, without limitation, duly and punctually paying all amounts payable by such Borrower.
- (b) **Legal Existence.** Borrower shall at all times maintain its corporate existence under the laws of its jurisdiction of organization and qualify and remain duly qualified to do business and own property in each jurisdiction in which such qualification is necessary in order to carry on its business and operations except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Change.
- (c) **Compliance with Law.** Borrower shall comply, in all respects, with all Applicable Laws, provided that it shall not be an Event of Default if any non-compliance is immaterial in nature and would not result in a Material Adverse Change.
- (d) **Financial Statements and Reports.** For so long as there is any Indebtedness of the Borrower owing to the Lenders the Borrower shall deliver or cause to be delivered to the Lender:
 - (i) Within 30 days after the end of each month, (A) the Loan Compliance Package and (B) a completed Loan Compliance Certificate in the form attached as Exhibit C.
 - (ii) From time to time such further and other reports and information concerning the Borrower as the Lender may reasonably request and which Borrower may reasonably provide.

All such reports shall be in such form and shall contain such detail as the Lender may reasonably request; provided however, that the Borrower shall have a five (5) Business Day period in which to cure any default in delivering such reports before such default in delivery shall amount to an “Event of Default” under this Agreement.

- (e) **Compliance with Agreement.** Borrower shall carry out all of its obligations under this Agreement, the other Transaction Documents and any other agreements entered into by it with the Lender, made by it in favor of the Lender or assigned by it to the Lender.
- (f) **Material Adverse Change.** Borrower will provide the Lender with prompt written notice and all records, statements or other evidence of any Material Adverse Change with respect to Borrower or Parent.
- (g) **Financial Covenants.**
 - (i) Borrower shall, at all times while the Loan is outstanding, maintain a minimum cash on hand of \$2,000,000 and such cash shall remain in the account subject to the Deposit Account Control Agreement, provided that, through the period of September 1, 2023 through October 15, 2023 where Borrower was required only to maintain a minimum cash on hand of \$1,000,000.
 - (ii) Borrower shall not incur, or agree to incur, capital expenditures, as defined in accordance with GAAP, in excess of \$8,000,000.00 while the Loan is outstanding.
 - (iii) While the Loan is outstanding, Borrower shall maintain earnings before interest, taxes, depreciation and amortization (“**EBITDA**”), calculated in pursuant to the schedule attached hereto as Exhibit G. For purposes of testing, EBITDA shall be calculated in accordance with US GAAP and consistent with the calculation mechanics and methodology set forth on Exhibit G and the related Excel file.
- (h) **Inspection.** The Borrower shall permit the Lender and all other Persons designated by the Lender to visit and inspect its properties and assets during normal business hours upon forty-eight (48) hours (excluding hours on Sunday) prior notice given to it and to examine and make copies of all books and records relating to its properties and assets and shall ensure that the Lender and each such Person has unrestricted access to its property and assets and every part thereof and to such books and records, and that the Lender and each such Person will be provided with such information and data relating to its properties and assets as the Lender or such Person may reasonably request. Any such visitation and inspection will be conducted in a manner that shall not unreasonably interfere with the Borrower’s customary business operations.
- (i) **Further Assurances.** At any and all times each Borrower will do, execute, acknowledge and deliver all such further acts, deeds, conveyances, mortgages, transfers and assurances as the Lender shall reasonably require for the purpose of giving, clarifying, perfecting and dealing with conflicting claims thereto, the validity, legality or enforceability of the mortgages, hypothecs, charges or security of the nature herein specified upon all property intended to be secured by the Transaction Documents and for the better assuring, conveying, mortgaging, hypothecating, assigning, confirming, pledging, granting security interest, charging and transferring unto the Lender all the hereditaments and premises, estates and property mortgaged, hypothecated, pledged, granted security interest therein and charged under the Transaction Documents, or transferred, or intended to be or which

any Borrower may hereafter become bound to mortgage, hypothecate, pledge, grant security interest or charge or transfer in favor of the Lender and all choses in action and other intangibles to be secured in favor of the Lender hereunder.

- (j) **Permitted Encumbrances.** Borrower will keep and maintain each of the Permitted Encumbrances in good standing and will comply with the terms thereof and will forthwith notify the Lender in writing describing in reasonable detail any defaults thereunder.
- (k) **Statutory Claims.** Unless being contested by appropriate proceedings and adequate reserves with respect thereto are maintained by such Borrower in accordance with GAAP, Borrower shall remit and pay when due, all statutory liens, trust and other claims, any and all rents payable, periodic payments owing to prior secured creditors (if any) and any and all statutory priority claims (including without limitation, all Taxes) when due and payable and shall, upon request by Lender, provide the Lender with proof of such payment and remittance, satisfactory to the Lender, within ten (10) Business Days of the due date thereof, such proof to include, where applicable, copies of correspondence to and from the relevant Tax agency. Borrower consents to the Lender contacting any Persons, including governmental agencies, necessary to confirm payment of same and agrees to sign any such further instruments, documents and any such further action as may be required to give effect to such consent.
- (l) **Condition of Properties.** Borrower will keep or cause to be kept all of its properties and assets subject to the Transaction Documents in reasonably good mechanical condition, repair and appearance subject to normal wear and tear.
- (m) **Payment of Obligations.** Borrower shall pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all their respective debts and liabilities of whatever nature (other than trade payables incurred in the ordinary course of business), except to the extent the amount or validity thereof is being contested and adequate reserves with respect thereto are maintained by such Borrower in accordance with GAAP.
- (n) **Maintenance of Existence and Conduct of Business.** Borrower shall preserve and keep in full force and effect its legal existence; make all governmental and regulatory filings promptly; engage primarily in business of nature disclosed to the Lender; carry on and conduct its business in a proper, efficient and businesslike manner, in accordance with good business practices; take all reasonable action to obtain and maintain in full force and effect all rights, privileges, franchises and Permits necessary or desirable in the conduct of its business; and comply with all contractual obligations and Applicable Law except to the extent that the failure to comply therewith would not, in the aggregate, cause or have a reasonable probability of causing a Material Adverse Change.
- (o) **Notice.** Borrower shall give written notice of each of the following events to the Lender promptly upon becoming aware of any such event:
 - (i) any Event of Default;
 - (ii) any material default or material event of default under any of its Material Contracts or any litigation, investigation or proceeding which may exist at any time involving the Borrower or any of its Affiliates or Subsidiaries and any Person, including, but not limited to, any Governmental Authority; and

- (iii) any event which has caused, or which has a reasonable possibility of causing, a Material Adverse Change with respect to Borrower or Parent.
- (p) **Insurance.** The Borrower shall take such actions with its insurer as are necessary to designate the Lender as the first loss payee under the Risk Insurance Policies and deliver written evidence of such designation to the Lender, the Lender may utilize only such proceeds as are necessary to satisfy any unpaid fees, expenses, principal and interest on the Loan Amount then due and owing to Lender under this Agreement and shall promptly remit the remainder of such insurance proceeds to the Borrower. In the event of receipt of any proceeds under any Risk Insurance Policies by the Lender, as loss payee pursuant to such designation: (i) if an Event of Default has occurred and is continuing, the Lender may utilize the amount of such proceeds as is necessary to satisfy any unpaid fees, expenses, principal and interest on the Loan Amount then due and owing to Lender under this Agreement, and shall promptly remit the remainder of such insurance proceeds to the Borrower; or (ii) if no Event of Default has occurred or is continuing, the Lender shall promptly remit all of such insurance proceeds received to the Borrower.
- (q) **Further Encumbrance.** Except for advances or debts secured by the Permitted Encumbrances, each Borrower will not place or secure any debt in addition to the Loan against any of Borrower's properties or assets that are subject to the Transaction Documents, nor will it create, assume or permit to exist any mortgage, charge, hypothec, pledge, lien or other encumbrance or security interest with respect to any of such Borrower's properties or assets charged by the Transaction Documents, without the prior written consent of the Lender, which consent may be unreasonably withheld by the Lender in its sole discretion.
- (r) **Sale and Purchase of Assets/Shares Restricted.** For as long as there is any Indebtedness of Borrower owing to the Lender and unless the prior written consent of the Lender is obtained, which consent may be withheld by it in its sole and absolute discretion, Borrower shall not sell or purchase any assets from or shares of any Person, other than inventory and equipment in the ordinary course of business.
- (s) **Making of Loans Restricted.** Borrower shall not make any loans to any Person, except with the prior written consent of the Lender, which consent may be withheld in its sole and absolute discretion, other than advances of trade credit in the ordinary course of business.
- (t) **Payments to Non-Arm's Length Persons.** Without the prior written consent of Lender, which consent may be withheld by it in its sole and absolute discretion, Borrower shall not advance to or repay any amounts owing to any Affiliate, Subsidiary, parent entity or owner of any of them, except for: (i) compensation and bonuses to employees in the ordinary course business; or (ii) repayment of Permitted Financial Indebtedness, excluding any Permitted Financial Indebtedness subject to subordination agreements as set forth herein, indicated on the Disclosure Statement.
- (u) **Agreements with Third Parties.** Borrower shall not enter into any Material Contract that is not fair market value or on fair market terms, without the prior written consent of the Lender, which consent may be withheld by it in its sole and absolute discretion.
- (v) **Further Indebtedness.** Except for fees and other amounts owing pursuant to this Agreement and the other Transaction Documents and amounts secured by Permitted Encumbrances, Borrower shall not incur any Indebtedness, except trade debt and

professional fees incurred in the ordinary course of business which, for greater certainty, excludes indebtedness for borrowed money.

- (w) **No Guarantees.** Other than as provided in this Agreement or with the prior written consent of the Lender, Borrower shall not guarantee the obligations of any Person other than to the Lender.
- (x) **No Change in Name.** Borrower shall not change its name without the prior written consent of the Lender which consent will not be unreasonably withheld, conditioned or delayed.
- (y) **No Merger; Etc.** Borrower shall not enter into any transaction of amalgamation or consolidation or merger without the prior written consent (not to be unreasonably withheld, conditioned, or delayed) of the Lender and shall not liquidate, wind-up or dissolve itself (or suffer any liquidation, winding-up or dissolution or any proceedings therefor) or continue itself under the laws of any other statute or jurisdiction.
- (z) **Restricted Payments.** No Borrower shall make any Restricted Payment without the prior written consent of the Lender, which consent may be withheld by Lender in its sole discretion.
- (aa) **Amendments.** Borrower shall not materially amend any of its Organizational Documents without Lender's prior written consent, which consent may be withheld in Lender's commercially reasonable discretion.
- (bb) **Depository Accounts.** Borrower shall not open any depository or disbursement account without the prior written consent of the Lender. As long as Borrower enters into a Deposit Account Control Agreement in form and substance to Lender covering the new account, Lender's consent shall not be unreasonably withheld, conditioned or delayed.
- (cc) **Use of Proceeds.** Borrower shall only use the proceeds of the Loan to pay off existing Indebtedness, as approved in writing by Lender, capital expenditures, as approved in writing by Lender, and as a source of Working Capital.
- (dd) **No Change of Control.** Borrower shall not consummate any transaction that would cause a Change of Control.
- (ee) **Executive Equity Restrictions.** Borrower shall cause all of its executives and employees to enter into a sale restriction agreement, as approved by Lender in its sole discretion, pursuant to which all such executives and employees shall agree not to sell, assign, pledge or otherwise transfer any equity interest, or rights to any equity interests, in and to any Borrower entity.
- (ff) **Post-Closing Deliveries.** Borrower shall:
 - (i) provide a Deposit Account Control Agreement for each Blocked Account within 5 Business Days after the date hereof;
 - (ii) provide subordination agreements from [Redacted: Confidential information regarding certain lenders] with respect to the Permitted Financial Indebtedness listed in the Disclosure Statement, in forms satisfactory to Lender in its sole discretion, within 5 Business Days after the date hereof;

- (iii) provide collateral assignments of leases or access agreements with respect to the Leases listed in the Disclosure Statement, in forms satisfactory to Lender in its sole discretion, within 20 Business Days after the date hereof;
- (iv) within 60 days after the date hereof close down all bank accounts which are not Blocked Accounts ;
- (v) delivery of a perfection certificate substantially in the form provided to the Borrowers before Closing for the Guarantor and the Borrowers within 5 Business Days of the date hereof;
- (vi) delivery of payoff letters and lien terminations for any debt acquired between May 23, 2023 and the date hereof other than Permitted Financial Indebtedness, in the sole discretion of Lender;
- (vii) obtain stock exchange approval from the TSX Venture Exchange with respect to the issuance of the Warrant within 30 days after the date hereof, take all steps relating to the foregoing stock exchange approval, including seeking shareholder approval of the Parent, and immediately following such approval deliver the Warrant attached hereto at Exhibit I; and
- (viii) amend and restate that certain Second Amended and Restated Operating Agreement for TC to incorporate the following from the original Operating Agreement of TC dated April 10, 2023 with adjustments throughout as needed to ensure Lender is appropriately incorporated: (a) Section 3.4 (“Lender Conversion and Preemptive Rights”), (b) the last paragraph of Section 5.1 (Non Liquidation Cash Distributions), (c) Section 8.5 (Drag Along and Tag Along Rights), and (d) reinsert the term “Required Member” where previously used in all sections.

ARTICLE 8

INDEMNIFICATION

8.1 Indemnity

The Borrower will indemnify and defend and hold harmless the Lender, its Affiliates, successors and assigns and each of their respective officers, directors, and employees (a “***Lender Indemnified Party***” or collectively the “***Lender Indemnified Parties***”) from and against, and agrees to pay or cause to be paid to the Lender Indemnified Parties all amounts equal to the sum of, any and all claims, demands, costs, expenses, losses and other liabilities of any kind, other than loss of profits of such Lender Indemnified Parties or consequential damages (“***Losses***”) that the Lender Indemnified Parties may incur or suffer (including all reasonable legal fees and expenses), which arise or result from any third party claims arising or resulting from the breach by Borrower of any of its representations or warranties, or failure by Borrower to perform any of its covenants or agreements, in any Transaction Document or in any certificate or document delivered pursuant to any Transaction Document, except to the extent such Losses arise out of the intentional or gross fault, gross negligence or willful misconduct of any Lender Indemnified Party. The rights of the Lender Indemnified Parties hereunder shall be in addition to, and not in lieu of, any other rights and remedies which may be available to them by Law or under the Transaction Documents.

Borrower acknowledges and agrees that its liability to any Lender Indemnified Party in connection with the matters specified above shall not be limited to the Loan Amount, and that Borrower’s liability in respect thereof is unrelated to and independent of the amount of any loss that any Lender Indemnified Party may

suffer as a result of the failure of the Loan to be repaid in full and shall not be determined by reference to the amount of any such loss. This clause shall survive repayment in full and performance of the Loan and termination of this Agreement.

8.2 Procedures

- (a) If a third party shall notify a Lender Indemnified Party (an “*Indemnified Party*”) with respect to any matter that may give rise to a claim for indemnification under the indemnities set out above in Section 8.1, the procedure set out below shall be followed.
- (i) **Notice.** The respective Indemnified Party shall give to the Party providing indemnification (the “*Indemnifying Party*”) written notice of any claim, suit, judgment or matter for which indemnity may be sought under Section 8.1 promptly but in any event within thirty (30) days after the Indemnified Party receives notice thereof; provided, however, that failure by the Indemnified Party to give such notice shall not relieve the Indemnifying Party from any liability it shall otherwise have pursuant to this Agreement except to the extent that the Indemnifying Party is actually prejudiced by such failure. Such notice shall set out in reasonable detail:
- (A) the basis for such potential claim;
 - (B) the dollar amount of such claim; and
 - (C) all documentation and information Lender has received in connection with such potential claim.

The Indemnifying Party shall have a period of twenty (20) Business Days within which to respond thereto. If the Indemnifying Party does not respond within such 20-Business Day period, the Indemnifying Party shall be deemed to have accepted responsibility for such indemnity

- (ii) **Defense of Claim.** With respect to a claim by a third party against an Indemnified Party for which indemnification may be sought under this Agreement, the Indemnifying Party shall have the right, at its option, to be represented by counsel of its choice and to assume the defense or otherwise control the handling of any claim, suit, judgment or matter for which indemnity is sought, which is set out in the notice sent by the Indemnified Party, by notifying the Indemnified Party in writing to such effect within thirty (30) days of receipt of such notice; provided, however, that the Indemnified Party shall have the right to employ counsel to represent it if, in the Indemnified Party’s reasonable judgment based upon the advice of counsel, it is advisable in light of the separate interests of the Indemnified Party and the Indemnifying Party, to be represented by separate counsel, and in that event the reasonable fees and expenses of such separate counsel shall be paid by the Indemnifying Party but only in respect of one counsel (chosen by the Lender) plus appropriate local counsel, if applicable, for all Indemnified Parties. If the Indemnifying Party does not give timely notice in accordance with the preceding sentence, the Indemnifying Party shall be deemed to have given notice that it does not wish to control the handling of such claim, suit or judgment. In the event the Indemnifying Party elects (by notice in writing within such 30-day period) to assume the defense of or otherwise control the handling of any such claim, suit, judgment or matter for which indemnity is sought, the Indemnifying

Party shall indemnify and hold harmless the Indemnified Party from and against any and all reasonable professional fees (including all legal fees, accountants, consultants and engineering fees) and investigation expenses incurred by the Indemnified Party after it provides notice under Section 8.2(a)(i) and prior to such election, notwithstanding the fact that the Indemnifying Party may not have been so liable to the Indemnified Party had the Indemnifying Party not elected to assume the defense of or to otherwise control the handling of such claim, suit, judgment or other matter. In the event that the Indemnifying Party does not assume the defense or otherwise control the handling of such matter, the Indemnified Party may retain counsel, as an indemnification expense, to defend such claim, suit, judgment or matter.

- (iii) **Final Authority.** The Parties shall cooperate in the defense of any such claim or litigation and each shall make available all books and records which are relevant in connection with such claim or litigation. In connection with any claim, suit or other proceeding with respect to which the Indemnifying Party has assumed the defense or control, the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to any matter which does not include a provision whereby the plaintiff or claimant in the matter releases the Indemnified Party from all liability with respect thereto, without the written consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed. In connection with any claim, suit or other proceeding with respect to which the Indemnifying Party has not assumed the defense or control, the Indemnified Party may not compromise or settle such claim without the consent of the Indemnifying Party, which shall not be unreasonably withheld.
- (b) Any claim for indemnification under this Agreement shall be asserted by written notice given by the Indemnified Party to the Indemnifying Party and, except in the case of a claim by a third party, the Indemnifying Party shall have a period of twenty (20) Business Days to respond thereto.

ARTICLE 9 **CONVERSION**

9.1 Conversion

At any time after the TSX Venture Exchange has approved the personal information form of the Lender, but prior to the Tranche 1 Maturity Date, Lender may notify Borrower in writing of its election to convert in whole and not in part the original principal balance of the Tranche 1 Loan Amount into equity interests of TC. Any OID, PIK and any accrued but unpaid interest shall, at the time of conversion of the original principal balance, be paid in cash simultaneously with said conversion. Upon conversion, the original principal balance of the Tranche 1 Loan Amount shall convert into 49% of the equity interests of TC, on a fully diluted basis. For purposes of this Agreement, fully diluted means, for purposes of calculating the equity conversion referenced in this Section, all interests or other rights that are or may be convertible into equity interests of the TC, which include, but are not limited to, preferred stock, warrants, options or other similar rights, shall be included in the calculation of the equity conversion referenced in this Section. All shares of Lender shall be appropriately adjusted to take into account any stock split, stock dividend, reverse stock split, recapitalization, or similar change in TC's equity interests, which may occur after the date hereof and prior to any conversion. In the event Lender exercises its rights of conversion, the organizational document of TC shall be amended to include, at a minimum, those certain minority shareholder rights as set forth on Exhibit F attached hereto.

9.2 Recharacterization of Intercompany Amounts

In the event of the exercise of the conversion rights described in Section 9.1, immediately prior to such conversion, Parent and Borrower will recharacterize and eliminate any intercompany payments or other amounts due from Borrower owing to Parent as of the date of such conversion. Parent and Borrower shall account for such recharacterization in the most efficient manner possible, tax and otherwise, in order to mitigate or eliminate any adverse effect on Borrower.

ARTICLE 10 MISCELLANEOUS

10.1 Currency

Any reference in this Agreement to “\$” will mean United States dollars.

10.2 Waivers and Amendments

Unless otherwise provided, any provision of this Agreement may be amended or modified upon the written consent of the Borrower and the Lender. Any provision of this Agreement may only be waived by the Party in whose favor such provision is intended to benefit, such waiver to be evidenced by a notice in writing by the waiving Party to the other Party.

10.3 Governing Law

This Agreement and all actions arising out of or in connection with this Agreement shall be governed by and construed in accordance with the laws of the United States and the State of New York, without regard to the conflict of laws provisions thereof.

10.4 Exclusive Jurisdiction

Any action or proceeding brought by a Party arising out of or in connection with this Agreement or any other Transaction Document, shall be brought in a court of competent jurisdiction located in the State of New York. Borrower agrees not to contest such jurisdiction or seek to transfer any action relating to such dispute brought in the State of New York to any other jurisdiction.

10.5 Entire Agreement and Paramountcy

The Transaction Documents constitute the full and entire understanding and agreement between the Parties with regard to the subject matters hereof and thereof. If there is any conflict between the provisions of this Agreement and the provisions of any other Transaction Documents, the provisions of this Agreement shall govern.

10.6 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by any Party to the other shall be in writing and may be given by delivering same or sending same by email transmission addressed to the Party to which the notice is to be given at its address or email address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address

provided herein (if a Business Day and if not, the next succeeding Business Day) and if sent by email transmission be deemed to have been given and received at the time of receipt unless actually received after 5:00 p.m. Eastern Time or on a date that does not fall on a Business Day at the point of delivery in which case it shall be deemed to have been given and received on the next business day.

The address, facsimile or email address for service of each of Parties shall be as follows or at such other address as a Party may designate by ten (10) days' advance written notice to the other Party:

(a) If to Borrower:

Wildpack Holdings US Inc.
3917 E Lone Mountain Dr
North Las Vegas, NV, 89081
Attn: [Redacted: Confidential contact information]
Email: [Redacted: Confidential contact information]

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

Fasken LLP
2900-550 Burrard Street
Vancouver, BC V6C 0A3
Attn: [Redacted: Confidential contact information]
Email: [Redacted: Confidential contact information]

(b) If to Lender:

Sandton Capital Solutions Master Fund V, LP
16 West 46th Street, 11th Floor
New York, NY 10036

Attention: [Redacted: Confidential contact information]
Phone: [Redacted: Confidential contact information]
Email: [Redacted: Confidential contact information]

[Redacted: Confidential information regarding Lender legal advisor]

10.7 Validity

If any provision of this Agreement or any of the other Transaction Documents shall be judicially determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions thereof shall not in any way be affected or impaired thereby.

10.8 Counterparts

This Agreement may be executed in any number of counterparts. This Agreement, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or by PDF, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in Person. At the request of any Party hereto or to any such agreement or instrument, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other Parties. No Party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or a PDF document to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or a PDF document as a defense to the formation or enforceability of a contract and each such Party forever waives any such defense.

10.9 Publicity

None of the Parties shall issue any press release or make any public disclosure regarding the transactions contemplated hereby unless such press release or public disclosure is approved by those Parties mentioned in such press release or public disclosure in advance; provided that such consent shall not be necessary if otherwise required by Applicable Law, a Governmental Authority or a securities exchange in the judgment of the disclosing Party, based on the advice of counsel, so long as prior to such disclosure, such Party consults with the other Party hereto on the contents of such press release or public disclosure. For avoidance of doubt, the transaction may be disclosed in confidence to such Persons who have a need to know of this transaction, as provided in Section 10.10, *infra*. Notwithstanding the foregoing, the Parties hereby acknowledge that the Borrower is required to file this Agreement on the System for Electronic Document Analysis and Retrieval (SEDAR) under applicable securities laws.

10.10 Confidentiality

The contents of this Agreement and the other Transaction Documents are confidential and neither the Borrower, on the one hand, nor the Lender, on the other, will disclose any of the contents hereof and thereof to any other party other than its officers, directors, managers, employees, consultants, advisors, and legal counsel, without the express written consent of the other, non-disclosing party. The Lender agrees to hold all Confidential Information (as defined below) obtained by it from any Borrower in strict confidence, to prevent the Confidential Information from being disclosed to third parties, and to refrain from using the Confidential Information for any purpose, except in connection with any enforcement of the Transaction Documents. The term “**Confidential Information**” means any and all knowledge, data or information of a business or technical nature relating to the Business, the Borrower, or their respective businesses, including without limitation (a) trade secrets, copyrights, patents, ideas, inventions, know-how, source code, object code, data and processes; (b) marketing techniques and materials, pricing information, cost information, margin information, client and vendor information of any type (including client identities, project information and terms of engagement), business plans, business strategy, financial statements, projections, budgets and financial information of any type, and (c) information regarding the skills and compensation of employees and independent contractors. Confidential Information does not include information which is (x) publicly known through no fault of the Lender, (y) independently developed by the Lender without reference to the Confidential Information, or (z) rightfully received by the Lender from a third party without violating a duty of confidentiality known to such Lender. Notwithstanding anything in this Section 10.10, the Lender may disclose any Confidential Information obtained by it from any Borrower to any prospective assignee of the Loan (to the extent permitted hereunder) and their respective officers, directors, managers, employees, consultants, advisors, and legal counsel; and the Borrower may disclose information regarding

the contents of this Agreement and the other Transaction Documents in confidence to such Persons who have a need to know the information or as required by Applicable Law.

10.11 Succession and Assignment

Except as otherwise expressly provided in this Agreement and subject to the other Transaction Documents and Applicable Laws, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, permitted transferees, heirs, executors and administrators of the Parties hereto. This Agreement may not be assigned by the Borrower without the prior written consent of the Lender; but the Lender shall have the right to assign its rights under this Agreement so long as the Lender provides the Borrower ten (10) Business Days' prior notice of such assignment. No assignment contemplated by this Section 10.11 shall be or shall be deemed to be a discharge, rescission, extinguishment, novation or substitution of this Agreement and this Agreement shall continue to be the same obligation and not a new obligation.

10.12 Further Assurances

Each of the Parties shall promptly do, make, execute, deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties may require, acting reasonably, from time to time, for the purpose of giving effect to this Agreement and shall take such steps as may be reasonably within its power to implement the full extent of this Agreement.

10.13 Independent Legal Advice

Each of the Parties acknowledge and agree that [Redacted: Confidential information regarding Lender legal advisor] has acted as counsel only to Lender, and that [Redacted: Confidential information regarding Lender legal advisor] is not protecting the rights and interests of any other party to this Agreement. The other parties to this Agreement acknowledge and agree that [Redacted: Confidential information regarding Lender legal advisor] and the Lender have given them the opportunity to seek, and have recommended that such parties obtain, independent legal advice with respect to the subject matter of this Agreement and the other Transaction Documents and, further, each of the other parties hereby represent and warrant to [Redacted: Confidential information regarding Lender legal advisor] and the Lender that such party has sought independent legal advice or waives such advice.

10.14 Usury Ceiling

At no time shall any provision of this Agreement or the other Transaction Documents obligate Borrower to make any payment of interest or other amount payable to the Lender in an amount or calculated in excess of the highest applicable usury ceiling (the "*Maximum Rate*"). In the event any interest is charged or received by the Lender in excess of the Maximum Rate, Borrower acknowledges that the amount or rate shall be deemed to have been immediately adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, so as not to be so prohibited by law or result in a receipt by the Lender of interest at an unlawful rate, and all previous payments in excess of the Maximum Rate shall be deemed to have been payments in reduction of principal and not on account of the interest due under this Agreement and the other Transaction Documents. Provided that the adjustment shall be effected, to the extent necessary and in accordance with Applicable Law, as follows: (i) first, by reducing the amount or rate of interest required to be paid to the Lender under this Agreement or the other Transaction Documents, and (ii) second, by reducing any fees, commissions, premiums and other amounts required to be paid to the Lender that would constitute interest.

10.15 Waiver of Jury Trial

BORROWER ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY AND HAS CONSULTED WITH COUNSEL OF ITS CHOICE, AND HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, AND IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY FULLY TO THE EXTENT THAT ANY SUCH RIGHT SHALL NOW OR HEREAFTER EXIST IN RESPECT OF ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER CREDIT DOCUMENT, OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS INTENDED TO ENCOMPASS INDIVIDUALLY EACH INSTANCE AND EACH ISSUE AS TO WHICH THE RIGHT TO A TRIAL BY JURY WOULD OTHERWISE ACCRUE. LENDER IS HEREBY AUTHORIZED TO FILE A COPY OF THIS PARAGRAPH IN ANY PROCEEDING AS CONCLUSIVE EVIDENCE OF THIS WAIVER BY BORROWER.

10.16 Waiver of Notices

BORROWER HEREBY EXPRESSLY WAIVES, AND SHALL NOT BE ENTITLED TO, ANY NOTICES OF ANY NATURE WHATSOEVER FROM LENDER EXCEPT WITH RESPECT TO MATTERS FOR WHICH THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS SPECIFICALLY AND EXPRESSLY PROVIDE FOR THE GIVING OF NOTICE BY LENDER TO BORROWER (INCLUDING, WITHOUT LIMITATION, SECTION 6.2 OF THIS AGREEMENT) AND EXCEPT WITH RESPECT TO MATTERS FOR WHICH BORROWER IS NOT, PURSUANT TO APPLICABLE LEGAL REQUIREMENTS, PERMITTED TO WAIVE THE GIVING OF NOTICE.

10.17 Joint and Several Liability of Borrowers. Each of WLX, WLH, Murray, CP, TC, HH, WH and any other entity a party hereto as a Borrower hereby accepts joint and several liability hereunder and under the other Transaction Documents in consideration of the financial accommodations to be provided by the Lender under this Agreement and the other Transaction Documents, for the mutual benefit, directly and indirectly, of each of the Borrowers and in consideration of the undertakings of the other Borrowers to accept joint and several liability for the Obligations. Each of the Borrowers, jointly and severally, hereby irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other Borrowers, with respect to the payment and performance of all of the Obligations (including, without limitation, any Obligations arising under this Agreement), it being the intention of the parties hereto that all of the Obligations shall be the joint and several obligations of each of the Borrowers without preferences or distinction among them. If and to the extent that any of the Borrowers shall fail to make any payment with respect to any of the Obligations as and when due or to perform any of the Obligations in accordance with the terms thereof, then in each such event, the other Borrowers will make such payment with respect to, or perform, such Obligation. Subject to the terms and conditions hereof, the Obligations of each of the Borrowers under the provisions of this Agreement constitute the absolute and unconditional, full recourse Obligations of each of the Borrowers, enforceable against each such Person to the full extent of its properties and assets, irrespective of the validity, regularity or enforceability of this Agreement, the other Transaction Documents or any other circumstances whatsoever.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK — SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date and year first written above.

BORROWER:

WILDPACK HOLDINGS US INC.,
A DELAWARE CORPORATION

By: “Thomas Walker”
Name: Thomas Walker
Title: Executive Officer

HUNGRY HIPPO COMPANY
A DELAWARE CORPORATION

By: “Ryan Mason”
Name: Ryan Mason
Title: Vice President & Treasurer

THIRSTY CAT LLC
A DELAWARE LIMITED LIABILITY COMPANY

By: “Ryan Mason”
Name: Ryan Mason
Title: Manager

CRAFTRAC LLC,
A GEORGIA LIMITED LIABILITY COMPANY

By: “Ryan Mason”
Name: Ryan Mason
Title: Manager

**K.T. MURRAY CORPORATION,
A MICHIGAN CORPORATION**

By: “Ryan Mason”
Name: Ryan Mason
Title: Vice President & Treasurer

**WILD LEAF HOLDINGS U.S. LLC,
A DELAWARE LIMITED LIABILITY COMPANY**

By: “Ryan Mason”
Name: Ryan Mason
Title: Manager

**WILD LEAF VENTURES GROUP NEVADA INC.,
A NEVADA CORPORATION**

By: “Ryan Mason”
Name: Ryan Mason
Title: Manager

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date and year first written above.

LENDER

**SANDTON CAPITAL SOLUTIONS MASTER
FUND V, LP
A CAYMAN ISLANDS LIMITED PARTNERSHIP**

By: “Rael Nurick”
Name: Rael Nurick
Title: Managing Member

EXHIBIT A

DISCLOSURE STATEMENT

[Redacted: Commercially sensitive information]

EXHIBIT B

LOAN COMPLIANCE PACKAGE

[Redacted: Commercially sensitive information]

EXHIBIT C

FORM OF LOAN COMPLIANCE CERTIFICATE

COMPLIANCE CERTIFICATE

_____, 20__
[_____]

Attention: [_____]

Dear Sirs/Mesdames:

Re: [_____] (the “**Borrower**”)
Month ended _____.

I, _____, in my capacity as _____ of the Borrower, hereby certify for and on behalf of the Borrower, and without personal liability that:

I am familiar with and have examined the provisions of the loan agreement dated as of [_____] [____], 2023 between the Borrower, as borrower, [_____] as lender (as may be amended, restated, supplemented and otherwise modified from time to time, the “**Loan Agreement**”) and have made such reasonable investigations of corporate records and reasonable inquiries of other officers and senior personnel of the Borrower, respectively, as are sufficient to enable me to make an informed statement herein. Capitalized terms used and not defined in this certificate shall have the meanings given to them in the Loan Agreement and all section references, unless stated otherwise, shall be references to sections of the Loan Agreement.

1. Based on the foregoing and as of the date of this certificate:
 - (a) no Event of Default has occurred and is continuing;
 - (b) the covenants contained in the Loan Agreement have not been breached during the month ended and I am not aware of any financial or other information which leads me to believe that any of such covenants will be breached during the next month; and
 - (c) no Material Adverse Change (as defined in the Loan Agreement) has occurred during the month ended.
2. Attached as Schedule “A” hereto is a copy of the required financial reporting sheet for Borrower for the month ended _____, 20__.

[_____]

By: _____

Name:

Title:

SCHEDULE "A"
TO THE LOAN COMPLIANCE CERTIFICATE
(Form Attached)

EXHIBIT D

BORROWER OWNERSHIP

(See Attached)

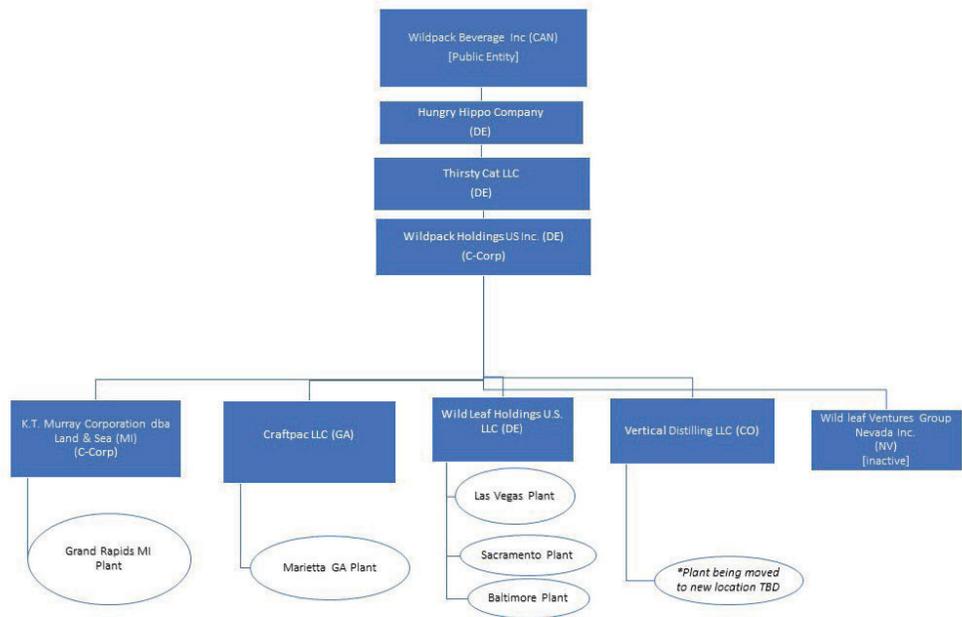


EXHIBIT E
UCC SUMMARY

[Redacted: Commercially sensitive information]

EXHIBIT F

MINORITY PROVISIONS

- Lender shall have the preemptive right to purchase all or part of such Lender's pro rata share of any equity or shares or any securities and/or other rights which are convertible to equity or shares of Thirsty Cat which Thirsty Cat, from time to time, proposes to sell and issue to any person or entity.
- In the event a majority of the shareholders agree to sell their interest in Thirsty Cat, Lender shall, in its sole discretion, have the right to join the transaction on the same financial terms and conditions.
- The Board of Managers of Thirsty Cat shall be restructured to provide Lender with voting rights equal to 49% with respect to all matters submitted to the Board of Managers of Thirsty Cat.
- Lender shall have no restrictions regarding the transfer of its ownership interest in Thirsty Cat.
- The following decisions and actions shall require Lender approval:
 - the sale of all or substantially all assets of Thirsty Cat or any of its Subsidiaries;
 - any amendment of any organizational documents of any Borrower;
 - change of control of Thirsty Cat or any of its Subsidiaries;
 - any sale of equity interests of Thirsty Cat by Hungry Hippo Company;
 - any merger, consolidation or similar transaction with or into any other business entity by Thirsty Cat or any of its Subsidiaries;
 - the commission of any act which would make it impossible for Thirsty Cat or any of its Subsidiaries to carry on its ordinary business;
 - the taking of any actions in violation of the organizational documents of Thirsty Cat or any of its Subsidiaries;
 - entering into any contract or agreement which would result in a Financial Indebtedness of Thirsty Cat or any of its Subsidiaries; and
 - entering into any non-customer contract by Thirsty Cat or any of its Subsidiaries with a total cumulative value in excess of \$ 1,000,000.

EXHIBIT G

EBITDA TEST REQUIREMENTS

[Redacted: Commercially sensitive information]

EXHIBIT H
FORM OF OPTION

OPTION AGREEMENT

This Option Agreement (this “**Agreement**”) dated for reference as of October 10, 2023.

BETWEEN:

MITCHELL BARNARD

(the “**Optionor**”)

AND:

SANDTON CAPITAL SOLUTIONS MASTER FUND V, LP

(the “**Optionee**”)

WHEREAS:

- A. The Optionor is a director and officer of Wildpack Beverage Inc. (the “**Corporation**”) and is the registered and beneficial owner of certain common shares (the “**Common Shares**”) in the capital of the Corporation;
- B. The Optionee has entered into an amended and restated loan agreement with the Corporation dated as of the date hereof pursuant to which the Optionee has made certain funds available to the Corporation (the “**Amended and Restated Loan Agreement**”);
- C. In connection with the Amended and Restated Loan Agreement, the Optionor has agreed to grant to the Optionee an option to purchase 3,546,753 Common Shares (the “**Optioned Shares**”) in the capital of the Corporation, which Optioned Shares are registered in the name of the Optionor; and
- D. The Optionor and the Optionee desire to enter into this Agreement to set out their respective understanding and agreement in respect of the Optioned Shares.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the payment of ONE DOLLAR (\$1.00) from the Optionee to the Optionor, the receipt of which hereby acknowledged and the mutual promises, covenants and agreements herein contained, the parties hereby covenant and agree as follows:

1. OPTION

1.1 The Optionor hereby irrevocably grants to the Optionee the sole and exclusive option (the “**Option**”) to purchase the Optioned Shares at a price of \$0.01 per share (the “**Exercise Price**”), which Option shall expire immediately prior to the issuance by Thirsty Cat LLC (“**Thirsty Cat**”) of a warrant to acquire 5.625% of the equity interests of Thirsty Cat on a fully diluted basis at an exercise price of \$5.625 (such applicable date, the “**Expiry Date**”).

2. EXERCISE OF OPTION

2.1 The Options will vest three months following the date hereof.

2.2 Following vesting, the Option may be exercised by the Optionee by delivering a notice (the “**Exercise Notice**”) to Optionor on or before Expiry Date informing Optionor that the Optionee is exercising the Option, together with a cheque representing the Exercise Price payable to the Optionor. If the Option is not exercised on or before the Expiry Date, the Option shall terminate.

2.3 The Optionor agrees to provide the Exercise Notice to the Corporation’s transfer agent within five business days of receipt and agrees to sign such instruments of transfer as required by the Corporation’s transfer agent to effect the transfer of such Optioned Shares to the Optionee.

3. ADJUSTMENTS

3.1 If:

- (a) the Common Shares are changed into or exchanged for a different number or kind of shares of the Corporation or securities of another corporation, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation;
- (b) a dividend is declared upon the Common Shares, other than in lieu of dividends paid in the ordinary course; or
- (c) there is any other change that the Optionor, acting reasonably, determines equitably requires an adjustment to be made,

then, any term that the Optionor determines requires adjustment (including the number of Optioned Shares subject to the Option, the Exercise Price, as well as any other terms that the Optionor determines require adjustment) will be adjusted by the Optionor in a fair and equitable manner. If at any time a dispute arises with respect to adjustments provide for herein, such dispute will be conclusively determined by the Canadian auditors of the Corporation or if they are unable or unwilling to act, by such other firm of Canadian independent chartered accountants as may be mutually selected by the Optionor and Optionee and any such determination, absent manifest error, will be binding upon the Optioner and the Optionee. No fractional shares will be issued upon the exercise of the Option and accordingly, if as a result of the adjustment, the Optionee would become entitled to a fractional Optioned Share, the Optionee will have the right to purchase only the next lowest whole number of Optioned Shares, as applicable, and no payment or other adjustment will be made with respect to the fractional interest so disregarded.

4. GENERAL

4.1 This Agreement and all actions arising out of or in connection with this Agreement shall be governed by and construed in accordance with the laws of the United States and the State of New York, without regard to the conflict of laws provisions thereof.

4.2 Any action or proceeding brought by a Party arising out of or in connection with this Agreement shall be brought in a court of competent jurisdiction located in the State of New York. Optionor agrees not to contest such jurisdiction or seek to transfer any action relating to such dispute brought in the State of New York to any other jurisdiction.

4.3 This Agreement constitutes the entire agreement between the parties hereto in respect of the subject matter hereof and supersedes all prior agreements and understandings, oral or written, by and between any of the parties hereto with respect to the subject matter hereof.

4.4 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

4.5 Each of the parties agrees to execute all such further documents and instruments and to do all such further acts and things as may reasonably be required to give effect to the transactions contemplated hereby.

4.6 No amendment, waiver or termination of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement shall be deemed or shall constitute a waiver of any other provision nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided.

4.7 Time shall be of the essence of this Agreement.

4.8 Any notice or other communication required or permitted to be given under pursuant to this Agreement shall be in writing and shall be delivered personally to the party concerned to the addresses set out above.

4.9 This Agreement may be executed in one or more counterparts and such counterparts may be delivered by facsimile or other means of electronic communication, which so executed and delivered shall be deemed an original and all counterparts together shall constitute one document.

IN WITNESS WHEREOF the parties hereto have hereunto duly executed this Agreement.

Signed by Mitchell Barnard in the presence)
of:)

Witness

MITCHELL BARNARD

**SANDTON CAPITAL SOLUTIONS MASTER
FUND V, LP**
A CAYMAN ISLANDS LIMITED PARTNERSHIP

By: _____
Name: Rael Nurick
Title: Managing Member

IN WITNESS WHEREOF the parties hereto have hereunto duly executed this Agreement.

Signed by Mitchell Barnard in the presence)
of:)

Mitchell Barnard)

Witness

DocuSigned by:
Mitchell Barnard
A165E413ACF5416...

MITCHELL BARNARD

**SANDTON CAPITAL SOLUTIONS MASTER
FUND V, LP**
A CAYMAN ISLANDS LIMITED PARTNERSHIP

DocuSigned by:
RAEL NURICK
BFBEAF4E87194D6...

By:
Name: Rael Nurick
Title: Managing Member

EXHIBIT I
FORM OF WARRANT

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR APPLICABLE STATE SECURITIES LAWS. THIS SECURITY MAY ONLY BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS, OR PURSUANT TO AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE ACT AND SUCH LAWS. ADDITIONAL CONDITIONS ARE IMPOSED BY THIS SECURITY AND THE COMPANY MAY REFUSE TO THE TRANSFER OF THIS SECURITY UNLESS SUCH CONDITIONS ARE FULFILLED.

Issue Date: October [], 2023

Membership Interests of the class that exists on the date hereof representing 5.625% of the outstanding Membership Interests of the Company as of the Issue Date.

THIRSTY CAT LLC

WARRANT TO PURCHASE MEMBERSHIP INTERESTS OF COMPANY

THIS CERTIFIES that, for value received, SANDTON CAPITAL SOLUTIONS MASTER FUND V, LP, a Cayman Islands limited partnership, or its permitted designee (as applicable, the “*Holder*”) is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase from THIRSTY CAT LLC, a Delaware limited liability company (the “*Company*”), at the Exercise Price determined as provided herein, Membership Interests of the Company of the class that exists on the date hereof representing 5.625% of the outstanding Membership Interests of the Company as of the Issue Date (such Membership Interests, the “*Warrant Interests*”).

This warrant (this “*Warrant*”) is issued in connection with the issuance of the Loans issued in connection with that certain Second Amended and Restated Loan Agreement dated as of October [], 2023 by and among the Company, the other borrowers party thereto from time to time and SANDTON CAPITAL SOLUTIONS MASTER FUND V, LP, as the Lender (as amended, amended and restated and as may be further amended and amended and restated from time to time, the “*Loan Agreement*”). Capitalized terms used herein but not defined shall have the meanings ascribed to them in the Loan Agreement.

1. Membership Interests; Exercise Period.

1.1 Definition of Membership Interest. “*Membership Interest*” shall mean a unit of membership interest of the Company.

1.2 Exercise Price. Assuming 10,000 Membership Interests, the aggregate exercise price for the Warrant Interests shall be equal to Five Dollars and Sixty Two and One Half cents (\$5.625) (as the same may be adjusted as provided in Section 4 hereof, the “*Exercise Price*”).

1.3 Exercise Period. Subject to the terms of Section 1.4 below, this Warrant shall be immediately exercisable, in whole but not in part, on the terms and conditions set forth herein.

2. Exercise of the Warrant.

2.1 Exercise. The purchase rights represented by this Warrant may be exercised at the election of the Holder, in whole but not in part, in accordance with the provisions of Section 1 above, by:

(a) the tender to the Company at its principal office (or such other office or agency as the Company may designate) of a notice of exercise in the form of Exhibit A (the “**Notice of Exercise**”), duly completed and executed by or on behalf of the Holder, together with the surrender of this Warrant; and

(b) the payment to the Company of an amount equal to the Exercise Price, by:

(i) wire transfer or certified, cashier’s or other check acceptable to the Company and payable to the order of the Company for the Exercise Price; or

(ii) surrender and cancellation of the Note issued by the Borrowers to the Holder pursuant to the Loan Agreement or other instruments representing indebtedness of the Company to the Holder in an amount equal to the Exercise Price; or

(iii) a combination of (a) and (b) at the Holder’s sole discretion in an amount equaling the Exercise Price; or

(iv) by instructing the Company to withhold a number of Membership Interests then issuable upon exercise of this Warrant with an aggregate Fair Market Value as of the date of such exercise equal to such Exercise Price. “Fair Market Value” of the Membership Interests shall mean the price that would be received for such Membership Interests in an orderly sale transaction between a willing buyer and a willing seller, using valuation techniques then prevailing in the securities industry without regard to the lack of liquidity of the Membership Interests due to any restrictions (contractual or otherwise) applicable thereto or any discount for minority interests and assuming full disclosure of all relevant information and a reasonable period of time for effectuating such sale and assuming the sale of all of the issued and outstanding Membership Interests (including fractional units) calculated on a fully diluted basis to include the conversion or exchange of all securities then outstanding that are convertible into or exchangeable for Membership Interests and the exercise of all rights and warrants then outstanding and exercisable to purchase Membership Interests or securities convertible into or exchangeable for Membership Interests; provided, that the foregoing shall not include those securities, rights and warrants (a) owned or held by or for the account of the Company or any of its Subsidiaries, or (b) convertible or exchangeable into Membership Interests where the conversion, exchange or exercise price per share is greater than the otherwise Fair Market Value.

2.2 Membership Interests Certificated; Joinder to Operating Agreement. The parties agree that the Membership Interests will be represented by physical certificates. Upon the proper exercise of this Warrant, the Company shall deliver to Holder an executed resolution of the board

of managers (or other required approving body pursuant to the terms of the Company’s Operating Agreement) resolving to issue Warrant Interests to the Holder. The Holder specifically agrees and acknowledges that from and after the exercise of this Warrant, the Warrant Interests shall be subject to the terms of the Limited Liability Company Operating Agreement of the Company dated as of May 1, 2023 among the Company, the members party thereto from time to time (as amended, restated, amended and restated, or otherwise modified or supplemented from time to time, the “*Operating Agreement*”), and the Holder will execute a joinder with respect thereto, together with any other documentation reasonably requested by the Company to effectuate the addition of the Holder as a member of the Company, each in a form reasonably satisfactory to the Company, in connection with the exercise of this Warrant.

2.3 Reservation of Membership Interests. The Company agrees, during the term the rights under this Warrant are exercisable, to take all reasonable action to reserve and keep available from its authorized and unissued Membership Interests for the purpose of effecting the exercise of this Warrant such number of Membership Interests as shall from time to time be sufficient to effect the exercise of the rights under this Warrant; and if at any time the number of authorized but unissued Membership Interests shall not be sufficient for purposes of the exercise of this Warrant in accordance with its terms, without limitation of such other remedies as may be available to the Holder, the Company will use all reasonable efforts to take such limited liability company action as may, in the opinion of counsel of the Company, be necessary to increase its authorized and unissued Membership Interests to a number of Membership Interests as shall be sufficient for such purposes. The Company represents and warrants that all Warrant Interests that may be issued upon the exercise of this Warrant will, when issued in accordance with the terms hereof, be validly issued, fully paid and nonassessable.

3. Transferability of the Warrant and Membership Interests; Compliance with Securities Laws. By acceptance of this Warrant, the Holder agrees to comply with the following:

3.1 Transferability. This Warrant may be transferred or assigned in whole or in part, only together with the Loan Agreement and only for the purpose of effecting, or in conjunction with, a transfer or exchange of such Loan Agreement.

3.2 Investment Representation Statement. Unless the rights under this Warrant are exercised pursuant to an effective registration statement under the Securities Act that includes the Membership Interests with respect to which the Warrant was exercised, it shall be a condition to any exercise of the rights under this Warrant that the Holder shall have confirmed to the satisfaction of the Company in writing, that the Warrant Interests so purchased are being acquired solely for the Holder’s own account and not as a nominee for any other party, for investment and not with a view toward distribution or resale and that the Holder shall have confirmed such other matters related thereto as may be reasonably requested by the Company. In no event may the Holder exercise this Warrant unless the Holder is an “accredited investor” as defined in Regulation D under the Securities Act. In no event shall this Warrant be transferred by Holder to a “bad actor” as defined in Rule 506(d) of the Securities Act, or to any person or entity which would be disqualified from owning a Membership Interest in the Company pursuant to the laws of Delaware.

3.3 Securities Law Legend. To the extent that the Membership Interests are evidenced by certificates, such Membership Interests certificates shall (unless otherwise permitted by the

provisions of this Warrant) be stamped or imprinted with a legend substantially similar to the following (in addition to any legend required by state securities laws):

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER, PLEDGE OR HYPOTHECATION OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

3.4 Market Stand-off Legend. To the extent that the Membership Interests are evidenced by certificates, such certificates issued upon exercise hereof shall also be stamped or imprinted with a legend in substantially the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD IN THE EVENT OF A PUBLIC OFFERING, AS SET FORTH IN THE WARRANT PURSUANT TO WHICH THESE MEMBERSHIP INTERESTS WERE ISSUED, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY.

3.5 Instructions Regarding Transfer Restrictions. The Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 3.

4. Adjustments. Subject to the expiration of this Warrant pursuant to Section 6, the number and kind of Membership Interests purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

4.1 Merger or Reorganization. If at any time there shall be any reorganization, recapitalization, merger or consolidation (a "**Reorganization**") involving the Company in which the Membership Interests are converted into or exchanged for securities, cash or other property, then, as a part of such Reorganization, lawful provision shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, the kind and amount of securities, cash or other property of the successor entity resulting from such Reorganization, equivalent in value to that which a holder of the Membership Interests deliverable upon exercise of this Warrant would have been entitled in such Reorganization if the right to purchase the Membership Interests hereunder had been exercised immediately prior to such Reorganization. In any such case,

appropriate adjustment (as determined in good faith by the governing body of the successor entity) shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after such Reorganization to the end that the provisions of this Warrant shall be applicable after the event, as near as reasonably may be, in relation to any Membership Interests or other securities deliverable after that event upon the exercise of this Warrant.

4.2 *Reclassification of Units.* If the securities issuable upon exercise of this Warrant are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization, conversion of all outstanding Membership Interests of the relevant class or series or otherwise (other than as otherwise provided for herein) (a “**Reclassification**”), then, in any such event, in lieu of the number of Membership Interests which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of units of such other class or classes of units of membership interest that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other ownership interests.

4.3 *Subdivisions and Combinations.* In the event that the outstanding securities issuable upon exercise of this Warrant are subdivided (by split, by distributions or otherwise) into a greater number of securities, the number of Membership Interests issuable upon exercise of the rights under this Warrant immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding securities issuable upon exercise of this Warrant are combined (by reclassification or otherwise) into a lesser number of such securities, the number of Membership Interests issuable upon exercise of the rights under this Warrant immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

4.4 *Redemption.* In the event that all of the outstanding securities issuable upon exercise of this Warrant are redeemed in accordance with the articles of organization of the Company and/or the Operating Agreement, as applicable, this Warrant shall thereafter be exercisable for a number of Membership Interests equal to the number of Membership Interests that would have been received if this Warrant had been exercised in full immediately prior to such redemption.

4.5 *Notice of Adjustments.* Upon any adjustment in accordance with this Section 4, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of the Holder, furnish or cause to be furnished to the Holder a certificate setting forth (i) such adjustments, (ii) the Exercise Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

5. *Notification of Certain Events.* In the event that the Company shall authorize the voluntary liquidation, dissolution or winding up of the Company, then the Company shall send to

the Holder at least ten (10) days prior written notice of the expected effective date of any such event specified in clause (b) or (c), as applicable. The notice provisions set forth in this section may be shortened or waived prospectively or retrospectively by the consent of the Holder.

6. Expiration of the Warrant. This Warrant will automatically expire and be of no further force or effect if the Holder exercises the Option granted to the Holder pursuant to the Loan Agreement. Subject to the foregoing sentence, this Warrant is perpetual and shall not expire.

No Rights as a Member. Nothing contained herein shall entitle the Holder to any rights as a member of the Company or to be deemed the holder of any securities that may at any time be issuable on the exercise of the rights hereunder for any purpose nor shall anything contained herein be construed to confer upon the Holder, as such, any right to vote for the election of directors or managers or upon any matter submitted to members at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of Membership Interests, reclassification of Membership Interests, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive distributions or subscription rights or any other rights of a member of the Company until the rights under the Warrant shall have been properly exercised and the Membership Interests purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

7. Market Stand-off. The Holder hereby agrees that it shall not sell or otherwise transfer, grant any option for the purchase of, or enter into any similar transaction with the same economic effect as a sale of, any Warrant Interests (or other securities) of the Company held by the Holder (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the registration statement for the Company's IPO filed under the Securities Act. The Company may impose stop-transfer instructions and may stamp each certificate with a legend as substantially set forth in Sections 3(c) and 3(d) with respect to the Warrant Interests (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period. The Holder agrees to execute a market standoff agreement with the underwriters in the offering in customary form consistent with the provisions of this section.

8. Drag-Along Rights.

8.1 In the event of a Sale Event (as defined below), the Holder shall, upon the written request of the Company (i) sell, transfer and deliver, or cause to be sold, transferred and delivered, to the Third Party Buyer (as defined below) a pro rata portion of its Warrant Interests (and/or this Warrant) on the same terms applicable to the Company and/or its members (less, in the case of a sale of this Warrant, the Exercise Price) (with any consideration payable in connection with such Sale Event to be distributed among the holders of the equity securities of the Company in a manner that follows the relative rights and preferences as provided in the Operating Agreement), and/or (ii) execute and deliver such instruments of conveyance and transfer and vote such portion of its Warrant Interests (or this Warrant) in favor of any Sale Event proposed by the Company in order to carry out the terms and provisions of this Section 9 (the "***Drag-Along Right***"). The provisions of this Section 9 shall survive the execution of this Warrant.

8.2 For purposes of this Section 9:

(a) a “**Sale Event**” shall mean a bona fide negotiated transaction with a Third-Party Buyer that is not an affiliate of the Company in which the Company has determined (1) to sell its equity securities in a transaction that will result in a majority of the voting power of Company immediately prior to such transaction being transferred to such Third-Party Buyer, (2) to sell or otherwise dispose of all or substantially all of the assets of Company, or (3) to cause Company to merge with or into, or consolidate with, another Person; and

(b) A “**Third-Party Buyer**” shall mean the buyer or buyers in Section 9.2(a)(1) or (2), and the surviving entity in Section 9.2(a)(3).

8.3 Not less than 15 days prior to the date proposed for the closing of any Sale Event, the Company shall give notice to the Holder setting forth in reasonable detail the name or names of the Third-Party Buyer, the terms and conditions of the Sale Event, including the purchase price, and the proposed closing date.

9. Miscellaneous.

9.1 Amendments; Waivers. The amendment or waiver of any term of this Warrant shall only occur upon an agreement in writing signed by each of the Company and the Holder. The resolution of any controversy or claim arising out of or relating to this Warrant and the provision of notice shall be conducted pursuant to the terms of the Loan Agreement, which are hereby incorporated by reference.

9.2 Notices, Governing Law, Misc. All questions concerning, notices, the construction, validity, enforcement and interpretation of this Warrant shall be governed by the laws of the State of New York and construed and enforced in accordance with the terms of the Loan Agreement, which are hereby incorporated by reference.

9.3 Titles and Subtitles. The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

9.4 Severability. If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

9.5 Rights and Obligations Survive Exercise of the Warrant. Except as otherwise provided herein, the rights and obligations of the Company and the Holder or any permitted successor holder under this Warrant shall survive exercise of this Warrant.

9.6 Entire Agreement. Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company

and the Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

Remainder of page left intentionally blank

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed in its corporate name under seal by its duly authorized officer and to be dated as of the issue date set forth on the first page of this Warrant.

COMPANY:

THIRSTY CAT LLC

By: _____

Name:

Title:

HOLDER:

Accepted and agreed to this ___ day of October 2023
by:

**SANDTON CAPITAL SOLUTIONS MASTER
FUND V, LP**

By: _____

Name:

Title:

EXHIBIT A

NOTICE OF EXERCISE

To: THIRSTY CAT LLC

Attention: [_____]

- (1) **Exercise.** The undersigned elects to purchase the Warrant Interests pursuant to the terms of the attached Warrant:
- (2) **Payment.** Payment shall take the form of (check applicable box):
- Wire transfer or certified, cashier's or other check acceptable to the Company and payable to the order of the Company for the Exercise Price.
 - Surrender and cancellation of the Note issued by the Borrowers to the Holder pursuant to the Loan Agreement or other instruments representing indebtedness of the Company to the Holder in an amount equal to the Exercise Price.
 - A combination of both of the foregoing in an amount equaling the Exercise Price as follows:

Amount of wire transfer: _____
Amount of Note cancellation: _____
 - Withholding a number of Membership Interests issuable upon exercise of the Warrant with an aggregate Fair Market Value as of the date of such exercise equal to such Exercise Price pursuant to Section 2(b)(iv) of the Warrant.
- (3) **Investment Intent.** The undersigned represents and warrants that the aforesaid Warrant Interests are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing such Warrant Interests, nor does it have any contract, undertaking, agreement or arrangement for the same.
- (4) **Consent to Receipt of Electronic Notice.** The undersigned consents to the delivery of any notice to members given by the Company under the Delaware Limited Liability Company Act or the Company's articles of organization or Operating Agreement by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company's records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of

electronic transmission directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company.

- (5) The Holder shall execute and deliver a joinder agreement to the Company's Operating Agreement, together with any other documentation reasonably requested by the Company to effectuate the addition of the Holder as a member of the Company, each in a form reasonably satisfactory to the Company, as a condition to its receipt of the Warrant Interests.

Signature page follows

[SIGNATURE OF HOLDER]

Name of Holder: _____

Email Address: _____

Signature of
Authorized Signatory
of Holder, if
applicable: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Date: