

AGENCY AGREEMENT

MEMORANDUM OF AGREEMENT dated December 27, 2018.

BETWEEN:

SAGITTARIUS CAPITAL CORPORATION, a corporation incorporated under the laws of the Province of Ontario (the "**Corporation**")

- and -

IRRI-AL-TAL LTD., a corporation incorporated under the laws of Israel ("**Irri**")

- and -

LEEDE JONES GABLE INC., a corporation incorporated under the federal laws of Canada (the "**Agent**")

BACKGROUND:

- A. The Corporation wishes to raise funds for the purposes described in the Prospectus by offering for sale the Offered Units at the Offering Price (as such terms are defined in this Agreement).
- B. The Corporation wishes to retain the Agent and the Agent is willing to act as agent of the Corporation to solicit subscriptions for the Offered Units on a commercially reasonable efforts agency basis, subject to the terms and conditions of this Agreement.
- C. The Offered Units are being issued in connection with the proposed Securities Exchange involving Irri and the Corporation, a capital pool company listed on the Exchange. The completion of the proposed Securities Exchange and the Offering will constitute a qualifying transaction (as such term is defined in the CPC Policy) for the Corporation (the "**Proposed Qualifying Transaction**"). For the purposes of this Agreement, "**Resulting Issuer**" means the Corporation upon completion of the Proposed Qualifying Transaction. Prior to the Securities Exchange, the Corporation will complete the Consolidation and the Name Change (the Proposed Qualifying Transaction together with the Consolidation and the Name Change are collectively, the "**Qualifying Transaction**").

The Proposed Qualifying Transaction will be effected in accordance with the terms and conditions of the Securities Exchange Agreement.

IN CONSIDERATION of the mutual covenants and agreements in this Agreement, the Corporation, Irri and the Agent agree as follows:

1. **DEFINITIONS**

1.1 For the purposes of this Agreement and any amendments hereto the following words and phrases shall have the following meanings:

- (a) "**Agent's Fee**" has the meaning set forth in Section 2.6;
- (b) "**Agent's Information**" has the meaning set forth in Section 8.1;
- (c) "**Agreement**" means this agreement, the recitals, the schedules attached hereto and any amendments;
- (d) "**Applicable Anti-Corruption Legislation**" has the meaning set forth in Section 9.56;
- (e) "**Applicable Laws**" means all applicable laws, rules, regulations, policies, statutes, ordinances, codes, orders, consents, decrees, judgments, decisions, rulings, awards, or guidelines, the terms and conditions of any permits, including any judicial or administrative interpretation thereof, of any Governmental Authority;
- (f) "**Broker Warrants**" has the meaning set forth in Section 2.10;
- (g) "**Broker Warrant Certificates**" means one or more certificates representing the Broker Warrants, the form of which is attached hereto as **Schedule "A"**;
- (h) "**Broker Shares**" has the meaning set forth in Section 2.10;
- (i) "**Business Day**" means any day, other than a Saturday or Sunday, on which commercial banks in Calgary, Alberta, and Toronto, Ontario and are open for commercial banking business during normal banking hours;

- (j) "**Closing**" means the completion of the transactions contemplated by this Agreement on the Closing Date(s) as herein provided;
- (k) "**Closing Date**" means the date(s) upon which the Closing occurs, which date shall be agreed to between the Corporation and the Agent and shall not be more than ninety (90) days from the date of the issuance of a receipt for the Prospectus by the Ontario Securities Commission, or such other date as the parties hereto may agree and Securities Legislation may allow;
- (l) "**Commission**" has the meaning set forth in Section 2.8(b);
- (m) "**Common Share**" means a common share in the capital of the Resulting Issuer after completing the Consolidation;
- (n) "**Consolidation**" means the consolidation of the outstanding Pre-Consolidation Shares on the basis of one (1) Common Share for each 1.4964285 outstanding Pre-Consolidation Shares;
- (o) "**Corporation's Auditor**" means UHY McGovern Hurley LLP;
- (p) "**Corporation's Board**" means the Board of Directors of the Corporation, as constituted from time to time;
- (q) "**CPC Policy**" means Policy 2.4 of the of the Exchange's Corporate Finance Manual in force from time to time or any successor policy;
- (r) "**Deposit**" has the meaning set forth in Section 2.6;
- (s) "**distribution**" means "**distribution**" or "**distribution to the public**", as the case may be, as defined under the Securities Legislation; and "**distribute**" has a corresponding meaning;
- (t) "**Due Diligence Sessions**" has the meaning set forth in Section 5.2 of this Agreement;

- (u) "**Environmental Laws**" means all Applicable Laws relating to the environment or environmental issues (including air, surface, water and stratospheric matters), pollution or protection of human health and safety, including without limitation relating to the release, threatened release, manufacture, processing, blending, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials;
- (v) "**Exchange**" means the TSX Venture Exchange;
- (w) "**Financial Statements**" means the audited and/or reviewed financial statements which are appended to the Prospectus;
- (x) "**Forward-looking Statements**" has the meaning set forth in Section 9.44;
- (y) "**Governmental Authorities**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:
 - (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
 - (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (z) "**Hazardous Materials**" means chemicals, fluids, pollutants, contaminants, wastes, toxic substances or hazardous substances;
- (aa) "**Indemnified Persons**" has the meaning set forth in Section 13.1;
- (bb) "**Initial Units**" means all or any portion of the 16,000,000 units of the Corporation offered at the Offering Price pursuant to the Prospectus, each Offered Unit being comprised of one Common Share and one-half of one Warrant;

- (cc) **"Irri's Auditor"** means Ziv Haft, Certified Public Accountants (Isr.);
- (dd) **"Irri's Board"** means the Board of Directors of Irri, as constituted from time to time;
- (ee) **"Irri Shares"** means ordinary shares in the capital of Irri;
- (ff) **"knowledge of the Corporation"**, **"aware"**, and similar expressions, when in reference to the Corporation, means to the best of the knowledge, information and awareness of Adam Szweras after having made reasonable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made by officers of the Corporation in the discharge of their duties;
- (gg) **"knowledge of Irri"**, **"aware"**, and similar expressions, when in reference to Irri, means to the best of the knowledge, information and awareness of Ohad Haber, Meira Zada, or Ronnie Jaegermann after having made reasonable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made by officers of Irri in the discharge of their duties;
- (hh) **"Liabilities"** has the meaning set forth in Section 13.1;
- (ii) **"Material Adverse Effect"** or **"Material Adverse Change"** means any effect, change, event or occurrence that, alone or in conjunction with any other effect, change, event or occurrence, (i) is materially adverse to the results of operations, condition (financial or otherwise), assets, properties, capital, liabilities (contingent or otherwise), cash flow, income, business operations of the Corporation taken as a whole, including the Proposed Business to be conducted by the Corporation as described in the Prospectus, or (ii) would result in the Prospectus or any Prospectus Amendment containing a Misrepresentation;
- (jj) **"material change"** and **"material fact"** shall have the meanings ascribed thereto under the Securities Legislation;
- (kk) **"Maximum Subscription"** means all of the Successful Subscriptions for the Offered Units having an aggregate acquisition cost of up to \$4,000,000 or, in the

event that the Over-Allotment Option is exercised, of up to \$4,600,000 from not less than 150 Subscribers;

- (ll) "**Misrepresentation**" has the meaning ascribed thereto by the Securities Legislation;
- (mm) "**Name Change**" means the change of the Corporation's name to Water Ways Technologies Inc.;
- (nn) "**NEX**" means the NEX board of the Exchange;
- (oo) "**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators, as amended or replaced;
- (pp) "**NP 11-202**" means National Policy 11-202 — *Process for Prospectus Reviews in Multiple Jurisdictions* of the Canadian Securities Administrators, as amended or replaced;
- (qq) "**Offered Units**" has the meaning set forth in Section 2.3;
- (rr) "**Offering**" means the offering of the Offered Units pursuant to the Prospectus;
- (ss) "**Offering Price**" means \$0.25 per Unit;
- (tt) "**Over-Allotment Option**" has the meaning set forth in Section 2.3;
- (uu) "**Option Units**" has the meaning set forth in Section 2.3;
- (vv) "**Pre-Consolidation Shares**" means the outstanding common shares in the capital of the Corporation prior to the Consolidation;
- (ww) "**Preliminary Prospectus**" means the preliminary prospectus of the Corporation dated August 22, 2018, as amended and restated in Ontario, British Columbia and Alberta, any amendments thereto approved, signed and certified in accordance with Securities Legislation, relating to the distribution of the Offered Units and Broker Warrants and filed with the Securities Commissions;

- (xx) "**Proceedings**" has the meaning set forth in Section 13.1;
- (yy) "**Proposed Business**" means the business proposed to be conducted by the Resulting Issuer and its subsidiaries after the completion of the Offering as described in the Prospectus;
- (zz) "**Prospectus**" means the (final) prospectus of the Corporation and any amendments thereto, approved, signed and certified in accordance with the Securities Legislation, relating to the distribution of the Offered Units and the Broker Warrants and filed with the Securities Commissions;
- (aaa) "**Policies and Procedures**" means the written policies and procedures of the Exchange, as amended, replaced, or introduced from time to time;
- (bbb) "**Proposed Qualifying Transaction**" has the meaning set forth in the recitals to this Agreement;
- (ccc) "**Prospectus Amendment**" means any amendment to the Preliminary Prospectus or the Prospectus;
- (ddd) "**Public Official**" has the meaning set forth in Section 9.56;
- (eee) "**Qualifying Jurisdictions**" means each the Provinces of Alberta, British Columbia, and Ontario;
- (fff) "**Qualifying Transaction**" means the Consolidation, the Name Change, and the Proposed Qualifying Transaction and all related transactions pursuant to the CPC Policy;
- (ggg) "**Responses**" means the written and verbal responses provided by any responsible officer or director of the Corporation or Irri at the Due Diligence Sessions, excluding the portion of such responses that are forward-looking or related to projections or forecasts, but, for greater certainty, including the portion of such responses which relate to the Proposed Business and any other assets of the Corporation or Irri;

- (hhh) "**Resulting Issuer**" means the Corporation following the completion of the Qualifying Transaction;
- (iii) "**Sales Tax**" has the meaning set forth in Section 2.9;
- (jjj) "**Securities Commissions**" means the Alberta Securities Commission, the British Columbia Securities Commission, and the Ontario Securities Commission;
- (a) "**Securities Exchange**" means a transaction that shall occur pursuant to the Securities Exchange Agreement concurrently with closing of the Proposed Qualifying Transaction, whereby holders of Irri Shares shall exchange all issued and outstanding Irri Shares for Common Shares;
- (a) "**Securities Exchange Agreement**" an agreement dated August 21, 2018 entered into by the Corporation, Irri and Irri shareholders, pursuant to which the parties thereto have agreed to, among other things, complete the Securities Exchange;
- (b) "**Securities Legislation**" means the *Securities Act* (Alberta), the *Securities Act* (British Columbia), and the *Securities Act* (Ontario) and the respective rules and regulations thereto, and the policy statements, rules, notices and blanket orders of the Securities Commissions, the national instruments, the multilateral instruments, the national policy statements and uniform act policies applied by the Securities Commissions, and the Policies and Procedures and by-laws of the Exchange, as amended from time to time;
- (c) "**Subscriber**" or "**Subscribers**" means a person or those persons who subscribe for the Offered Units through the Agent or such other registrants retained by the Agent as sub-agents to sell subscriptions in conjunction with the Agent;
- (d) "**Subscription Funds**" means all funds received with respect to all Successful Subscriptions in accordance with the terms and provisions of this Agreement;
- (e) "**Successful Subscription**" means a subscription for Offered Units by a Subscriber which subscription has been accepted by the Corporation and the Agent;

- (f) **"Time of Closing"** means 10:00 a.m. Calgary time on the Closing Date, or such other time on the Closing Date as the Corporation and the Agent may agree;
- (g) **"Transfer Agent"** means Computershare Trust Company of Canada;
- (h) **"Warrant Indenture"** means the warrant indenture to be dated as of the Closing Date between the Corporation and Computershare Trust Company of Canada, in a form to be agreed upon by the Corporation and the Agent, each acting reasonably;
- (i) **"Warrant Shares"** means the Common Shares issuable upon exercise of the Warrants; and
- (j) **"Warrants"** means the Common Share purchase warrants of the Corporation partially comprising the Offered Units, entitling the holder thereof to acquire one Common Share at an exercise price of \$0.40 for a period of 24 months following the Closing Date (subject to acceleration as set forth in the Warrant Indenture).

1.2 For the purposes of this Agreement, all references to "Dollars" or "\$" shall mean Canadian funds, unless otherwise specified.

1.3 The headings of the Sections and Articles of this Agreement are inserted for convenience of reference only and shall not in any manner affect the construction or meaning of anything herein contained or govern the rights or liabilities of the parties hereto.

1.4 Words importing the singular number only shall include the plural and vice versa and words of gender shall entail all genders and words importing persons shall include companies, corporations, partnerships, syndicates, trusts and any number or aggregate of persons.

2. **APPOINTMENT AND REMUNERATION OF AGENT**

2.1 Subject to the terms hereof, the Corporation hereby appoints the Agent as the sole and exclusive agent and the Agent hereby agrees to act as the sole and exclusive agent of the Corporation to assist in soliciting subscriptions for the Offered Units in accordance with Securities Legislation.

- 2.2 The Agent agrees to use commercially reasonable efforts to sell the Offered Units, but the Corporation understands and agrees that the Agent is acting as agent only and is under no obligation to purchase any of the Offered Units. The Agent may retain other registrants to act as subagents to solicit subscriptions for the Offered Units at no additional cost to the Corporation provided any compensation paid or payable to such subagents, including any Broker Warrants, shall be solely for the account of the Agent. The Agent shall be under no liability for any failure to sell any or all of the Offered Units or to engage subagents.
- 2.3 The Corporation hereby grants to the Agent a non-assignable option (the "**Over-Allotment Option**"), which may be exercised in the Agent's sole discretion and without obligation, exercisable in whole or in part and in one or more tranches at any time and from time to time up to 30 days after the Closing Date, by written notice delivered to the Corporation by the Agent, to offer for sale up to an additional 2,400,000 Units (the "**Option Units**") on the same terms and conditions as the Initial Units. The Initial Units together with any Option Units are collectively referred to herein as the "**Offered Units**" and any reference to "**Offered Units**" or term incorporating or including "**Offered Units**" shall be deemed to also include the Common Shares and Warrants underlying such Offered Units. In the event and to the extent that the Agent exercises the Over-Allotment Option, subject to the terms and conditions hereof, the Agent hereby agrees to sell the number of Option Units as to which the Over-Allotment Option shall have been exercised and the Corporation hereby agrees to issue and sell such number of Option Units at the Offering Price.
- 2.4 The Offering is subject to a minimum subscription of gross proceeds not less than \$2,000,000. All Subscription Funds received by the Agent will be held by the Agent until the minimum subscription has been attained. Notwithstanding any other term of this Agreement, all Subscription Funds received by the Agent will be returned to the purchasers without interest, set-off, or deduction if the minimum subscription for the Offering is not attained by the Closing Date.
- 2.5 The minimum Offering of \$2,000,000 of gross proceeds must be received by the Agent no later than 90 days from the date of issuance by the Ontario Securities Commission, as

principal regulator, of a receipt for the Prospectus in respect of the Offering. If the initial Closing is completed but the Maximum Subscription has not been achieved or the Over-Allotment Option has not been exercised in full, one or more additional Closings may occur until such date as Securities Legislation allows.

- 2.6 The Corporation has provided to the Agent a corporate finance fee of \$40,000 (the "**Agent's Fee**") and a deposit for legal fees and consulting costs in the amount of \$35,000 (the "**Deposit**"). The receipt of the Agent's Fee and the Deposit is hereby acknowledged by the Agent.
- 2.7 If the Offering is terminated prior to Closing, including, but not limited to, pursuant to Article 14 of this Agreement, the Agent shall retain the Agent's Fee and shall apply the Deposit against the reasonable expenses and the reasonable fees, charges and expenses of the Agent and its legal counsel. If the Offering is terminated prior to Closing and the reasonable expenses and the reasonable fees, charges and expenses of the Agent and its legal counsel are less than the Deposit, any amount of the Deposit remaining shall be promptly returned to the Corporation by the Agent or the Agent's legal counsel, without interest or further deduction. If, upon the termination the Offering prior to Closing, the reasonable expenses and the reasonable fees, charges and expenses of the Agent and its legal counsel exceed the Deposit, the Corporation shall immediately pay such excess upon receipt of an invoice by the Agent or its legal counsel, as the case may be.
- 2.8 Upon each Closing, as applicable:
- (a) the Agent shall apply the Deposit against the reasonable expenses of the Agent and the reasonable fees, charges and expenses of the Agent's legal counsel, and the Corporation will pay the reasonable expenses of the Agent and the reasonable fees, charges and expenses of the Agent's legal counsel in excess of the Deposit at the Time of Closing by the Agent deducting such amount from the Subscription Funds payable to the Corporation at the Time of Closing; and
 - (b) the Corporation shall further pay to the Agent, in consideration for the services to be performed by the Agent hereunder, a commission in the amount of eight (8%) percent of the Subscription Funds (the "**Commission**"). The Commission shall be

paid at the Time of Closing by the Agent deducting such amount from the Subscription Funds payable to the Corporation at the Time of Closing.

- 2.9 For greater certainty, if any taxes are payable by the Agent, the Corporation agrees to pay the Agent such additional amount as is necessary to ensure that the Agent will receive the full amount of the relevant payment as if such tax had not been payable. Fees and other amounts payable under this Agreement may be subject to goods and services tax, harmonized sales tax, value added tax, sales tax or other similar tax ("**Sales Tax**"). If Sales Tax is applicable, an additional amount equal to the Sales Tax will be charged to and will be payable by the Corporation. Where the Agent claims reimbursement of out-of-pocket expenses the Sales Tax component of such expenses (if any) will be recharged to the Corporation only to the extent the Agent is unable to obtain an input tax credit or refund in relation to that Sales Tax component. If any fee or other amount payable under this Agreement is deemed by the *Excise Tax Act* (Canada) or similar federal or provincial legislation to include Sales Tax, the fee or other amount payable shall be increased accordingly. For purposes of calculating any amounts payable under this Agreement, if the applicable amount is denominated in a currency other than Canadian dollars, then the Canadian dollar equivalent of any such amount shall be calculated by the Agent by reference to the exchange rate between the Canadian dollar and the relevant currency on the date the applicable amount is due under this Agreement, as quoted by a reputable published source.
- 2.10 In addition to the Commission, the Corporation shall, at the Closing Time, issue to the Agent, as directed by the Agent, compensation warrants (the "**Broker Warrants**") to purchase up to that number of Common Shares that is equal to 8.0% of the aggregate number of Offered Units sold pursuant to the Offering (including, for greater certainty, any Option Units issued pursuant to the Over-Allotment Option). Each Broker Warrant will be exercisable to acquire one (1) Common Share (a "**Broker Share**") for a period of two (2) years following the Closing Date at the Offering Price. The Broker Warrants and the Broker Shares issuable pursuant thereto shall be qualified under and be distributed pursuant to the Prospectus.

3. **SUBSCRIPTIONS**

3.1 The Corporation will:

- (a) at such time as Successful Subscriptions for the Maximum Subscription have been received; or
- (b) at 5:00 p.m. (Toronto time) on the day that is ninety (90) days from the date of the issuance of the receipt for the Prospectus by the Securities Commissions, or such other date as the parties hereto may agree and Securities Legislation may allow;

whichever shall first occur, close the subscription books and thereafter shall not receive any further subscriptions for the Offered Units.

3.2 Subscribers may subscribe for Offered Units by delivering to the Agent acting reasonably, or any subagents retained pursuant to Section 2.2 hereof on or prior to the Closing Date:

- (a) payment for the aggregate subscription price in a manner acceptable to the Agent; and
- (b) such documents, certificates and forms as, in the opinion of the Agent, may be required.

4. **COMPLIANCE WITH SECURITIES LAWS**

4.1 The Corporation and Irri jointly represent and warrant to the Agent that:

- (a) the Corporation and Irri have prepared and filed the Preliminary Prospectus and other documents required by Securities Legislation with the Securities Commissions and have obtained a receipt from the Ontario Securities Commission for the Preliminary Prospectus; and
- (b) pursuant to NP 11-202, a receipt for the Preliminary Prospectus is deemed to have been issued by the Securities Commission in each of the Qualifying Jurisdictions other than the Province of Ontario. The Corporation and Irri will, forthwith after

any comments of the Securities Commissions in respect of the Preliminary Prospectus have been addressed to the satisfaction of the Securities Commissions, prepare and file the Prospectus, in form and substance satisfactory to the Agent, acting reasonably, with the Securities Commissions and obtain a receipt from the Ontario Securities Commission for the Prospectus as soon as possible after such filing. Such receipt will also evidence that, pursuant to NP 11-202, a receipt for the Prospectus has been deemed to have been issued by the Securities Commission in each of the Qualifying Jurisdictions other than the Province of Ontario.

- 4.2 The Corporation and Irri will promptly fulfil and comply with, to the satisfaction of the Agent, acting reasonably: (i) Securities Legislation required to be fulfilled or complied with by the Corporation to enable the Offered Units to be lawfully distributed to the public in the Qualifying Jurisdictions through the Agent or any other investment dealers or brokers registered as such in the Qualifying Jurisdictions; and (ii) Applicable Laws of any other jurisdiction that the Agent and Corporation may mutually agree.
- 4.3 Until the date on which the distribution of the Offered Units is completed, the Corporation and Irri will promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required or desirable under Securities Legislation to continue to qualify the distribution of the Offered Units in the Qualifying Jurisdictions. The Agent agrees to use commercially reasonable efforts to assist the Corporation and Irri to secure compliance with all regulatory requirements in connection with the Offering.

5. **DUE DILIGENCE**

- 5.1 Prior to the filing of the Prospectus, the Corporation and Irri shall permit the Agent to review and participate in the preparation of the Prospectus, the responses of the Corporation and Irri to any (a) comments of the Securities Commissions in respect of the Prospectus and (b) comments of the Exchange in respect of the Qualifying Transaction and any other documents prepared by the Corporation or Irri in relation to the Offering and shall allow the Agent to conduct any due diligence investigations required by the

Agent in order to fulfil its obligations as an agent under Securities Legislation and in order to enable them to responsibly execute the certificate in the Prospectus required to be executed by them. Following the execution and delivery of this Agreement up to the later of the Closing Date and the date of completion of the distribution of the Offered Units, the Corporation and Irri shall allow, and cooperate with, the Agent to conduct any due diligence investigations which they require in order to fulfil its obligations as an agent under Securities Legislation.

- 5.2 Without limiting the generality of the foregoing, the Corporation and Irri shall make available their respective directors, officers, management and audit committee, and shall use their commercially reasonable efforts to cause their respective auditors, legal counsel and other experts to be available, to answer any questions which the Agent may have and to participate in one or more due diligence sessions to be held prior to the completion of the distribution of the Offered Units (collectively, the "**Due Diligence Sessions**"). The Agent shall distribute the list of written questions to be answered in advance of each such Due Diligence Session and the Corporation and Irri shall provide Responses to such questions directed at them and shall use their commercially reasonable efforts to have their respective auditors, legal counsel and other experts provide Responses to such questions at the Due Diligence Sessions.

6. **OBLIGATIONS OF THE AGENT**

- 6.1 The Agent covenants to the Corporation that it shall:
- (a) only solicit subscriptions for the Offered Units from subscribers resident in the Provinces of Alberta, British Columbia, or Ontario in compliance with Securities Legislation and the terms and conditions set out herein;
 - (b) use commercially reasonable efforts to obtain subscriptions for the Offered Units from at least 150 public holders (as defined in the Policies and Procedures of the Exchange);
 - (c) close the subscription books and thereafter not receive any further subscriptions for the Offered Units at the earlier of such time:

- (i) as orders for all of the Offered Units have been received; or
 - (ii) as prescribed by Securities Legislation; and
- (d) provide all such notices and documents as may be required by Securities Legislation in connection with the sale of the Offered Units pursuant to the Prospectus.

7. **DELIVERY OF DOCUMENTS**

7.1 On or prior to the time of filing of the Prospectus, the Corporation and Irri, as applicable, shall deliver to the Agent (except to the extent such documents have been previously delivered to the Agent, or are available on SEDAR):

- (a) a copy of each of the Preliminary Prospectus and the Prospectus signed and certified by the Corporation and Irri as required by Securities Legislation in the Qualifying Jurisdictions;
- (b) a copy of any other document required to be filed by the Corporation under Securities Legislation;
- (c) a "long-form" comfort letter of the Corporation's Auditor and Irri's Auditor, dated the date of the Prospectus (with the requisite procedures to be completed by such auditors no earlier than two (2) Business Days prior to the date of the Prospectus), addressed to the Agent and its counsel, the Corporation or Irri, as applicable, and the Corporation's Board and Irri's Board, as applicable, in form and substance satisfactory to the Agent, acting reasonably, with respect to certain financial and numerical information relating to the Corporation or Irri contained in the Prospectus, which letter shall be in addition to the auditors' reports contained in the Prospectus and any auditors' comfort letters addressed to the Securities Commissions; and
- (d) a copy of the letter from the Exchange advising the Corporation that conditional approval of the listing of the Common Shares, including the Offered Units, the Common Shares issuable pursuant to the Warrants and the Broker Shares, has

been granted by the Exchange, subject to the satisfaction of the customary conditions set out therein.

7.2 In the event that the Corporation is required by Securities Legislation to prepare and file a Prospectus Amendment, the Corporation and Irri shall prepare and deliver promptly to the Agent signed and certified copies of such Prospectus Amendment. Any Prospectus Amendments shall be in form and substance satisfactory to the Agent, acting reasonably. Concurrently with the delivery of any Prospectus Amendment, the Corporation and Irri shall deliver to the Agent, with respect to such Prospectus Amendment, documents similar to those referred to in subsections 7.1(a), (b) and (c).

7.3 The Corporation shall cause commercial copies of the Prospectus to be delivered to the Agent without charge, in such quantities and in such cities as the Agent may reasonably request by written or oral instructions to the Corporation or the printer of such documents. Such delivery of the Prospectus shall be effected as soon as possible after filing thereof with the Securities Commissions, in electronic and printed form. Such deliveries shall constitute the consent of the Corporation and Irri to the Agent's use of the Prospectus for the distribution of the Offered Units in the Qualifying Jurisdictions in compliance with the provisions of this Agreement and Securities Legislation. The Corporation shall similarly cause to be delivered commercial copies of any Prospectus Amendments. The Agent agrees with the Corporation, subject to receipt of the same from the Corporation, to send a copy of the Prospectus to purchasers of Offered Units in Canada promptly following receipt thereof, and to send a copy of any Prospectus Amendment to all persons to whom copies of the Prospectus are sent promptly following receipt thereof.

8. **REPRESENTATIONS AS TO PROSPECTUS AND PROSPECTUS AMENDMENTS**

8.1 Filing of the Preliminary Prospectus, the Prospectus and any Prospectus Amendment shall constitute a joint representation and warranty by the Corporation and Irri to the Agent that, as at their respective dates:

- (a) the information and statements (except information and statements relating solely to the Agent which have been provided by the Agent to the Corporation in writing specifically for use in the Preliminary Prospectus, the Prospectus or any Prospectus Amendment (collectively, "**Agent's Information**")) contained in the Preliminary Prospectus, the Prospectus and any Prospectus Amendment have been reviewed and approved by the Corporation's Board and Irri's Board and are true and correct and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation, Irri, the Qualifying Transaction, the Offered Units, the Broker Warrants and the Offering;
- (b) no material fact or information has been omitted from such disclosure (except for Agent's Information) that is required to be stated in such disclosure or that is necessary to make a statement contained in such disclosure not misleading in the light of the circumstances under which it was made;
- (c) except with respect to any Agent's Information, such documents comply in all material respects with the requirements of Securities Legislation and the applicable securities laws in the Qualifying Jurisdictions.

8.2 Such filings shall also constitute the Corporation's and Irri's consent to the Agent's use of the Preliminary Prospectus, the Prospectus, and any Prospectus Amendment in connection with the distribution of the Offered Units in the Qualifying Jurisdictions in compliance with this Agreement and Securities Legislation and such other jurisdictions as the Corporation and the Agent may agree, in compliance with this Agreement and Applicable Laws.

9. **ADDITIONAL REPRESENTATIONS AND WARRANTIES OF THE CORPORATION AND IRRI**

Each of the Corporation (solely in respect of the Corporation) and Irri (solely in respect of Irri) hereby represents and warrants to the Agent as follows. Each of the Corporation and Irri acknowledges that the Agent is relying on the following representations and warranties and agrees that they will be jointly liable for a breach of any such representation and warranty made by the other:

- 9.1 Each of the Corporation and Irri has been organized and is valid and subsisting and in good standing under the Applicable Laws of its jurisdiction of formation, has all the requisite corporate power and capacity to (a) carry on its business as now conducted and as presently proposed to be conducted by it, and (b) to own its properties and assets and conduct its business as described in the Prospectus.
- 9.2 Except as disclosed in the Prospectus, immediately prior to the Closing, the Corporation and Irri will have no subsidiaries, nor will they be affiliated with or be a "holding corporation" of any other body corporate (within the meaning of such term in the *Securities Act* (Alberta)), nor will it be a partner of any partnerships or limited partnerships, and neither the Corporation nor Irri will have shareholdings in any other corporation or business organization.
- 9.3 Except for the Securities Exchange Agreement, the Corporation does not own or have any interest in any asset or property of any kind whatsoever, other than cash or deposits with financial institutions, and, without limiting the generality of the foregoing, the Corporation does not have an Agreement in Principle (as defined in the CPC Policy), other than the Securities Exchange Agreement.
- 9.4 The Corporation has undertaken no business since the date of its incorporation, except as permitted by the CPC Policy.
- 9.5 The Corporation has not made and will not make any payments which are prohibited by the CPC Policy (except such payments as permitted by the Exchange)
- 9.6 Except where non-compliance does not have and could not reasonably be expected to have a Material Adverse Effect, each of the Corporation and Irri has conducted, is conducting and will conduct its business in compliance with all Applicable Laws, rules and regulations of each jurisdiction in which it carries and will carry on a material portion of its business (including the Proposed Business) and neither the Corporation nor Irri has received any notice of any alleged violation of any such Applicable Laws.

- 9.7 All operations of the Corporation and Irri in respect of or in connection with their respective business have been and continue to be conducted in accordance with good industry practices.
- 9.8 All product research and development activities, if any, including, without limitation, quality assurance, quality control, testing, and research and analysis activities, conducted by the Corporation and Irri, in connection with their respective businesses, is being conducted in compliance, in all material respects, with all industry, laboratory safety, management and training standards applicable to such businesses (including the Proposed Business) and all such processes, procedures and practices required in connection with such activities are in place as necessary and are being complied with in all material respects.
- 9.9 All agreements with third parties in connection with the Corporation's and Irri's business have been entered into and are being performed by the Corporation or Irri, as applicable, and, to the knowledge of the Corporation or Irri, as applicable, by all other third parties thereto, in compliance with their terms, except where non-compliance does not have and could not reasonably be expected to have a Material Adverse Effect,. There exists no actual or, to the knowledge of the Corporation or Irri, as applicable, threatened termination, cancellation or limitation of, or any material adverse modification or material change in, the business relationship of the Corporation or Irri, with any investor, supplier, customer, lessor or franchisee, or any group of suppliers, lessors, customers or franchisee whose business with or whose purchases or inventories/components provided to the business of the Corporation or Irri that is material to the assets, business, properties, operations or financial condition of the Corporation or Irri. All such business relationships are intact and mutually cooperative, and there exists no condition or state of fact or circumstances that would prevent the Corporation or Irri from conducting such business with any such third parties in the same manner in all material respects as currently conducted or proposed to be conducted.
- 9.10 Each of the Corporation and Irri owns or possess the right to use all material patents, trademarks, trademark registrations, service marks, service mark registrations, trade names, copyrights, licenses, inventions, trade secrets and rights necessary for the conduct

of its business, and neither the Corporation nor Irri is aware of any bona fide claim to the contrary or any challenge by any other person to the rights of the Corporation or Irri with respect to the foregoing. To the knowledge of the Corporation and Irri, as applicable, the Corporation's and Irri's business, as now conducted, does not, and as currently proposed to be conducted will not, infringe or conflict with, in any material respect, any patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses or other intellectual property or franchise right of any person. No bona fide claim has been made against the Corporation or Irri alleging the infringement by the Corporation or Irri of any patent, trademark, service mark, trade name, copyright, trade secret, license in or other intellectual property right or franchise right of any person.

- 9.11 With respect to any leased premises, the Corporation and Irri, as applicable, has the exclusive right to occupy and use the leased premises and each of the leases pursuant to which the Corporation or Irri, as applicable, occupies the leased premise is, in all material respects, in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement and the Securities Exchange Agreement, and the completion of the transactions described therein by the Corporation or Irri, as applicable, will not afford any of the parties to such leases or any other person the right to terminate such lease or result in any additional or more onerous obligations under such leases.
- 9.12 Each of the Corporation and Irri has security measures and safeguards in place to protect personal information it collects or will collect from customers and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties. Each of the Corporation and Irri has complied and will comply, in all material respects, with all applicable privacy and consumer protection requirements under Applicable Laws and neither has collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by such Applicable Laws, whether collected directly or from third parties, in an unlawful manner. Each of the Corporation and Irri has taken and will take all reasonable steps to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse.

- 9.13 Each of the Corporation and Irri is currently in compliance, in all material respects, with all Environmental Laws, including all reporting and monitoring requirements thereunder, and there are no pending or, to the knowledge of the Corporation or Irri, as applicable, any threatened, administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws. Neither the Corporation nor Irri has received any notice of any non-compliance in respect of Environmental Laws, there are no events or circumstances that, to the knowledge of the Corporation or Irri, as applicable, might reasonably be expected to form the basis of an order for clean up or remediation under Environmental Laws or relating to any Hazardous Materials and there are no permits required under Environmental Laws for the conduct of the Corporation's or Irri's business. The facilities and operations of the Corporation and Irri are currently being conducted, and to the knowledge of the Corporation and Irri, as applicable, have been conducted, in all material respects in accordance with all Applicable Laws regarding workers' compensation, health and safety, and the workplace.
- 9.14 The authorized capital of each of the Corporation and Irri consists of the share capital as disclosed in the Prospectus, and such number of Common Shares and Irri Shares are issued and outstanding as is disclosed in the Prospectus, and all of the issued and outstanding Common Shares and Irri Shares have been duly issued and are fully paid and non-assessable. Other than as set forth in the Prospectus, no person, firm or corporation has any agreement, option, or right or privilege, whether pre-emptive or contractual, capable of becoming an agreement, including convertible securities, for the purchase, subscription or issuance of any unissued Common Shares or Irri Shares or other securities of the Corporation or Irri.
- 9.15 The provisions of the Common Shares and Warrants conform, in all material respects, with the description thereof contained in the Prospectus.
- 9.16 At the Closing Date the form and the terms of the certificates for (a) the Common Shares, including the Common Shares issuable pursuant to Offered Units, Broker Warrants and Warrants, and (b) the Broker Warrant Certificates will be approved by the Corporation's

Board and will comply with all legal and Exchange requirements and will not conflict with the by-laws or constating documents of the Corporation.

- 9.17 At the Closing Date, all necessary corporate action will have been taken by the Corporation to allot and authorize the issuance of the Offered Units and the securities comprising them, including the Warrants and, upon the due exercise of the Warrants, in accordance with their provisions thereof, the Warrant Shares will be validly issued as fully paid and non-assessable shares in the capital of the Corporation, and all such securities shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement and the Warrant Indenture, as applicable.
- 9.18 At the Closing Date, all necessary corporate action will have been taken by the Corporation to allot and authorize the issuance of the Broker Warrants and, upon the due exercise of the Broker Warrants, in accordance with their provisions thereof, the Broker Shares will be validly issued as fully paid and non-assessable shares in the capital of the Corporation, and all such securities shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement, as applicable.
- 9.19 There are no unanimous shareholder agreements and, to the knowledge of the Corporation or Irri, as applicable, there are no shareholders' agreements, voting agreements, investors' rights agreements or other similar agreements in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Corporation or Irri or the operations or affairs of the Corporation or Irri, and there are no persons with registration rights or other similar rights granted by the Corporation or Irri to have any securities of the Corporation or Irri registered or qualified for distribution pursuant to any Securities Legislation or other Applicable Laws.
- 9.20 The Financial Statements of the Corporation, Irri, and the Resulting Issuer contained in the Prospectus, including the notes thereto, fairly present, in all material respects, the financial position and condition of the Corporation, Irri, and the Resulting Issuer on a consolidated basis, as at the date thereof, reflect all liabilities (absolute, accrued, contingent or otherwise) of the Corporation, Irri, and the Resulting Issuer on a consolidated basis as at the date thereof, and have been prepared in accordance with

International Financial Reporting Standards applied on a consistent basis, and there has not been any material change in such position from the date of such Financial Statements.

- 9.21 There is no action, proceeding or investigation (whether or not purportedly on behalf of the Corporation or Irri) pending or, to the knowledge of the Corporation or Irri and their respective directors or officers, threatened against or affecting the Corporation or Irri, at law or in equity or before or by any court or federal, provincial, municipal or other government department, board or agency, domestic or foreign, including without limitation the Securities Commissions, the Exchange, or any other securities commission, stock exchange or similar regulatory authority, which in any way has or would reasonably be expected to have a Material Adverse Effect on the condition (financial or other) of the Corporation and Irri, or which adversely affects or may adversely affect the distribution of the Offered Units, the Qualifying Transaction or any action taken or to be taken by the Corporation or Irri pursuant to or in connection with this Agreement or the Warrant Indenture.
- 9.22 Each of the Corporation and Irri is not in default or breach of, and the execution and delivery of this Agreement, the Warrant Indenture, the Securities Exchange Agreement and all other material contracts (as disclosed in the Prospectus); the performance and compliance with the terms of this Agreement, the Warrant Indenture, the Securities Exchange Agreement and all other material contracts, and the sale of the Offered Units by the Corporation, does not and will not result in any breach of, or be in conflict with or constitute a default under, or create a state of facts which after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents of the Corporation or Irri, or resolutions of the directors or shareholders of the Corporation or Irri, or any mortgage, note, indenture, contract, agreement (written or oral), instrument, lease or other document to which the Corporation or Irri is a party, any judgment, decree, order, statute, rule or regulation applicable to the Corporation or Irri and any term or provision or condition (financial or otherwise) applicable to the Corporation or Irri.
- 9.23 Other than as disclosed in the Prospectus, no securities commission, stock exchange or any comparable authority has issued any order: (i) preventing or suspending trading of

any securities of the Corporation, (ii) preventing or suspending the use of the Preliminary Prospectus, the Prospectus or any Prospectus Amendment, (iii) preventing the distribution of the Offered Units in any Qualifying Jurisdictions or (iv) preventing the completion of the Securities Exchange and, in each case, no such proceeding is, to the knowledge of the Corporation or Irri, as applicable, pending, contemplated or threatened, and neither the Corporation nor Irri is in default of any requirement of Securities Legislation or the Applicable Laws of any Qualifying Jurisdiction that would have a Material Adverse Effect on the transactions contemplated by this Agreement, the Securities Exchange Agreement, the Warrant Indenture or the Offering.

- 9.24 Other than the suspension of trading in the securities of the Corporation issued by the Exchange relating to the Corporation not completing a qualifying transaction (as defined in the CPC Policy) in the permitted time period, the issued and outstanding Pre-Consolidation Shares are listed and posted for trading on the NEX board of the Exchange and the Corporation is in compliance with the rules and regulations of the Exchange in all material respects.
- 9.25 To the knowledge of the Corporation and Irri, as applicable, none of the Corporation's directors or officers or the proposed directors or officers of the Resulting Issuer, is subject to an order or ruling of any court, securities commission, stock exchange, or any comparable authority prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange.
- 9.26 To the knowledge of the Corporation, no insider (as such term is defined in the Securities Legislation) of the Corporation has a present intention to sell any securities of the Corporation held by it.
- 9.27 Except as provided herein and as referred to in the Prospectus, there is no person, firm or corporation acting or purporting to act for the Corporation or Irri entitled to any brokerage, success, or finder's fee in connection with this Agreement or any of the transactions contemplated hereunder.
- 9.28 To the knowledge of the Corporation or Irri, as applicable, other than as set forth in the Prospectus, none of the directors or senior officers of the Corporation or Irri, the

proposed directors or senior officers of the Resulting Issuer, any holder of more than ten (10%) percent of the Corporation's or Irri's outstanding Common Shares, any Promoters of the Corporation, Irri or the Resulting Issuer, or any Associates or Affiliates of any of the foregoing persons or companies (as "**Promoters**", "**Associates**" or "**Affiliates**" are defined in the Securities Legislation) has had any material interest, direct or indirect, in any material transaction within the three (3) years prior to the date of the Preliminary Prospectus, has any material interest, direct or indirect, in any material transaction which, as the case may be, materially affects, is material to or will materially affect the Corporation or Irri, except as stated in the Prospectus, in which are fully set forth all relevant particulars required by the Securities Legislation.

- 9.29 Each of the Corporation and Irri has all requisite corporate power, capacity and authority to enter into and deliver this Agreement, the Securities Exchange Agreement and the Warrant Indenture and to perform its obligations hereunder and thereunder (including, but not limited to, the execution and delivery of the Preliminary Prospectus, the Prospectus and any Prospectus Amendments and the filing of each of them with the Securities Commissions in accordance with this Agreement), and this Agreement, the Securities Exchange Agreement and the Warrant Indenture have been duly authorized, executed and delivered by each of the Corporation and Irri and each constitutes a legal, valid and binding obligation of each of the Corporation and Irri, enforceable against the Corporation and Irri in accordance with its terms.
- 9.30 Upon issuance of the Common Shares, Warrants, Warrant Shares, the Broker Warrants and the Broker Shares pursuant to the terms of this Agreement and the Warrant Indenture, as applicable, such securities shall have been duly allotted and will be outstanding as fully paid and non-assessable and will not have been issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Corporation.
- 9.31 The Transfer Agent, at its principal office in the City of Toronto, has been appointed transfer agent and registrar for the Common Shares of the Corporation.

- 9.32 Computershare Trust Company of Canada or such other qualified Canadian trust company as the Corporation may designate, will, on the Closing Date, be the duly appointed registrar of the Warrants and the duly appointed warrant agent under the Warrant Indenture.
- 9.33 The Corporation has not, directly or indirectly, declared or paid any dividends or declared or made any other distribution on any of its Common Shares or any other shares of any class since incorporation and the Corporation is not currently prohibited, directly or indirectly, from paying any dividends, from making any other distribution on its capital stock, or other securities, or from paying any interest or repaying any loans, advances or other indebtedness of the Corporation, except as limited by Applicable Laws.
- 9.34 Application has been made to list the outstanding Common Shares of the Corporation, including without limitation the Common Shares issuable pursuant to the Offered Units, Warrants and the Broker Warrants on the Exchange and conditional approval of such application has been obtained from the Exchange.
- 9.35 Application has been made to the Exchange for acceptance of, and conditional approval of such application has been obtained regarding, the issuance of the Common Shares issuable pursuant to the Securities Exchange.
- 9.36 Other than the approval of the Exchange, no approval, authorization, consent or other order of, and no filing, registration or recording with, any Governmental Authority is required to be obtained or made by the Corporation or Irri in connection with the execution and delivery of this Agreement, the Securities Exchange Agreement and the Warrant Indenture or the performance by each of the Corporation and Irri of its obligations hereunder or thereunder, or with the consummation of the transactions contemplated by this Agreement, the Securities Exchange Agreement or the Warrant Indenture except as has been obtained or made and are in full force and effect or as required by Securities Legislation with regard to the distribution of the Offered Units, if any, in the Qualifying Jurisdictions, or except where the failure to obtain or make, as the case may be, such approval, authorization, consent, order, filing, registration or recording would not individually or in the aggregate have a Material Adverse Effect.

- 9.37 The net proceeds received by the Corporation and the Resulting Issuer from the sale of the Offered Units and any Common Shares will be applied for the specific purposes or if necessary, re-allocated, as more particularly set forth under "*Use of Proceeds*" in the Prospectus.
- 9.38 No officer, director, employee or any other person not dealing at arm's length with the Corporation or Irri or, to the knowledge of the Corporation or Irri, as applicable, any associate or affiliate of any such person, owns, has or is entitled to any ownership interest, net profits, carried interest or any other encumbrances or claim of any nature whatsoever on the assets of the Corporation or Irri.
- 9.39 Other than as is disclosed in the Prospectus, neither the Corporation nor Irri has any loans or other indebtedness outstanding which have been made to or from any of its shareholders, officers, directors or employees or any other person not dealing at arm's length with it.
- 9.40 No director or officer, former director or officer, or shareholder or employee of, or any other person not dealing at arm's length with the Corporation or Irri will continue after the Closing to be engaged in any transaction or arrangement with or to be a party to a contract with, or has any indebtedness, liability or obligation to, the Corporation or Irri, except for employment or consulting arrangements with employees or consultants or those serving as a director or officer of the Corporation, Irri, or the Resulting Issuer as described in the Prospectus and for indemnity agreements to which the Corporation, Irri, or the Resulting Issuer and current or former officers or directors, as applicable, are party, copies of which have been previously provided to the Agent's legal counsel.
- 9.41 No officer, director, employee of or consultant to the Corporation, Irri, or the Resulting Issuer is subject to any limitations or restrictions on their activities or investments, including any non-competition provisions, that would in any way limit or restrict their involvement with the Corporation, Irri, or the Resulting Issuer, as applicable, or the business and affairs, including the Proposed Business, of the Corporation or Irri, as applicable, as presently contemplated.

- 9.42 Other than as is disclosed in the Prospectus, neither the Corporation nor Irri is party to any contracts of employment which may not be terminated on one month or less notice or which provide for payments occurring on the change of control of the Corporation or Irri.
- 9.43 Each of the Corporation and Irri has duly and on a timely basis, on or prior to the date hereof, filed all tax returns required to be filed by it and all such tax returns are complete and accurate in all material respects; has paid all taxes due and payable by it and has paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are claimed by any Governmental Authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by it; there is no tax deficiency which has been asserted against the Corporation or Irri which would have a Material Adverse Effect; all material tax liabilities of the Corporation and Irri are adequately provided for in accordance with International Financial Reporting Standards within the Financial Statements for all periods up to the date of the Financial Statements; and, to the Corporation's knowledge, there are no actions, suits, proceedings, investigations or claims threatened or pending against it in respect of any taxes, governmental charges or assessments or any other matters under discussion with any Governmental Authority relating to taxes, governmental charges or assessments asserted by any such Governmental Authority.
- 9.44 The Responses are true and correct in all material respects where they relate to matters of fact, and, to the knowledge of the Corporation or Irri, as applicable, such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given, and the Corporation and Irri and their respective directors and/or officers have responded in as thorough and complete fashion as possible. Where the Responses reflect the opinion or view of the Corporation or Irri or their respective directors and/or officers (including, as regards to the Responses or portions of such Responses, which are forward-looking or otherwise relate to projections, forecasts or estimates of future performance or results, operating, financial or otherwise ("**Forward-looking Statements**")), such opinions or

views are subject to the qualifications and provisos set forth in the Responses and were honestly held and believed to be reasonable at the time they were given; provided, however, it shall not constitute a breach of this Section 9.44 solely if the actual results vary or differ from those contained in Forward-looking Statements.

9.45 With respect to forward-looking information (as defined under Securities Legislation) contained in the Prospectus:

- (a) each of the Corporation and Irri had a reasonable basis for the forward-looking information at the time the disclosure was made;
- (b) all forward-looking information is identified as such, and all such documents caution users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information and states the material factors or assumptions used to develop forward-looking information;
- (c) all future-oriented financial information (as defined under Securities Legislation) and each financial outlook: (A) has been prepared in accordance with International Financial Reporting Standards, using the accounting policies the Corporation and Irri expects to use to prepare its historical financial statements for the period covered by the future-oriented financial information or the financial outlook; (B) presents fully, fairly and correctly in all material respects the expected results of the operations for the periods covered thereby; (C) is based on assumptions that are reasonable in the circumstances, reflect the Corporation's and Irri's intended course of action, and reflect management's expectations concerning the most probable set of economic conditions during the periods covered thereby; and
- (d) is limited to a period for which the information in the future-oriented financial information or financial outlook can be reasonably estimated.

- 9.46 Other than this Agreement, neither the Corporation nor Irri is a party to or bound by any agreement of guarantee, indemnification (other than an indemnification of directors and officers in accordance with its by-laws and indemnity agreements entered into among the Corporation and Irri and their respective directors and officers) or any other like commitment in respect of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person.
- 9.47 The properties and assets of the Corporation and Irri are free and clear of all mortgages, pledges, liens, charges and encumbrances (other than as disclosed in the Financial Statements), and neither the Corporation nor Irri has done any act or suffered or permitted any action to be done whereby any person has acquired or may acquire an interest in or to the material properties and assets of the Corporation or Irri, nor has it done any act, omitted to do any act or permitted any act to be done that may have a Material Adverse Effect.
- 9.48 Except as disclosed in the Prospectus, no proposed acquisition by the Corporation or Irri has progressed to a state where a reasonable person would believe that the likelihood of the Corporation completing the acquisition is high and that, if completed by the Corporation or Irri at the date of the Prospectus, would be a significant acquisition for the purposes of Securities Legislation, in each case, that would require the prescribed disclosure in the Prospectus pursuant to Securities Legislation.
- 9.49 Except as disclosed in the Prospectus, each of the Corporation and Irri has all licenses, permits, authorizations and approvals required to perform the Proposed Business, as described in the Prospectus, and no authorization, approval or consent of any Governmental Authority is required to be obtained by the Corporation or Irri in connection with conducting and performing the Proposed Business.
- 9.50 Based upon representations made by the Corporation's Auditor to the Corporation and Irri's Auditor to Irri, the Corporation's Auditor is independent with respect to the Corporation and Irri's Auditor is independent with respect to Irri within the meaning of the rules of professional conduct applicable to auditors in the Province of Ontario; and

there has not been any reportable event (within the meaning of NI 51-102) with such firm or any other prior auditor of the Corporation or Irri.

- 9.51 Except for such matters as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) neither the Corporation nor Irri is in default or breach of any agreement; and (ii) no event has occurred which, with notice or lapse of time or both, would constitute such a default or breach.
- 9.52 Neither the Corporation nor Irri has knowledge of any Applicable Law or regulation or governmental position, or any announced, pending or contemplated change thereto or any announced, pending or contemplated new law or regulation or governmental position (including without limitation any law, regulation or governmental position regarding the Proposed Business) that, in any of these cases, would have a Material Adverse Effect.
- 9.53 Each of the Corporation and Irri is insured by insurers who are, to the knowledge of the Corporation and Irri, as applicable, of recognized financial responsibility, against such losses and risks in such amounts that are appropriate to the operations, properties and assets of the Corporation and Irri as they will exist on the Closing Date, taking the Proposed Business into account, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses, properties and assets; all policies of insurance and fidelity or surety bonds insuring the Corporation and Irri, and their respective business, assets, employees, officers and directors are in full force and effect; each of the Corporation and Irri is in compliance with the terms of such policies and instruments in all material respects, including but not limited to the payment of premiums thereunder, there are no material claims by the Corporation or Irri under any such policies or instruments as to which any insurance company is denying liabilities or defending under a reservation of rights clause; and each of the Corporation and Irri has no reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

- 9.54 The books of account and other records of the Corporation and Irri, whether of a financial or accounting nature or otherwise, have been maintained in accordance with prudent business practices that are customary in the business in which the Corporation or Irri, as applicable, is engaged.
- 9.55 The minute books and corporate records of the Corporation and Irri made available in connection with the Agent's due diligence investigations are true and complete copies thereof and contain copies of all material proceedings of the shareholders, the Corporation's Board, Irri's Board, all committees of the Corporation's Board and Irri's Board that have been minuted or resolved, as applicable, and there have been no other meetings, resolutions or proceedings of the shareholders, the Corporation's Board or Irri's Board or any committee thereof, other than meetings, resolutions or proceedings of the Corporation's Board or Irri's Board or committees thereof for which the minutes are in draft form (copies of the drafts of which have been provided to legal counsel for the Agent), to the date of review of such minute books and corporate records.
- 9.56 Neither the Corporation nor Irri or any director, officer, agent or employee of the Corporation or Irri on behalf of the Corporation or Irri nor, to the knowledge of the Corporation and Irri, as applicable, any other person acting on behalf of the Corporation or Irri has, in order to obtain or retain an advantage in the course of business, directly or indirectly, made or authorized any contribution, payment or promise to make payment of any money, gift, loan, reward, advantage or benefit of any kind (collectively a "**Benefit**") to:
- (a) any employee, official or agent of any governmental or regulatory agency, authority or instrumentality;
 - (b) any person who holds a legislative, administrative or judicial position with any governmental or regulatory agency, authority or instrumentality;
 - (c) any employee, director or officer of a (a) wholly or partially (20% or greater) state owned or state controlled corporation or other body or (b) corporation or other body that is established to perform a duty or function on behalf of a state or is performing such a duty or function;

- (d) any member of a political party or candidate for public office; or
 - (e) any employee, official or agent of a public international organization,
- ((a) through (e) each being a "**Public Official**");

to (a) influence an act or omission of a Public Official in connection with the performance of his or her duties or functions, (b) induce a Public Official to influence any act or decision of the State or public international organization for which the Public Official performs duties or functions or (c) where the Benefit would be prohibited under the *Corruption of Foreign Public Officials Act* (Canada), *Criminal Code* (Canada), the *Proceeds of Crime* (Money Laundering) and *Terrorist Financing Act* (Canada) or the rules and regulations promulgated under any such legislation or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Corporation or Irri ("**Applicable Anti-Corruption Legislation**").

9.57 Each of the Corporation and Irri warrants that it will not, in order to obtain or retain an advantage in the course of business, directly or indirectly, authorize, offer or provide (and will direct Irri and any subsidiaries to do the same) any Benefit to a Public Official in order to: (a) influence an act or omission of the Public Official in connection with the performance of his or her duties or functions; or (b) induce the Public Official to influence any act or decision of the state or public international organization for which that Public Official performs duties or functions, nor will the Corporation do anything directly or indirectly or allow, authorize or acquiesce to anything being done on its behalf that is contrary to Applicable Anti-Corruption Legislation, as the same may be amended from time to time. Each of the Corporation and Irri further warrants that it will take all measures that would be commercially reasonable for a Canadian publicly traded company of a similar size with a robust compliance program and operations in countries with significant perception of corruption to ensure that any contractors or consultants representing or acting on behalf of the Corporation or Irri strictly adhere to Applicable Anti-Corruption Legislation, as the same may be amended from time to time.

9.58 All statements, facts, data, information and materials provided from time to time by the Corporation or Irri in writing to the Agent relating to the Corporation or Irri, or the

directors and officers of the Corporation or Irri are true and correct, in all material respects, and all material facts relating to the subject matter have been fully disclosed to the Agent and such statements, facts, data, information and materials did not and do not contain a Misrepresentation.

- 9.59 The representations and warranties of each of the Corporation and Irri in the Securities Exchange Agreement are, and will on the closing of the Qualifying Transaction be, true and correct in all material respects and each of the Corporation and Irri will fulfil its obligations under, and will comply with all the covenants, terms, and conditions of, the Securities Exchange Agreement in all material respects.
- 9.60 Neither the Corporation nor Irri is aware of any reason that the closing of the Qualifying Transaction is not reasonably likely to occur and nothing has come to the attention of either the Corporation or Irri in respect of the Qualifying Transaction that would have a Material Adverse Effect on the Resulting Issuer following the closing of the Qualifying Transaction.
- 9.61 No person, firm or corporation has any agreement, option, or right or privilege, whether pre-emptive or contractual, capable of becoming an agreement, including convertible securities, for the purchase, subscription or issuance of (a) any unissued Common Shares or other securities of the Corporation or (b) any securities of Irri, except as disclosed in the Prospectus.
- 9.62 The execution and delivery of this Agreement, the Securities Exchange Agreement, and, in the case of the Corporation, the Warrant Indenture and Broker Warrant Certificates, and any of the terms of provisions thereof, do not and will not constitute a default (or an event which would constitute a default with notice or lapse of time or both) by the Corporation or Irri under, or give rise to any right to accelerate the maturity or require the prepayment, of any indebtedness or result in the creation or imposition of any lien, charge or encumbrance upon any property or any of the assets of the Corporation or Irri.
- 9.63 The Corporation has complied with the requirements of any applicable laws of the Province of Ontario or the federal laws of Canada applicable therein to which the

Corporation is subject, including, without limitation, the Securities Legislation and the Business Corporations Act (*Ontario*).

9.64 Each of the Corporation and Irri has advised its respective directors and officers about:

- (a) the nature and scope of their responsibilities and duties as directors and officers, respectively, of a public corporation listed on the Exchange; and
- (b) the obligations of the Corporation to prepare, file, publish and disseminate, as applicable, such information and documentation as may be required by the Securities Legislation.

10. **COVENANTS OF THE CORPORATION AND IRRI**

The Corporation and Irri covenant and agree with the Agent and undertakes that:

10.1 Now and at all times subsequent hereto during the distribution of the Offered Units to the public or such longer period of time, if any, while the Prospectus continues to be current, the Prospectus and any Prospectus Amendments thereto does and will fully comply with the requirements of the Securities Legislation. The Prospectus together with any Prospectus Amendments thereto does and will during such period provide full, true and plain disclosure of all material facts relating to the Corporation, Irri, and the Resulting Issuer, to the Offered Units and to the distribution of the Offered Units to the public, and does not and will not during such period contain a Misrepresentation; provided that the foregoing covenants of the Corporation and Irri do not and shall not apply with respect to statements contained in the Prospectus relating solely to the Agent.

10.2 The Corporation and Irri shall promptly inform the Agent in writing during the period of the distribution of the Offered Units to the public or such longer period of time, if any, during which the Prospectus continues to be current, of full particulars of any material change (actual, anticipated or threatened):

- (a) in any material fact pertaining to them contained or referred to in the Prospectus, or any Prospectus Amendment thereto, which is, or may be, of such a nature as to

make any such fact untrue, false or misleading at the time and in light of the circumstances under which it was made;

- (b) in any statements, facts, data, personal information form or materials provided to the Agent with respect to the directors and officers of the Corporation; or
- (c) in any of the representations and warranties contained in Section 9 of this Agreement.

The Corporation shall, and Irri shall assist to, file under the Securities Legislation, as soon as reasonably possible, and in any event within any statutory limitation therefor, such new or correcting information, amendments and other documents as the Securities Legislation may require. The Corporation shall further provide the Agent with such copies of such information, amendments or other documents as the Agent may reasonably require.

- 10.3 During the period of distribution to the public of the Offered Units or such longer period of time, if any, while the Prospectus continues to be current, the Corporation will advise the Agent promptly of any request of the Securities Commissions or Exchange for amendment of the Prospectus or for any additional information, of the issuance by the Securities Commissions, Exchange or any other securities commission, stock exchange or similar regulatory authority, of any cease trading order, halt order or similar order relating to the Common Shares or Offered Units or the use of the Prospectus, or of the institution or threat of institution of any proceedings for that purpose or of the receipt by the Corporation of any communication from the Securities Commissions, Exchange or any other securities commission, stock exchange or similar regulatory authority relating to the Prospectus or the offering of the Offered Units. Each of the Corporation and Irri will use its best efforts to prevent the issuance of any such cease trading order or halt order and, if issued, to obtain the withdrawal thereof as soon as possible.

11. **CONDITIONS OF CLOSING**

The obligations of the Agent hereunder shall be conditional upon all representations and warranties and other statements of the Corporation and Irri herein being, at and as of the Closing

Time, true and correct in all material respects, the Corporation and Irri having performed in all material respects all of the obligations hereunder theretofore to be performed and the Agent receiving such at the Closing Time, and to the following additional conditions:

11.1 The Agent receiving favourable legal opinions of

- (a) the Corporation's counsel addressed to the Agent, in form and substance reasonably satisfactory to the Agent, with respect to such matters as the Agent may reasonably request relating to the Corporation, the Offering, the Qualifying Transaction and the transactions contemplated hereby and thereby, including without limitation the opinions in **Schedule "B"**;
- (b) Irri's counsel addressed to the Agent, in form and substance reasonably satisfactory to the Agent, with respect to such matters as the Agent may reasonably request relating to Irri, the Offering, the Qualifying Transaction and the transactions contemplated hereby and thereby, including without limitation the opinions in **Schedule "B"**;

and as to all other legal matters, including compliance with Securities Legislation and Applicable Laws in any way connected with the Offering and the Qualifying Transaction as the Agent may reasonably request.

11.2 It is understood that the respective counsel may rely on the opinions of local counsel acceptable to them as to matters governed by the Applicable Laws of jurisdictions other than where they are qualified to practice law, and on certificates of officers, the Transfer Agent and auditors as to relevant matters of fact. It is also understood that any opinions will be subject to such reasonable limitations, qualifications and assumptions as may be required by the counsel providing the opinion.

11.3 Other than the concurrent closing of the Offering, all conditions precedent to the closing of the Qualifying Transaction will have been satisfied and the Securities Exchange Agreement will close concurrently with the Offering, no material amendments to the Securities Exchange Agreement having been made, no material breaches of the Securities Exchange Agreement by any of the parties thereto having occurred, and no waivers of

any of the material terms, conditions or rights contained in the Securities Exchange Agreement having been given by the Corporation other than those approved by the Agent, such approval not to be unreasonably withheld.

11.4 The Corporation and Irri, as applicable, shall deliver to the Agent at the Closing a certificate signed by the President and by the Chief Financial Officer of the Corporation and Irri, or such other director or officer of the Corporation or Irri as the Agent may accept, dated the Closing Date and addressed to the Agent to the effect that:

- (a) **(The Corporation and Irri)** the representations and warranties of the Corporation and Irri, as applicable, contained in this Agreement are true and correct, in all material respects, as at the Closing Date with the same force and effect as if made at and as at the Closing Date after giving effect to the transactions contemplated hereby;
- (b) **(The Corporation and Irri)** each of the Corporation and Irri, as applicable, has duly complied with all covenants and satisfied all the conditions herein and in the Securities Exchange Agreement on its part to be performed or satisfied at or prior to the Closing Date;
- (c) **(The Corporation and Irri)** no closing condition in the Securities Exchange Agreement has been waived by any party, except with the prior written consent of the Agent, such consent not to be unreasonably withheld;
- (d) **(The Corporation)** the Corporation has made and/or obtained on or prior to the Closing Date, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which the Corporation is a party or by which it is bound, required for the execution and delivery of this Agreement, the Offering and the consummation of the other transactions contemplated hereby (subject to completion of filings with certain regulatory authorities, Securities Commissions and the Exchange following the Closing Date);

- (e) **(The Corporation)** no order suspending the sale or ceasing the trading of the Common Shares or any other securities of the Corporation has been issued and no proceedings for that purpose have been instituted or are pending or are, to the knowledge of such officer, contemplated or threatened by the Securities Commissions, Exchange, or any other securities commission, stock exchange and similar regulatory authority; and
 - (f) **(The Corporation and Irri)** such officers have carefully examined the Prospectus, and there has been no material change in the assets, financial position, business or results of operations of the Corporation and Irri; that would give rise to the requirement to file a Prospectus Amendment under Securities Legislation.
- 11.5 The Corporation shall deliver to the Agent at the Closing such other documents and certificates that the Agent may reasonably require.
- 11.6 As soon as possible after the Closing, the Corporation shall use its commercially reasonable efforts to take all necessary steps to complete and file with the Exchange its application for listing with all other documentation required by the Exchange, to allow for the listing and posting for trading of the Common Shares on the Exchange.
- 11.7 It is understood that the Agent may waive, in whole or in part, non-compliance with any of the conditions or other matters contained herein or extend the time for compliance therewith without prejudice to its rights in respect of any other condition or conditions or any other subsequent breach or non-compliance, provided that any such waiver or extension shall be binding upon the Agent only if it is in writing.
- 11.8 The Closing shall occur at the Time of Closing on the Closing Date at the offices of legal counsel of the Corporation, or such other location as may be agreed to between the Corporation and the Agent.

12. **EXPENSES**

- 12.1 All costs and expenses of or incidental to the transaction herein contemplated and the issue and sale of the Offered Units hereunder, whether or not the offering of the Offered Units is completed, are to be assumed and paid by the Corporation, including without

limiting the generality of the foregoing, the engraving or litho-graphing of the definitive certificates representing the Offered Units, the fees and expenses of the Transfer Agent and Computershare Trust Company of Canada under the Warrant Indenture, the fees and expenses payable to the Exchange and the Securities Commissions, the fees and disbursements of qualifying the offering of the Offered Units for sale to the public under the Securities Legislation, the preparation and printing of the Preliminary Prospectus and the Prospectus, and the fees, charges and expenses of the legal counsel and auditors of the Corporation.

13. **INDEMNIFICATION OF THE AGENT**

13.1 The Corporation and Irri hereby jointly covenant and agree to protect and indemnify the Agent, and its directors, officers, partners and employees and any other registrants retained by the Agent as subagents pursuant to Section 2.2 hereof and their respective directors, officers, partners and employees (collectively the "**Indemnified Persons**"), from and against all actual or threatened claims, actions, suits, investigations and proceedings (collectively the "**Proceedings**") and all losses, claims, damages, liabilities, costs or expenses (except loss of profits) (collectively "**Liabilities**") caused or incurred by reason of or resulting directly or indirectly from:

- (a) any Misrepresentation or alleged Misrepresentation contained in the Preliminary Prospectus or in the Prospectus, or in any supplemental, additional or ancillary material, information, evidence, return, report, application, statement, table or document that may be filed by or on behalf of the Corporation under the Securities Legislation, or in any written or oral representation made by the Corporation to a Subscriber, except any Misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Preliminary Prospectus and/or the Prospectus;
- (b) any order, inquiry or investigation related to the offering of the Offered Units arising out of any statement contained in the Prospectus, or in any written or oral representation made by the Corporation to a Subscriber, and brought by the Securities Commissions, the Exchange or any other securities commission, stock

exchange or similar regulatory authority, except such orders, inquiries and investigations relating solely to the Indemnified Persons or any one of them or based on any statement contained in the Prospectus relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Prospectus;

- (c) any breach of the representations, warranties and covenants of the Corporation or Irri contained herein;
- (d) any prohibition or restriction of trading in the Offered Units, Common Shares issuable on exercise of the Warrants or the Common Shares received upon exercise of the Broker Warrants, or any prohibition affecting the distribution of the Offered Units or the Common Shares received upon exercise of the Broker Warrants which may be ordered by any one or more competent authorities if such prohibition or restriction of trading is based on any Misrepresentation in the Preliminary Prospectus or Prospectus, or in any written or oral representations made by the Corporation or Irri to a Subscriber, except any Misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Preliminary Prospectus and the Prospectus;
- (e) any Subscriber effectively rescinding its subscription for the Offered Units pursuant to a right of rescission under which a Subscriber may rescind a contract on the grounds that the Prospectus contains a Misrepresentation, or in the event a determination is made by any competent authority setting aside the sale of the Offered Units, except any Misrepresentation which is based upon information relating solely to the Agent and furnished to the Corporation by the Agent expressly for inclusion in the Prospectus or any determination that arises out of any act or omission of the Agent; and
- (f) the Prospectus failing to comply with the requirements of the Securities Legislation so as to permit the lawful sale of Offered Units or by reason of the Corporation having failed to take or cause to be taken such steps or proceedings

as were necessary to permit the lawful sale of Offered Units as contemplated by the Prospectus and this Agreement.

13.2 If any matter or thing contemplated by this Section 13 shall be asserted against any Indemnified Persons, the Agent shall notify the Corporation as soon as possible of the nature of such claim and the Corporation shall be entitled (but not required) to assume the defence of any suit or proceeding brought to enforce such claim; provided however, that the defence shall be through legal counsel acceptable to the Indemnified Person, acting reasonably, and that no settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other. If the Corporation assumes the defence of any such suit, each of the Indemnified Persons shall continue to have the right to employ their own legal counsel, who shall be acceptable to the Corporation, in any proceeding relating to the claim contemplated by this Section 13 and the reasonable fees and expenses of such legal counsel shall be recoverable by the Indemnified Persons from the Corporation to the extent that the same shall be covered by the indemnity in this Section 13 if:

- (a) the Indemnified Persons have been advised by such legal counsel that there may be legal defences available to them which are different from or additional to defences available to the Corporation (in which case the Corporation shall not have the right to assume the defence of such proceedings on their behalf);
- (b) the Corporation shall not have undertaken the defence of such proceedings and employed legal counsel within fifteen (15) days after notice of commencement of such proceedings; or
- (c) the employment of such legal counsel has been authorized by the Corporation in connection with the defence of such proceeding.

13.3 In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Agreement is due in accordance with its terms but is (in whole or in part), for any reason, held by a court to be unavailable from the Corporation or Irri on policy grounds or otherwise, each of the Corporation, Irri and the

Indemnified Persons shall contribute to the aggregate Liabilities (or Proceedings in respect thereof) to which they may be subject or which they may suffer or incur:

- (a) in such proportion as is appropriate to reflect the relative benefit received by the Corporation or Irri on the one hand and by the Indemnified Persons on the other hand from the Offering; or
- (b) if the allocation provided by subsection (a) above is not permitted by Applicable Law, in such proportion as is appropriate to reflect not only the relative benefits referred to in subsection (a) above, but also to reflect the relative fault of the Indemnified Persons, on the one hand, and the parties from whom indemnity is sought, on the other hand, in connection with the statement, omission, Misrepresentation or alleged Misrepresentation, order, inquiry, investigation or other matter or thing which resulted in such Liabilities, as well as any other relevant equitable considerations.

The relative benefits received by the Corporation or Irri, on the one hand, and the Indemnified Persons, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the Offering received by the Corporation or Irri (net of fees but before deducting expenses) bear to the fees received by the Agent. In the case of liability arising out of the Prospectus, the relative fault of the Corporation or Irri, on the one hand, and of the Indemnified Persons, on the other hand, shall be determined by reference, among other things, to whether the statement, omission, Misrepresentation or alleged Misrepresentation, order, inquiry, investigation or other matter or thing referred to in Section 9 which resulted in such Liabilities relates to information supplied or which ought to have been supplied by, or steps or actions taken or done on behalf of or which ought to have been taken or done on behalf of, the Corporation or Irri or the Indemnified Persons, and the parties relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission, Misrepresentation or alleged Misrepresentation, order, inquiry, investigation or other matter or thing referred to in Section 13.1.

The amount paid or payable to an Indemnified Person as a result of any Proceedings or Liabilities shall, without limitation, include any legal or other expenses reasonably incurred by the Indemnified Person in connection with investigating or defending such Proceedings or Liabilities, whether or not resulting in any formal action, suit, proceeding or claim.

The Corporation, Irri and the Agent agree that it would not be just and equitable if contributions pursuant to this Agreement were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the immediately preceding paragraphs of this Section 13.3. Any liability of the Indemnified Persons under this Section 13.3 shall be limited to the amount of the fees payable to the Agent pursuant to Section 2.8 hereof.

- 13.4 The rights to indemnify and right of contribution provided in the foregoing Sections shall be in addition to and not in derogation of any other right to contribution which the Indemnified Persons may have by any statute or otherwise at law or in equity. Each of the Corporation and Irri waives all rights of contribution that it may have against any Indemnified Persons relating to any Liability or Proceeding in respect of which the Corporation and Irri has agreed to indemnify the Indemnified Persons hereunder.
- 13.5 It is the intention of the Corporation and Irri to constitute the Agent as trustee for the Indemnified Persons for the purposes of Section 13.1 to 13.4, inclusive, and the Agent shall be entitled, as trustee to enforce such covenants on behalf of any other Indemnified Persons.
- 13.6 If any Proceeding is brought in connection with the transactions contemplated by this Agreement and the Agent is required to testify in connection therewith or is required to respond to procedures designed to discover information relating thereto, it will have the right to employ its own legal counsel in connection therewith, and the fees and disbursements of such legal counsel in connection therewith and any other reasonable costs and out-of-pocket expenses incurred by them in connection therewith as well as its reasonable fees at the normal per diem rate for the Agent's directors, officers, employees and agents involved in preparation for and attendance at such Proceedings or in so

responding will be paid by the Corporation or Irri as they are incurred, provided that the Corporation or Irri shall not be liable to pay any such fees, costs or expenses if the Proceeding is brought solely in relation to activities or alleged activities of the Agent or its subagents retained pursuant to Section 2.2 hereof.

13.7 The obligations under the indemnity and right of contribution provided for herein shall apply whether or not the transactions contemplated by this Agreement are completed and shall survive the completion of the transactions contemplated under this Agreement and the termination of this Agreement.

14. **ADDITIONAL CONDITIONS**

14.1 If at any time after the execution hereof but prior to the Closing Date:

- (a) there shall have occurred any material change which, in the Agent's opinion, materially impairs the investment quality or marketability of the Offered Units;
- (b) there shall develop, occur or come into effect any event of any nature whatsoever or disclosure of any such event which, in the Agent's opinion, has had or will have a Material Adverse Effect upon the state of financial markets in Canada such that the offering of the Offered Units should be withdrawn;
- (c) if the Prospectus or any Prospectus Amendment discloses information which, in the Agent's opinion, results at any time prior to the Time of Closing in the Subscribers of a material amount of the Offered Units exercising their rights under the Securities Legislation to withdraw from or rescind their purchase thereof;
- (d) an order to cease or halt trading in the Offered Units or any other securities of the Corporation has been made by the Securities Commissions, the Exchange or any other securities commission, stock exchange or other regulatory authority having jurisdiction over the Corporation and has not been rescinded, revoked or withdrawn;

- (e) there is any breach or non-performance of any of the covenants, representations and warranties of the Corporation contained in this Agreement that has not been rectified or remedied;
- (f) any inquiry or investigation in relation to the Corporation, Irri or their respective directors, officers or insiders (as "**insiders**" is defined in Securities Legislation) is commenced or threatened by the Securities Commissions, Exchange or any other securities commission, stock exchange or other regulatory authority having jurisdiction over the Corporation;
- (g) there is any breach or non-performance by the Corporation or Irri of any provisions of any order of the Securities Commissions or the Exchange;
- (h) there is any amendment to Securities Legislation which will, in the Agent's opinion, increase the costs and expenses incurred or to be incurred by the Agent in connection with the offering of Offered Units, or impose any limitations or restrictions on the exercise of the Broker Warrants or on the subsequent trading of the Common Shares acquired, or which may be acquired, by the Agent pursuant to the exercise of the Broker Warrants; or
- (i) the Agent is not satisfied, in its sole discretion, with the results of its due diligence review contemplated in Section 5 hereof.

The Agent shall be entitled, at its option, to terminate and cancel its obligations under this Agreement with no liability on the Agent's part, by written notice to that effect given to the Corporation not later than the Time of Closing. In the event of any such termination pursuant to the provisions of this Section 14, the Corporation's and Irri's obligations under this Agreement shall be at an end save and except that the Corporation shall be liable to make payment of such of the costs and expenses provided for in Sections 2 and 12 to be payable by the Corporation, as shall previously have been incurred by the Agent and the indemnities contained in Section 13 shall remain in full force and effect.

15. **NOTICE**

15.1 Any notice under this Agreement shall be given in writing, delivered by registered mail and sent by email to the party to receive such notice at the address indicated below, or at such other address as any party may hereafter designate by notice in writing to each of the others:

(a) to the Corporation at: Sagittarius Capital Corporation
77 King St W #3000
Toronto, Ontario M5K 1G8

Attention: Adam Szweras
Email: aszweras@foundationmarkets.com

with a copy to: Fogler, Rubinoff LLP
77 King St W #3000
Toronto, Ontario M5K 1G8

Attention: Eric R. Roblin
Email: eroblin@foglers.com

(b) to Irri at: Irri-Al-Tal Ltd.
P.O.B. 7 Kibbutz Ramat-David
3658700, Israel

Attention: Ohad Haber
Email: ohad@irri-altal.com

with a copy to: Gowling WLG (Canada) LLP
Suite 1600, 1 First Canadian Place
100 King Street West
Toronto ON M5X 1G5

Attention: Jason A. Saltzman
Email: jason.saltzman@gowlingwlg.com

(c) to the Agent at: Leede Jones Gable Inc.
18th Floor, 1140 West Pender Street
Vancouver, British Columbia V6G 4E1

Attention: Richard Carter
Email: rcarter@leedejonesgable.com

with a copy to:

Burnet, Duckworth & Palmer LLP
Suite 2400, 525 8 Avenue SW
Calgary, Alberta T2P 1G1

Attention: Daryl Fridhandler, Q.C.
Email: dsf@bdplaw.com

A notice sent under this Agreement, if personally delivered or sent by e-mail prior to 4:00 p.m. (local time) on a Business Day, shall be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is personally delivered.

16. **MISCELLANEOUS**

16.1 Time shall be of the essence of this Agreement.

16.2 All warranties, representations, covenants and agreements of the Corporation and Irri herein contained or contained in certificates or documents submitted pursuant to or in connection with the transaction provided for herein shall continue in full force and effect for the benefit of the Agent regardless of any investigation by or on behalf of the Agent with respect thereto.

16.3 This Agreement shall be construed and enforced in accordance with and the rights of the parties hereto shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of the parties hereto irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

16.4 This Agreement supersedes all other agreements, documents, letters, writings and oral understandings among the parties relating to the subject matter hereof, including without limitation the engagement letter dated June 18, 2018, and represents the entire agreement between the parties with respect to the subject matter hereof.

16.5 If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement but this

Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

- 16.6 This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and all such counterparts together shall constitute one and the same agreement. The parties hereto shall be entitled to rely on delivery of a facsimile copy of the executed counterpart.
- 16.7 All the terms and provisions of this Agreement shall be binding upon and enure to the benefit of and be enforceable by the parties hereto, their respective successors and assigns, but shall not be assignable without the prior written consent of the other parties hereto.
- 16.8 The parties hereto have required that this Agreement, as well as any notice, document or proceeding relating hereto be written in English. Les parties aux présentes ont exigé que le présent contrat ainsi que tout autre avis, document ou procédure s'y rapportant soit rédigé en anglais.

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IN WITNESS WHEREOF the parties hereto have executed this Agreement, the day and year first above written.

SAGITTARIUS CAPITAL CORPORATION

Per: "Adam Szweras"
Name: Adam Szweras
Title: Secretary

IRRI-AL-TAL LTD.

Per: "Ohad Haber"
Name: Ohad Haber
Title: CEO

LEEDE JONES GABLE INC.

Per: "Richard H. Carter"
Name: Richard H. Carter
Title: Senior Vice President, General Counsel
and Secretary

[Signature Page – Agency Agreement]

SCHEDULE "A"

Void after 5:00 p.m. (Toronto time) on the ● day of ●, 2021.

BROKER WARRANT

for the purchase of Common Shares of

WATER WAYS TECHNOLOGIES INC.

(Organized under the laws of the Province of Ontario)

Number of Warrants: ●

Warrant Certificate No. CO-19/01/●

This is to certify that, for value received, ● (the "**Holder**"), shall have the right to purchase from WATER WAYS TECHNOLOGIES INC. (the "**Corporation**"), at any time and from time to time up to 5:00 p.m. (Toronto time) on ●, 2021 (the "**Expiry Time**"), one fully paid and non-assessable common share in the capital of the Corporation for each Warrant (individually, a "**Warrant**") represented hereby at a price of Cdn\$0.25 per Common Share (the "**Exercise Price**"), upon and subject to the terms and conditions set forth herein.

1. For the purposes of this Warrant Certificate, the term "**Common Shares**" means common shares without par value in the capital of the Corporation as constituted as of the date hereof, provided that in the event of a subdivision, redivision, reduction, combination or consolidation thereof or any other adjustment under section 8 herein, or successive such subdivisions, redivisions, reductions, combinations, consolidations or other adjustments, then subject to the adjustments, if any, having been made in accordance with the provisions of this Warrant Certificate, "**Common Shares**" shall thereafter mean the shares, other securities or other property resulting from such subdivision, redivision, reduction, combination or consolidation or other adjustment.

2. All Warrant Certificates shall be signed by an officer of the Corporation holding office at the time of signing, or any successor or replacement of such person and notwithstanding any change in any of the persons holding said offices between the time of actual signing and the delivery of the Warrant Certificate, the Warrant Certificate so signed shall be valid and binding upon the Corporation.

3. All rights under any of the Warrants in respect of which the right of subscription and purchase therein provided for shall not theretofore have been exercised shall wholly cease and such Warrants shall be wholly void and of no valid or binding effect after the Expiry Time.

4. The right to purchase Common Shares of the Corporation pursuant to the Warrants may only be exercised by the Holder at or before the Expiry Time by:

- (a) duly completing and executing a subscription substantially in the form attached as Schedule "A" (the "**Subscription Form**"), in the manner therein indicated; and
- (b) surrendering this Warrant Certificate and the duly completed and executed Subscription Form to the Corporation prior to the Expiry Time at its head office at ●, together with payment of the purchase price for the Common Shares subscribed for in the form of cash or a certified cheque payable to the Corporation in an amount equal to the then applicable Exercise Price multiplied by the number of Common Shares subscribed for.

5. Upon delivery and payment as set forth in section 4 herein, the Corporation shall cause to be issued to the Holder (a) the number of Common Shares subscribed for by the Holder and the Holder shall become a shareholder of the Corporation in respect of such Common Shares with effect from the date of such delivery and payment and shall be entitled to delivery of a certificate or certificates evidencing such shares and (b) a new Warrant Certificate representing any unexercised Warrants, if applicable. The Corporation shall cause such certificate or certificates to be mailed to the Holder at the address or

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addresses specified in the Subscription Form within five (5) business days of such delivery and payment as set forth in section 4 herein or, if so instructed by the Holder, held for pick-up by the Holder at the principal office of the Corporation. Notwithstanding any adjustment provided for in section 8 herein, the Corporation shall not be required upon the exercise of any Warrants to issue fractional Common Shares in satisfaction of its obligations hereunder and the Holder understands and agrees that it will not be entitled to any cash payment or other form of compensation in respect of a fractional Common Share that might otherwise have been issued.

6. The holding of a Warrant shall not constitute the Holder a shareholder of the Corporation nor entitle him to any right or interest in respect thereof except as herein expressly provided.

7. The Corporation covenants and agrees that until the Expiry Time, while any of the Warrants shall be outstanding, it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Common Shares to satisfy the right of purchase herein provided, as such right of purchase may be adjusted pursuant to sections 8 and 9 herein. The Corporation further covenants and agrees that while any of the Warrants shall be outstanding, the Corporation shall (a) comply with the securities legislation applicable to it in order that the Corporation not be in default of any requirements of such legislation; (b) use its commercially reasonable best efforts to do or cause to be done all things necessary to preserve and maintain its corporate existence; and (c) at its own expense expeditiously use its commercially reasonable best efforts to obtain the listing of such Common Shares (subject to issue or notice of issue) on each stock exchange or over-the-counter market on which the Corporation's Common Shares may be listed from time to time. All Common Shares which shall be issued upon the exercise of the right to purchase herein provided for, upon payment therefor of the amount at which such Common Shares may at the time be purchased pursuant to the provisions hereof, shall be issued as fully paid and non-assessable shares and the holders thereof shall not be liable to the Corporation or its creditors in respect thereof.

8. (a) For the purpose of this section 8, unless there is something in the subject matter or context inconsistent therewith, the words and terms defined below shall have the respective meanings specified therefor:

"Current Market Price" of the Common Shares at any date means the price per share equal to the weighted average price at which the Common Shares have traded on the TSX Venture Exchange (the "TSXV") or, if the Common Shares are not then listed on the TSXV, on such other Canadian stock exchange on which the shares trade as may be selected by the directors of the Corporation for such purpose or, if the Common Shares are not then listed on any Canadian stock exchange, in the over-the-counter market, during the period of any twenty consecutive trading days ending not more than five (5) business days before such date; provided that the weighted average price shall be determined by dividing the aggregate sale price of all Common Shares sold on the said exchange or market, as the case may be, during the said twenty consecutive trading days by the total number of Common Shares so sold; and provided further that if the Common Shares are not then listed on any Canadian stock exchange or traded in the over-the-counter market, then the Current Market Price shall be determined by such firm of independent chartered accountants as may be selected by the directors of the Corporation;

"director" means a director of the Corporation for the time being and, unless otherwise specified herein, a reference to action "by the directors" means action by the directors of the Corporation as a board or, whenever empowered, action by the executive committee of such board; and

"trading day" with respect to a stock exchange or over-the-counter market means a day on which such stock exchange or market is open for business.

- (b) If and whenever at any time after the date hereof and prior to the Expiry Time the Corporation shall (i) subdivide or redivide its then outstanding Common Shares into a greater number of Common Shares, (ii) reduce, combine or consolidate its then outstanding Common Shares into a lesser number of Common Shares or (iii) issue Common Shares (or securities exchangeable for or convertible into Common Shares) to the holders of all or substantially all of its then outstanding Common Shares by way of a stock dividend or other distribution (any of such events herein called a "**Common Share Reorganization**"), then the Exercise Price shall be adjusted effective immediately after the effective date of any such event in (i) or (ii) above or the record date at which the holders of Common Shares are determined for the purpose of any such dividend or distribution in (iii) above, as the case may be, by multiplying the Exercise Price in effect on such effective date or record date, as the case may be, by a fraction, the numerator of which shall be the number of Common Shares outstanding on such effective date or record date, as the case may be, before giving effect to such Common Share Reorganization and the denominator of which shall be the number of Common Shares outstanding immediately after giving effect to such Common Share Reorganization including, in the case where securities exchangeable for or convertible into Common Shares are distributed, the number of Common Shares that would be outstanding if such securities were exchanged for or converted into Common Shares.
- (c) If at any time after the date hereof and prior to the Expiry Time the Corporation shall fix a record date for the issue or distribution to the holders of all or substantially all of the outstanding Common Shares, of rights, options or warrants pursuant to which such holders are entitled, during a period expiring not more than 45 days after the record date for such issue (such period being the "**Rights Period**"), to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share (or in the case of securities exchangeable for or convertible into Common Shares at an exchange or conversion price per share at the date of issue of such securities) of less than 95% of the Current Market Price of the Common Shares on such record date (any of such events being herein called a "**Rights Offering**"), the Exercise Price shall be adjusted effective immediately after the record date for the Rights Offering to the amount determined by multiplying the Exercise Price in effect on such record date by a fraction:
- (i) the numerator of which shall be the aggregate of
 - (A) the number of Common Shares outstanding on the record date for the Rights Offering; and
 - (B) the quotient determined by dividing
 - (I) either (a) the product of the number of Common Shares offered during the Rights Period pursuant to the Rights Offering and the price at which such Common Shares are offered, or, (b) the product of the exchange or conversion price of the securities so offered and the number of Common Shares for or into which the securities offered pursuant to the Rights Offering may be exchanged or converted, as the case may be, by
 - (II) the Current Market Price of the Common Shares as of the record date for the Rights Offering; and
 - (ii) the denominator of which shall be the aggregate of the number of Common Shares outstanding on such record date and the number of Common Shares offered pursuant to the Rights Offering (including in the case of the issue or

distribution of securities exchangeable for or convertible into Common Shares the number of Common Shares for or into which such securities may be exchanged or converted).

If by the terms of the rights, options, or warrants referred to in this section 8(c), there is more than one purchase, conversion or exchange price per Common Share, the aggregate price of the total number of additional Common Shares offered for subscription or purchase, or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered, shall be calculated for purposes of the adjustment on the basis of the lowest purchase, conversion or exchange price per Common Share, as the case may be. Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such calculation. To the extent that any adjustment in the Exercise Price occurs pursuant to this section 8(c) as a result of the fixing by the Corporation of a record date for the issue or distribution of rights, options or warrants referred to in this section 8(c), the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange, conversion or exercise right to the Exercise Price which would then be in effect based upon the number of Common Shares actually issued and remaining issuable after such expiry and shall be further readjusted in such manner upon the expiry of any further such right.

- (d) If at any time after the date hereof and prior to the Expiry Time, the Corporation shall fix a record date for the issue or distribution to the holders of all or substantially all of the Common Shares of:
- (i) shares of the Corporation of any class other than Common Shares;
 - (ii) rights, options or warrants to acquire Common Shares or securities exchangeable for or convertible into Common Shares (other than rights, options or warrants pursuant to which holders of Common Shares are entitled, during a period expiring not more than 45 days after the record date for such issue, to subscribe for or purchase Common Shares at a price per share (or in the case of securities exchangeable for or convertible into Common Shares at an exchange or conversion price per share at the date of issue of such securities) of at least 95% of the Current Market Price of the Common Shares on such record date);
 - (iii) evidences of indebtedness of the Corporation; or
 - (iv) any property or assets of the Corporation (including cash, but excluding cash dividends paid in the ordinary course);

and if such issue or distribution does not constitute a Common Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a "**Special Distribution**"), the Exercise Price shall be adjusted effective immediately after the record date for the Special Distribution to the amount determined by multiplying the Exercise Price in effect on the record date for the Special Distribution by a fraction:

- (A) the numerator of which shall be the difference between
 - (I) the product of the number of Common Shares outstanding on such record date and the Current Market Price of the Common Shares on such record date, and
 - (II) the fair value, as determined by the directors of the Corporation, to the holders of the Common Shares of the shares, rights,

options, warrants, evidences of indebtedness or property or assets to be issued or distributed in the Special Distribution, and

- (B) the denominator of which shall be the product obtained by multiplying the number of Common Shares outstanding on such record date by the Current Market Price of the Common Shares on such record date.

Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of such calculation. To the extent that any adjustment in the Exercise Price occurs pursuant to this section 8(d) as a result of the fixing by the Corporation of a record date for the issue or distribution of rights, options or warrants to acquire Common Shares or securities exchangeable for or convertible into Common Shares referred to in this section 8(d), the Exercise Price shall be readjusted immediately after the expiry of any relevant exercise, exchange or conversion right to the amount which would then be in effect if the fair market value had been determined on the basis of the number of Common Shares issued and remaining issuable immediately after such expiry, and shall be further readjusted in such manner upon the expiry of any further such right.

- (e) If and whenever at any time after the date hereof and prior to the Expiry Time there is a capital reorganization of the Corporation or a reclassification or other change in the Common Shares (other than a Common Share Reorganization) or a consolidation or merger or amalgamation of the Corporation with or into any other corporation or other entity (other than a consolidation, merger or amalgamation which does not result in any reclassification of the outstanding Common Shares or a change of the Common Shares into other securities), or a transfer of all or substantially all of the Corporation's undertaking and assets to another corporation or other entity in which the holders of Common Shares are entitled to receive shares, other securities or other property (any of such events being called a "**Capital Reorganization**"), after the effective date of the Capital Reorganization the Holder shall be entitled to receive, and shall accept, for the same aggregate consideration, upon exercise of the Warrants, in lieu of the number of Common Shares to which the Holder was theretofore entitled upon the exercise of the Warrants, the kind and aggregate number of Common Shares and other securities or property resulting from the Capital Reorganization which the Holder would have been entitled to receive as a result of the Capital Reorganization if, on the effective date thereof, the Holder has been the registered holder of the number of Common Shares to which the Holder was theretofore entitled to purchase or receive upon the exercise of the Warrants. If necessary, as a result of any Capital Reorganization, appropriate adjustments shall be made in the application of the provisions of this Warrant Certificate with respect to the rights and interest thereafter of the Holder to the end that the provisions of this Warrant Certificate shall thereafter correspondingly be made applicable as nearly as may reasonably be possible in relation to any shares or other securities or property thereafter deliverable upon the exercise of this Warrant Certificate.
- (f) If and whenever at any time after the date hereof and prior to the Expiry Time, any of the events set out in sections 8(b), (c), (d) or (e) herein shall occur and the occurrence of such event results in an adjustment of the Exercise Price pursuant to the provisions of this section 8, then the number of Common Shares purchasable pursuant to this Warrant shall be adjusted contemporaneously with the adjustment of the Exercise Price by multiplying the number of Common Shares then otherwise purchasable on the exercise thereof by a fraction, the numerator of which shall be the Exercise Price in effect immediately prior to the adjustment and the denominator of which shall be the Exercise Price resulting from such adjustment.

- (g) If the Corporation takes any action affecting its Common Shares to which the foregoing provisions of this section 8, in the opinion of the board of directors of the Corporation, acting in good faith, are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder against dilution in accordance with the intent and purposes hereof, or would otherwise materially affect the rights of the Holder hereunder, then the Corporation shall, subject to the approval of the TSXV (or such other stock exchange or quotation system on which the Common Shares are then listed and posted (or quoted) for trading, as applicable), execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid in such manner as the board of directors of the Corporation may determine to be equitable in the circumstances, acting in good faith. The failure of the taking of action by the board of directors of the Corporation to so provide for any adjustment on or prior to the effective date of any action or occurrence giving rise to such state of facts will be conclusive evidence that the board of directors has determined that it is equitable to make no adjustment in the circumstances.

9. The following rules and procedures shall be applicable to the adjustments made pursuant to section 8 herein:

- (a) any Common Shares owned or held by or for the account of the Corporation shall be deemed not to be outstanding except that, for the purposes of section 8 herein, any Common Shares owned by a pension plan or profit sharing plan for employees of the Corporation or any of its subsidiaries shall not be considered to be owned or held by or for the account of the Corporation;
- (b) no adjustment in the Exercise Price or the number of Common Shares purchasable pursuant to this Warrant shall be required unless a change of at least 1% of the prevailing Exercise Price or the number of Common Shares purchasable pursuant to this Warrant would result, provided, however, that any adjustment which, except for the provisions of this section 9(b), would otherwise have been required to be made, shall be carried forward and taken into account in any subsequent adjustment;
- (c) the adjustments provided for in section 8 herein are cumulative and shall apply to successive subdivisions, consolidations, dividends, distributions and other events resulting in any adjustment under the provisions of such item;
- (d) in the absence of a resolution of the board of directors of the Corporation fixing a record date for any dividend or distribution referred to in section 8(b)(iii) herein, the Corporation shall be deemed to have fixed as the record date therefor the date on which such dividend or distribution is effected;
- (e) if the Corporation sets a record date to take any action and thereafter and before the taking of such action abandons its plan to take such action, then no adjustment to the Exercise Price will be required by reason of the setting of such record date;
- (f) as a condition precedent to the taking of any action which would require any adjustment to the Warrants evidenced hereby, including the Exercise Price, the Corporation must take any corporate action which may be necessary in order that the Corporation shall have unissued and reserved in its authorized capital and may validly and legally issue as fully paid and non-assessable all of the shares or other securities which the Holder is entitled to receive on the full exercise thereof in accordance with the provisions hereof;
- (g) forthwith, but no later than fourteen (14) days, after any adjustment to the Exercise Price or the number of Common Shares purchasable pursuant to the Warrants, the Corporation

shall provide to the Holder a certificate of an officer of the Corporation certifying as to the amount of such adjustment and, in reasonable detail, describing the event requiring and the manner of computing or determining such adjustment;

- (h) any question that at any time or from time to time arises with respect to the amount of any adjustment to the Exercise Price or other adjustment pursuant to section 8 herein shall be conclusively determined by a firm of independent chartered accountants (who may be the Corporation's auditors) and shall be binding upon the Corporation and the Holder;
- (i) any adjustment to the Exercise Price under the terms of this Warrant Certificate shall be subject to the prior approval of the TSXV (or such other stock exchange or quotation system on which the Common Shares are then listed and posted (or quoted) for trading, as applicable); and
- (j) in case the Corporation, after the date of issue of this Warrant Certificate, takes any action affecting the Common Shares, other than an action described in section 8 herein, which in the opinion of the directors of the Corporation would materially affect the rights of the Holder, the Exercise Price will be adjusted in such manner, if any, and at such time, by action by the directors of the Corporation but subject in all cases to any necessary regulatory approval, including approval of the TSXV (or such other stock exchange or quotation system on which the Common Shares are then listed and posted (or quoted) for trading, as applicable). Failure of the taking of action by the directors of the Corporation so as to provide for an adjustment on or prior to the effective date of any action by the Corporation affecting the Common Shares will be conclusive evidence that the board of directors of the Corporation has determined that it is equitable to make no adjustment in the circumstances.

10. On the happening of each and every such event set out in section 8 herein, the applicable provisions of this Warrant Certificate, including the Exercise Price, shall, *ipso facto*, be deemed to be amended accordingly and the Corporation shall take all necessary action so as to comply with such provisions as so amended.

11. The Corporation shall not be required to deliver certificates for Common Shares while the share transfer books of the Corporation are properly closed, having regard to the provisions of sections 8 and 9 herein, prior to any meeting of shareholders or for the payment of dividends or for any other purpose and in the event of the surrender of any Warrant in accordance with the provisions hereof and the making of any subscription and payment for the Common Shares called for thereby during any such period, delivery of certificates for Common Shares may be postponed for not more than five (5) business days after the date of the re-opening of said share transfer books; provided, however, that any such postponement of delivery of certificates shall be without prejudice to the right of the Holder so surrendering the same and making payment during such period to receive after the share transfer books shall have been re-opened such certificates for the Common Shares called for, as the same may be adjusted pursuant to sections 8 and 9 herein as a result of the completion of the event in respect of which the transfer books were closed.

12. Subject as hereinafter provided, all or any of the rights conferred upon the Holder by the terms hereof may be enforced by the Holder by appropriate legal proceedings. No recourse under or upon any obligation, covenant or agreement contained herein shall be had against any shareholder or officer of the Corporation either directly or through the Corporation, it being expressly agreed and declared that the obligations under the Warrants are solely corporate obligations and that no personal liability whatever shall attach to or be incurred by the shareholders or officers of the Corporation or any of them in respect thereof, any and all rights and claims against every such shareholder, officer or director being hereby expressly waived as a condition of and as a consideration for the issue of the Warrants.

13. The Holder may subscribe for and purchase any lesser number of Common Shares than the number of Common Shares expressed in any Warrant Certificate. In the case of any subscription for a lesser number of Common Shares than expressed in any Warrant Certificate, the Holder hereof shall be entitled to receive, at no cost to the Holder, a new Warrant Certificate in respect of the balance of Warrants not then exercised. Such new Warrant Certificate shall be mailed to the Holder by the Corporation or, at its direction, the transfer agent of the Corporation, contemporaneously with the mailing of the certificate or certificates representing the Common Shares issued pursuant to section 5 herein.

14. If any Warrant Certificate becomes stolen, lost, mutilated or destroyed, the Corporation shall, on such terms as it may in its discretion impose, acting reasonably, issue and sign a new Warrant Certificate of like denomination, tenor and date as the Warrant Certificate so stolen, lost, mutilated or destroyed for delivery to the Holder. The applicant for the issue of a new Warrant Certificate pursuant to this section shall bear the cost of the issue thereof and in the case of mutilation shall as a condition precedent to the issue thereof, deliver to the Corporation the mutilated Warrant Certificate, and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Corporation such evidence of ownership and of the loss, destruction or theft of the Warrant Certificate so lost, destroyed or stolen as shall be satisfactory to the Corporation in its discretion and the applicant shall also be required to furnish an indemnity and surety bond in amount and form satisfactory to the Corporation in its discretion and shall pay the reasonable charges of the Corporation in connection therewith.

15. The Holder may not transfer the Warrants represented hereby.

16. Neither the Warrants represented by this Warrant Certificate nor the Common Shares issuable upon exercise hereof have been or will be registered under the United States Securities Act of 1933, as amended (the "1933 Act") nor under the laws of any state of the United States. Subject to certain limited exceptions, (i) Warrants may not be exercised within the United States and (ii) no Common Shares issuable upon exercise of Warrants will be delivered to any address in the United States. The Holder acknowledges that a legend to that effect may be placed on any certificates representing the Common Shares issued on exercise of the rights represented by this Warrant Certificate. Terms used in this paragraph have the meanings given to them in Regulation S under the 1933 Act.

17. The Corporation will maintain a register of holders of Warrants at its principal office. The Corporation may deem and treat the registered holder of any Warrant Certificate as the absolute owner of the Warrants represented thereby for all purposes, and the Corporation shall not be affected by any notice or knowledge to the contrary except where the Corporation is required to take notice by statute or by order of a court of competent jurisdiction. A Holder shall be entitled to the rights evidenced by such Warrant free from all equities or rights of set-off or counterclaim between the Corporation and the original or any intermediate holder thereof and all persons may act accordingly and the receipt by any such Holder of the Common Shares purchasable pursuant to such Warrant shall be a good discharge to the Corporation for the same and the Corporation shall not be bound to inquire into the title of any such Holder except where the Corporation is required to take notice by statute or by order of a court of competent jurisdiction.

18. The Corporation shall notify the Holder forthwith of any change of the Corporation's address.

19. All notices to be sent hereunder shall be deemed to be validly given to the registered holders of the Warrants if delivered personally or if sent by registered letter through the post addressed to such holders at their post office addresses appearing in the register of Warrant holders caused to be maintained by the Corporation, and such notice shall be deemed to have been given, if delivered personally when so delivered, and if sent by post on the fifth business day next following the post thereof.

20. If for any reason, other than the failure or default of the Holder, the Corporation is unable to issue and deliver the Common Shares or other securities as contemplated herein to the Holder upon the proper exercise by the Holder of the right to purchase any of the Common Shares purchasable upon exercise of

the Warrants represented hereby, the Corporation may pay, at its option and in complete satisfaction of its obligations and the rights of the Holder hereunder, to the Holder, in cash, an amount equal to the difference between the Exercise Price and the Current Market Price of such Common Shares or other securities on the date of exercise by the Holder, and upon such payment the Corporation shall have no liability or other obligation to the Holder relating to or in respect of the Warrants or this Warrant Certificate.

21. This Warrant Certificate shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable herein.

22. All Warrants shall rank *pari passu*, whatever may be the actual date of issue of the same.

23. This Warrant Certificate shall enure to the benefit of and shall be binding upon the Holder and the Corporation and their respective successors and assigns.

IN WITNESS WHEREOF the Corporation has caused this Warrant Certificate to be signed by its duly authorized officer.

Section 1. DATED as of the ● day of ●, 2018.

**Section 2. WATER WAYS TECHNOLOGIES
INC.**

Section 4.
Section 4.
er:

Section 6. Authorized Signing Officer

Section 8.

Schedule "A"

SUBSCRIPTION FORM

(TO BE COMPLETED IF WARRANTS ARE TO BE EXERCISED)

TO: WATER WAYS TECHNOLOGIES INC.
[address]

The undersigned hereby subscribes for _____ Common Shares of Water Ways Technologies Inc. according to the terms and conditions set forth in the annexed Warrant Certificate (or such number of other securities or property to which such Warrant Certificate entitles the undersigned to acquire under the terms and conditions set forth in such Warrant Certificate).

Address for Delivery of Common Shares: _____

Attention: _____

Exercise Price Tendered (Cdn.\$0.25 per Common Share or as adjusted) \$ _____

Dated at _____, this ___ day of _____, 20__.

Section 9.

Section 11.

Section 12.

Section 13.

WITNESS:

Section 14. HOLDER'S NAME

Section 15. AUTHORIZED SIGNATURE

Section 16. TITLE (IF APPLICABLE)

Signature guaranteed¹:

1. If the Common Shares are to be registered in a name other than the name of the registered Warrant Holder, the signature of the Warrant Holder must be medallion guaranteed by a bank, trust company or a member of a stock exchange in Canada.

SCHEDULE "B"**FORM OF OPINIONS**

Capitalized terms used in this Schedule B but not otherwise defined have the meanings given to them in the Agency Agreement to which this Schedule A is attached.

Sagittarius Opinions

1. The Corporation is a corporation incorporated and existing under the Business Corporations Act (Ontario).
2. The Corporation is a "reporting issuer" in Ontario and is not included in the list of defaulting reporting issuers maintained by the Ontario Securities Commission pursuant to section 83 of the *Securities Act* (Ontario) and has similar status under the Securities Legislation of each of the Qualifying Jurisdictions.
3. The Corporation has all requisite corporate power and capacity to enter into the Agency Agreement, the Securities Exchange Agreement, the Warrant Indenture and the Broker Warrant Certificates and to perform its obligations set out therein, and each of the Agency Agreement, Securities Exchange Agreement, Warrant Indenture and Broker Warrant Certificates have been duly authorized, executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with their respective terms.
4. The execution and delivery of the Agency Agreement, Securities Exchange Agreement, Warrant Indenture and Broker Warrant Certificates and the fulfilment of the terms thereof by the Corporation, and the performance of and compliance with the terms of the Agency Agreement, Securities Exchange Agreement, Warrant Indenture and Broker Warrant Certificates by the Corporation do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under:
 - (a) any applicable laws of the Province of Ontario or the federal laws of Canada applicable therein to which the Corporation is subject;
 - (b) any term or provision of the articles, by laws or any resolutions of the shareholders or directors (or any committee thereof) of the Corporation;
 - (c) to our knowledge, any indenture, mortgage, note, contract, agreement, instrument, lease or other document to which the Corporation is a party or by which it is bound on the applicable Closing Date; or
 - (d) to our knowledge, any judgment, decree, order, statute, rule or regulation applicable to the Corporation or its properties or assets,

which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation or its properties or assets or the transactions contemplated in the Prospectus.

5. Any and all requisite consents, approvals, authorizations, registrations, recordings, filings or orders of or with any Governmental Authority or other regulatory commission or agency have been obtained in connection with the execution and delivery of the Agency Agreement, the Securities Exchange Agreement, the Warrant Indenture, and the Broker Warrant Certificates and the performance of by the Corporation of its obligations thereunder.
6. The Consolidation has been completed in accordance with of any applicable laws of the Province of Ontario or the federal laws of Canada applicable therein to which the Corporation is subject. The authorized and issued capital of the Corporation consists of an unlimited number of Common Shares without nominal or par value, of which, as at the date hereof, 2,800,000 Common Shares are issued and outstanding as fully paid and non-assessable.
7. The Common Shares and Warrants comprising the Offered Units and the Broker's Warrants have been duly and validly created and authorized, and in the case of the Common Shares comprising the Offered Units, have been issued as fully paid and non-assessable Common Shares, and in the case of the underlying Warrant Shares and Broker Shares (in accordance with the terms thereof), have been duly and validly reserved for issuance and will, when issued in accordance with the Warrant Indenture, be issued as fully paid and non-assessable Common Shares.
8. The first trade by a holder of Common Shares issuable pursuant to the Broker Warrants or Warrants will not be subject to the prospectus requirements of applicable Securities Legislation and no filing, proceeding, approval, consent or authorization of regulatory authorities are required to be obtained under the Securities Legislation to permit the first trade of such Common Shares by the holder of such Common Shares, provided that:
 - (a) the trade is not a "control distribution" as such term is defined in National Instrument 45-102 – Resale of Securities; and
 - (b) the Corporation is a reporting issuer in a jurisdiction of Canada at the time of the trade.
9. The form and terms of the definitive certificates representing the Common Shares, Warrants, and Broker Warrants (including the Underlying Shares and Broker Shares) comprising the Offered Units and the Broker Warrants have been approved and adopted by the directors of the Corporation and comply with all legal requirements relating thereto, including the requirements of the Exchange.
10. The Corporation has all requisite corporate power and authority to execute and deliver the Prospectus and the execution and delivery of the Prospectus, and the filing thereof, has been approved by all applicable Governmental Authorities in accordance with the Securities Legislation in each of the Qualifying Jurisdictions.
11. All necessary documents have been filed and all legal requirements have been fulfilled as required under the applicable Securities Legislation of the Qualifying Jurisdictions in order to qualify the Offered Units for distribution and sale to the public in each of such Qualifying Jurisdictions by or through investment dealers and brokers duly registered

under the Securities Legislation of the Qualifying Jurisdictions who have complied with the relevant provisions of applicable Securities Legislation.

12. The attributes and the characteristics of the Common Shares and Warrants comprising the Offered Units and the Broker Warrants conform in all material respects with the descriptions contained in the Prospectus.
13. The issuance by the Corporation of the Warrant Shares and the Broker Shares upon the due exercise of the Warrants and the Broker Warrants is exempt from the prospectus and registration requirements of the applicable Securities Legislation. No filing, proceeding, approval, consent or authorization is required to be made, taken or obtained by the Corporation under applicable Securities Legislation in the Qualifying Jurisdictions to permit the issuance by the Corporation of the Common Shares issuable pursuant to the Broker Warrants or Warrants in accordance with the terms and conditions of the Broker Warrants and Warrant Indenture, as applicable, provided that no commission or other remuneration is paid or given in respect of the distribution except for administrative or professional services or for services performed by a registered dealer.
14. Computershare Trust Company of Canada has been duly appointed by the Corporation as the transfer agent and registrar for the Common Shares of the Corporation.
15. Computershare Trust Company of Canada has been duly appointed by the Corporation as the warrant agent and registrar of the Warrants of the Corporation.
16. The Offered Units and the Common Shares issuable pursuant to the Warrants and the Broker Warrants have been conditionally approved for listing on the Exchange and, upon notification to the Exchange of the issuance and sale thereof and subject to filing the documentation set forth in their letter of December 12, 2018, the Common Shares underlying the Offered Units, the Common Shares issuable on the exercise of the Warrants and the Common Shares issuable pursuant to the Broker Warrants will be listed and posted for trading on the Exchange.
17. Subject to the assumptions, qualifications, and limitations set out in the Prospectus under the heading "Eligibility for Investment", as at the date hereof the Common Shares and Warrants comprising the Offered Units and the Common Shares issuable on exercise of the Warrants are "qualified investments" under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plan, deferred profit sharing plans, registered education savings plans and tax-free savings accounts.

Irri Opinions

1. Irri has been duly incorporated or formed and is valid and subsisting under the laws of the State of Israel, is duly qualified in all other jurisdictions in which it is required to be qualified and has all requisite capacity, power and authority to carry on its business as described in the Prospectus.
2. Irri has all requisite corporate power and authority to enter into the Agency Agreement and the Securities Exchange Agreement and to perform its obligations set out therein, and

each of the Agency Agreement and the Securities Exchange Agreement have been duly authorized, executed and delivered by Irri and constitutes legal, valid and binding obligations of Irri enforceable against the Irri in accordance with their respective terms.

3. The execution and delivery of the Agency Agreement and the Securities Exchange Agreement and the fulfilment of the terms thereof by Irri, and the performance of and compliance with the terms of the Agency Agreement and the Securities Exchange Agreement by Irri do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under:
 - (a) any applicable laws of the State of Israel as applicable therein;
 - (b) any term or provision of the articles, by laws or any resolutions of the shareholders or directors (or any committee thereof) of Irri;
 - (c) any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which Irri is a party or by which it is bound on the applicable Closing Date; or
 - (d) any judgment, decree, order, statute, rule or regulation applicable to Irri or its properties or assets,

which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of Irri or its properties or assets or the transactions contemplated in the Prospectus.

4. Any and all requisite consents, approvals, authorizations, registrations, recordings, filings or orders of or with any Governmental Authority or other regulatory commission or agency have been obtained in connection with the execution and delivery of the Agency Agreement and the Securities Exchange Agreement and the performance of by Irri of its obligations thereunder.
5. The authorized capital of Irri consists of up to 28,500,000,000,000 ordinary shares of which, as at the date hereof, 28,500,000 ordinary shares, each with a par value of NIS 0.0000035, are issued and outstanding as fully paid and non-assessable.
6. Irri has all requisite corporate power and authority to execute and deliver the Prospectus.