

## AGENCY AGREEMENT

August 21, 2025

EnWave Corporation  
1668 Derwent Way, #1  
Delta, BC V3M 6R9

Attention: Brent Charleton, President & Chief Executive Officer

Dear Sir:

**RE: Best Efforts Listed Issuer Financing Exemption (LIFE) Private Placement Offering of Common Shares**

Subject to the terms and conditions hereof, Clarus Securities Inc. (the “**Agent**”), as lead agent and sole bookrunner, understands that EnWave Corporation (the “**Company**”) proposes to issue and sell, on a “best efforts” private placement basis, a minimum of 5,000,000 common shares and up to a maximum of 7,500,000 common shares in the capital of the Company (the “**Offered Shares**”) at a price of \$0.40 per Offered Share (“**Offering Price**”) for gross proceeds of a minimum of \$2,000,000 (the “**Minimum Offering**”), to a maximum of \$3,000,000 (the “**Offering**”).

The Offered Shares will be offered by way of a private placement in reliance on the “listed issuer financing exemption” under Part 5A.2 of NI 45-106 (as defined herein), as amended by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “**LIFE Exemption**”), in each of the provinces of Canada, other than Québec (the “**Selling Jurisdictions**”).

For the purposes of relying on the LIFE Exemption, the Company has prepared, filed on SEDAR+ and posted on its website the Offering Document (as defined herein) in respect of the Offered Shares to be issued pursuant to the LIFE Exemption which satisfies the requirements of NI 45-106 and has filed the Prescribed News Release (as defined herein) announcing the Offering.

The Agent understands that the Company may offer and sell up to 1,375,000 common shares of the Company to certain purchasers (the “**Non-Brokered Offering**”) on the same terms as under the Offering, which for clarity shall not affect the maximum size of the Offering. The Agent undertakes no obligation to the Company or to the purchasers under the Non-Brokered Offering. The Company acknowledges and agrees that the purchasers under the Non-Brokered Offering do not and will not have any recourse to or any rights against the Agent, and the Agent does not and will not have any liability whatsoever to purchasers under or in connection with the Non-Brokered Offering.

The following are the terms and conditions of the agreement between the Company and the Agent:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement (including the preamble), the following terms shall have the following meanings:

“**affiliate**”, “**associate**”, “**distribution**”, “**misrepresentation**”, “**material fact**”, and “**material change**” have the respective meanings ascribed thereto in the *Securities Act* (Ontario) in effect on the date hereof;

“**Agent**” has the meaning ascribed to such term on the face page of this Agreement;

“**Aggregate Subscription Price**” means the aggregate subscription proceeds from the issue and sale of the Offered Shares;

“**Agreement**” means this agency agreement, being the agreement resulting from the acceptance by the Company of the offer made by the Agent hereby;

“**Anti-Money Laundering Laws**” has the meaning ascribed to such term in Section 4.1(a)(lxxxiv);

“**Business Assets**” means all tangible and intangible property and assets owned (either directly or indirectly), leased, licensed, loaned, operated or used, including any EnWave IP and all real property, fixed assets, warehouse facilities, equipment, inventories and accounts receivable, in respect of the Business Platforms of the Company’s businesses, in connection with the development, manufacturing, marketing, sales, procurement, handling, storage, transportation, distribution and supply of its products;

“**Business Day**” means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in the City of Toronto, Ontario or the City of Vancouver, British Columbia are not open for business;

“**Business Platforms**” means *nutraREV*, *quantaREV*, *powderREV*, *freezeREV*, and *REVworx*;

“**Cash Fee**” has the meaning ascribed to such term in Section 2.2(a);

“**Closing**” means the completion of the purchase and sale of the Offered Shares as contemplated by this Agreement and the Subscriber Questionnaires;

“**Closing Date**” means the day on which the Closing shall occur, being on or about August 21, 2025 or such other date as the Agent and the Company may determine, but in any event, not later than 45 days after the dissemination of the Offering Document and Prescribed News Release;

“**Closing Time**” means 8:30 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Company and the Agent may determine;

“**Common Shares**” means the common shares in the capital of the Company;

“**Company**” has the meaning ascribed to such term on the face page of this Agreement;

“**Company’s Auditors**” means PricewaterhouseCoopers LLP, or such other firm of chartered accountants as the Company may have appointed or may from time to time appoint as auditors of the Company;

“**Compensation Option Certificates**” means the certificates representing the Compensation Options;

“**Compensation Option Share**” has the meaning ascribed to such term in Section 2.2(a);

**“Compensation Options”** has the meaning ascribed to such term in Section 2.2(a)

**“Debt Instrument”** means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability, to which the Company or any of its subsidiaries is a party or by which any of their property or assets are bound;

**“Engagement Letter”** means the engagement letter agreement dated August 5, 2025 between the Company and the Agent in respect of the Offering;

**“Environmental Laws”** has the meaning ascribed to such term in Section 4.1(a)(xlii);

**“Environmental Permit”** has the meaning ascribed to such term in Section 4.1(a)(xliii);

**“EnWave IP”** means the Intellectual Property that has been developed, or that is being developed, by or for the Company or any Subsidiary or that is being used or is proposed to be used by the Company or any Subsidiary, other than the Licensed EnWave IP;

**“Financial Statements”** means the audited consolidated financial statements of the Company for the fiscal year ended September 30, 2024 and September 30, 2023 and the unaudited condensed interim consolidated financial statements of the Company for the three and six months ended March 31, 2025 and 2024;

**“Governmental Entity”** means any (i) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign having jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them, (ii) subdivision, agent, commission, board or authority of any of the foregoing, or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under, or for the account of, any of the foregoing;

**“Governmental Licenses”** has the meaning ascribed to such term in Section 4.1(a)(xlix);

**“Hazardous Materials”** has the meaning ascribed to such term in Section 4.1(a)(xlii);

**“IFRS”** means the International Financial Reporting Standards;

**“including”** means including without limitation;

**“Intellectual Property”** means trade-marks and trade-mark applications, trade names, certification marks, service marks, patents and patent applications, copyrights, domain name registrations, know-how, formulae, processes, source code, inventions, technical expertise, research data, trade secrets, industrial designs, customer lists and other similar property, and all registrations and applications for registration thereof;

**“IT Systems and Data”** has the meaning ascribed to such term in Section 4.1(a)(xxxix);

**“Leased Premises”** has the meaning ascribed to such term in Section 4.1(a)(xx);

**“Licensed EnWave IP”** means the Intellectual Property owned by any person other than the Company or any Subsidiary and which is used or licensed by the Company or any Subsidiary;

**“Liens”** means any encumbrance or title defect or whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, restrictive covenant, right of use or any other right of claim or claim of any kind or nature whatever which affects ownership or possession of, or title to, any interest in, or the right to use or occupy such property or assets;

**“LIFE Exemption”** has the meaning ascribed to such term on the face page of this Agreement;

**“Lock-Up Period”** has the meaning ascribed to such term in Section 4.2(a)(xiv);

**“Material Adverse Effect”** means any event, action, state, condition or major financial occurrence of national or international consequence or any outbreak or escalation of national or international hostilities or any crisis or calamity or plague of national or international consequence, or any governmental action, law, regulation, inquiry or other similar occurrence which materially adversely affects or would reasonably be expected to materially adversely affect the business, operations, or affairs of the Company and its Subsidiaries on a consolidated basis;

**“Material Agreement”** means any material contract, commitment, agreement (written or oral), joint venture instrument, lease or other document, including a license agreement, tolling contract, equipment purchase agreement, or royalty agreement to which the Company or any of its subsidiaries is a party or by which any of their property or assets are bound, including for the avoidance of doubt, all royalty-bearing commercial licenses;

**“Minimum Offering”** has the meaning ascribed to such term on the face page of this Agreement;

**“NI 45-102”** means National Instrument 45-102 – *Resale of Securities*;

**“NI 45-106”** means National Instrument 45-106 – *Prospectus and Registration Exemptions*;

**“NI 51-102”** means National Instrument 51-102 – *Continuous Disclosure Obligations*;

**“NI 52-109”** means National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*;

**“NI 52-110”** means National Instrument 52-110 – *Audit Committees*;

**“Non-Brokered Offering”** has the meaning ascribed to such term on page 2 of this Agreement;

**“notice”** has the meaning ascribed to such term in Section 7.6;

**“Offered Shares”** has the meaning ascribed to such term on the face page of this Agreement;

**“Offering”** has the meaning ascribed to such term on the face page of this Agreement;

**“Offering Document”** means the listed issuer financing document of the Company dated August 7, 2025, prepared by the Company in compliance with Form 45-106F19 *Listed Issuer Financing Document*, as amended by Coordinated Blanket Order 45-935 – Exemptions from Certain Conditions of the Listed Issuer Financing Exemption;

**“Offering Price”** has the meaning ascribed to such term on the face page of this Agreement;

**“Person”** includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, firm, partnership, sole proprietorship, syndicate, joint venture, trustee, trust, unincorporated organization or association, and pronouns have a similar extended meaning;

**“Personnel”** has the meaning ascribed to such term in Section 7.2(a);

**“Prescribed News Release”** means the news release issued by the Company announcing the Offering on August 7, 2025;

**“Public Disclosure Documents”** means, collectively, all of the documents which have been filed on SEDAR+ by or on behalf of the Company since January 1, 2022 to the Closing Time with the relevant Securities Regulators pursuant to the requirements of Securities Laws;

**“Purchasers”** mean, collectively, those Persons who are purchasing the Offered Shares as contemplated herein;

**“Registered EnWave IP”** means all EnWave IP that is the subject of registration for Intellectual Property or applications for such registration;

**“Securities Laws”** means, as applicable, the securities laws in each of the Selling Jurisdictions and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the Securities Regulators in each of the Selling Jurisdictions, and all rules and policies of the TSX-V;

**“Securities Regulators”** means, collectively, the securities commissions, regulators or other securities regulatory authorities in the Selling Jurisdictions;

**“SEDAR+”** means the System for Electronic Document Analysis and Retrieval+ of the Canadian Securities Administrators available electronically at [www.sedarplus.ca](http://www.sedarplus.ca);

**“Selling Group”** has the meaning ascribed to such term in Section 2.2(c);

**“Selling Jurisdictions”** means each of the provinces of Canada except Québec;

**“Standard Listing Conditions”** means the customary post-closing conditions imposed by the TSX-V in similar circumstances to the Offering;

**“Subscriber Questionnaire”** means the form agreed to by the Company and the Agent, to be completed by each Purchaser, which includes the information on and the deemed representations of such Purchaser relying on the LIFE Exemption;

**“Subsidiaries”** mean EnWave USA Corporation and REV Technology Corporation;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended from time to time including every specific proposal to amend the Tax Act that is publicly announced by the Minister of Finance (Canada), and which is to have effect, prior to the date hereof;

“**Taxes**” has the meaning ascribed to such term in Section 4.1(a)(lxiii);

“**Transaction Documents**” means, collectively, this Agreement and the Compensation Option Certificates;

“**Transfer Agent**” means Computershare Trust Company, in its capacity as transfer agent and registrar of the Common Shares, at its office in the City of Vancouver, British Columbia;

“**TSX-V**” means the TSX Venture Exchange;

“**United States**” and “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“**U.S. Securities Act**” means the *United States Securities Act of 1933*, as amended.

## 1.2 Knowledge

In this Agreement a reference to “knowledge” of the Company means to the actual knowledge of the following senior officers of the Company, in all cases after reasonable inquiry: Brent Charleton, President & Chief Executive Officer, and Dylan Murray, Chief Financial Officer.

## ARTICLE 2 TERMS AND CONDITIONS

### 2.1 Offering

- (a) The Agent agrees to act and the Company appoints the Agent as the Company’s exclusive agent, and subject to the conditions contained in Section 5.2 being satisfied and subject to the rights of the Agent contained in Article 6, the Agent agrees to offer for sale and sell the Offered Shares in the Selling Jurisdictions in accordance with the terms of the Agreement, by way of private placement on a “best efforts” basis without underwriter liability, pursuant to the LIFE Exemption, such that each of the offer and sale of the Offered Shares do not obligate the Company to file a prospectus, a registration statement or other offering document (other than the Offering Document and the Prescribed News Release) with any Securities Regulator under Securities Laws or otherwise comply with any continuous disclosure or reporting obligation in any jurisdiction outside of Canada.
- (b) The Company undertakes to file, or cause to be filed, all forms, undertakings, and other documents required to be filed by the Company, and to pay all filing fees in connection with the issue and sale of the Offered Shares, so that the distribution of such securities in the Selling Jurisdictions may lawfully occur without the necessity of filing a prospectus, registration statement, or offering memorandum (other than the Offering Document) in the Selling Jurisdictions. The Agent undertakes to use commercially reasonable efforts to cause the Purchasers to complete any forms required by Securities Laws.

- (c) The Company and the Agent acknowledge that the Offered Shares have not been and will not be registered under the U.S. Securities Act or applicable state securities laws.
- (d) Neither the Company nor the Agent shall (a) provide to prospective Purchasers any document or other material that would constitute an offering memorandum or future oriented financial information within the meaning of Securities Laws (other than the Offering Document); or (b) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Offered Shares, including but not limited to, by causing the sale of the Offered Shares to be advertised in any newspaper, magazine, printed public media or similar medium of general and regular paid circulation or broadcast over radio, television or telecommunications, including electronic display, or conduct any seminar or meeting in connection with the offer and sale of the Offered Shares whose attendees have been invited by general solicitation or general advertising.
- (e) The Offering is subject to receipt of subscription proceeds of not less than \$2,000,000. The Agent covenants to hold in trust all funds received from subscriptions under the Offering until the Minimum Offering has been raised. If the Minimum Offering is not raised on or before the date that is 45 days after the date the Company issued and filed the Offering Document and Prescribed News Release, the Offering will be discontinued and the Agent shall promptly return the funds to those who have subscribed for the Offered Shares under the Offering, without any deductions.

## 2.2 Agent's Compensation

- (a) In consideration for the performance of its obligations hereunder, the Company shall (a) pay to the Agent a cash commission equal to 5.5% of the gross proceeds of the Offering, (the "**Cash Fee**"); and (b) issue to the Agent such number of non-transferable compensation options (the "**Compensation Options**") as is equal to 5.5% of the number of Offered Shares sold pursuant to the Offering. Each Compensation Option will be exercisable to acquire one Common Share (the "**Compensation Option Shares**") at the Offering Price until the date which is 24 months from the Closing Date.
- (b) The obligation of the Company to pay the Cash Fee and issue the Compensation Options shall arise at the Closing Time. The Cash Fee and the Compensation Options shall be earned by the Agent upon the Closing. The Company shall pay any goods and services tax and harmonized sales tax imposed by the *Excise Tax Act* (Canada) and any other applicable sales tax applicable in respect of the compensation due to the Agent under this Agreement. No Cash Fee or Compensation Options shall be payable in respect of any Non-Brokered Offering.
- (c) The Agent will be permitted to appoint, at its sole expense, other registered dealers or other dealers duly qualified in their respective jurisdictions, as its agents to assist in the Offering in the Selling Jurisdictions (such dealers collectively, the "**Selling Group**"). The Agent may determine the remuneration payable by the Agent to the members of the Selling Group, provided that such remuneration shall not in any way increase the aggregate Cash Fee payable or Compensation Options issuable to the Agent under this Agreement, and shall only be paid as permitted by and in compliance with Securities Laws.

**ARTICLE 3**  
**REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE AGENT**

**3.1 Representations and Warranties of the Agent.**

- (a) The Agent represents and warrants to the Company and acknowledges that the Company is relying upon such representations and warranties in entering into the transactions contemplated by this Agreement, that:
  - (i) it has been duly created and is validly existing under the laws of its jurisdiction of incorporation, continuation, amalgamation or organization, and has all requisite corporate power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement on the terms and conditions set forth in this Agreement;
  - (ii) this Agreement has been duly authorized, executed and delivered by the Agent, and is a legal, valid and binding obligation of, and is enforceable against, the Agent in accordance with its terms (subject to bankruptcy, insolvency or other laws affecting the rights of creditors generally, the availability of equitable remedies and the qualification that rights to indemnity, contribution, and waiver of contribution may be limited by applicable laws);
  - (iii) the Agent, and each member of the Selling Group, is duly registered and in good standing under applicable Securities Laws, is duly registered or licensed as investment dealer or exempt market dealer in those jurisdictions in which it is required to be so registered in order to perform the services contemplated by this Agreement, or if or where not so registered or licensed, the Agent will act only through members of the Selling Group who are so registered or licensed; and
  - (iv) the Company is not a “related issuer” or “connected issuer” (as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*) of the Agent.

**3.2 Covenants of the Agent.**

- (a) The Agent hereby covenants to the Company and acknowledges that the Company is relying on such covenants, that it shall (and shall use commercially reasonable efforts to cause the Selling Group to):
  - (i) offer the Offered Shares on a private placement basis in accordance with the terms and conditions of this Agreement and in compliance with Securities Laws and other laws applicable to the Agent or the Selling Group;
  - (ii) not solicit, offer, sell, trade, distribute or otherwise do any act in furtherance of a trade of the Offered Shares in such manner as to require registration of the Offered Shares or the filing of a prospectus, registration statement or any similar document (other than the Offering Document) under the laws of any jurisdiction or to subject the Company to any continuous disclosure or other similar reporting requirements under the laws of any jurisdiction to which it is not currently subject;

- (iii) other than the Offering Document, not deliver to any prospective Purchaser any document or material which constitutes an offering memorandum as defined under applicable Securities Laws and other applicable securities laws of other jurisdictions;
- (iv) not directly or indirectly solicit offers to purchase or sell the Offered Shares in any jurisdiction other than the Selling Jurisdictions;
- (v) not make any representation or warranty with respect to the Offered Shares other than as set forth in this Agreement, the Offering Document or the Subscriber Questionnaires;
- (vi) not engage in or authorize, directly or indirectly, any form of general advertising or general solicitation in connection with the Offering, including in: (i) printed media of general and regular circulation or any similar medium; (ii) radio; (iii) television; or (iv) electronic media, nor shall it conduct any seminar or meeting in connection with the offer and sale of the Offered Shares whose attendees have been invited by any form of general solicitation or general advertising;
- (vii) obtain from each Purchaser a completed Subscriber Questionnaire and deliver copies of such agreements to the Company at least one (1) Business Day prior to the date scheduled for Closing, together with all documentation contemplated by the Subscriber Questionnaire or as may be necessary under Securities Laws in connection with the distribution of the Offered Shares, in form acceptable to the Company and the Agent, each acting reasonably; and
- (viii) provide to the Company all necessary information in respect of the Agent, the Purchasers and the Selling Group to allow the Company to file, with the Securities Regulators, reports of the sale of the Offered Shares pursuant to the Offering in accordance with applicable Securities Laws within ten (10) days of the Closing.

#### **ARTICLE 4**

#### **REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY**

##### **4.1 Representations and Warranties of the Company.**

- (a) The Company represents and warrants to the Agent and to the Purchasers, and acknowledges that each of them is relying upon such representations and warranties in purchasing the Offered Shares, that:
  - (i) the Company and each Subsidiary has been duly incorporated, amalgamated or organized and is validly existing under the laws of the jurisdiction in which it was incorporated, amalgamated or organized, as the case may be, has all requisite corporate power and capacity and is duly qualified to carry on its business as now conducted and to own, lease or operate its properties and assets, and no steps or proceedings have been taken by the Company or by any person, voluntary or otherwise, requiring or authorizing its dissolution or winding-up and the Company has all requisite corporate power, capacity and authority to enter into the Transaction Documents and to carry out its obligations thereunder;

- (ii) the Company has no subsidiaries other than the Subsidiaries nor any investment or proposed investment in any person which, for the interim period ended March 31, 2025 accounted for or which, for the financial year ended September 30, 2025, is expected to account for, more than five percent of the consolidated assets or consolidated revenue of the Company or would otherwise be material to the business and affairs of the Company (on a consolidated basis); and there are no outstanding obligations, liabilities or claims against the Company nor any Subsidiary that could reasonably be expected to result in a Material Adverse Effect. The Subsidiaries are not material to the Company;
- (iii) the Company owns, directly or indirectly, all of the issued and outstanding shares of the Subsidiaries, all of which such shares are issued as fully paid and non-assessable shares, free and clear of all Liens, and no person has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement, for the purchase from the Company or any Subsidiary of any interest in any of the shares in the capital of any Subsidiary;
- (iv) the Company is a reporting issuer under the Securities Laws of each of the Selling Jurisdictions, not included on a list of defaulting reporting issuers maintained by the Securities Regulators of the Selling Jurisdictions. The Company is not in default of any requirement of Securities Laws;
- (v) at the Closing Time, all regulatory and third party consents, approvals, permits, authorizations or filings and all legal requirements as may be required of the Company or the Subsidiaries, including under applicable Securities Laws, necessary for the execution and delivery of the Transaction Documents, the issuance and sale of the Offered Shares, the creation and issuance of the Compensation Options and the issuance of the Compensation Option Shares and the consummation of the transactions contemplated hereby have been made or obtained, as applicable, other than customary post-closing filings required to be submitted within the applicable time frame pursuant to applicable Securities Laws, including the rules and policies of the TSX-V;
- (vi) each of the execution and delivery of the Transaction Documents and the performance by the Company of its obligations thereunder, including the issue and sale of the Offered Shares, the creation and issuance of the Compensation Options and the issuance of the Compensation Option Shares, do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both): (a) any Law in effect and applicable to the Company or any of the Subsidiaries including, without limitation, applicable Securities Laws; (b) the constating documents or resolutions of the Company or any of the Subsidiaries; (c) any Material Agreement or Debt Instrument; or (d) any judgment, decree or order binding the Company or any of the Subsidiaries or the property or assets of the Company or any of the Subsidiaries, in each case which default or breach might reasonably be expected to result in a Material Adverse Effect;
- (vii) the Company is in material compliance with the timely and continuous disclosure obligations under Securities Laws and the rules and policies of

the TSX-V and, without limiting the generality of the foregoing, there has not occurred any adverse material change in the condition (financial or otherwise), properties, assets, liabilities (contingent or otherwise), obligations (whether absolute, accrued, conditional or otherwise), business, affairs, capital, ownership, control, management, operations, results of operations or prospects of the Company (on a consolidated basis) since March 31, 2025, which has not been publicly disclosed on a non-confidential basis and all the statements set forth in the Public Disclosure Documents are true, correct, and complete, in all material respects, and do not contain any misrepresentation as of the date of such statements and the Company has not filed any confidential material change reports since the date of such statements;

- (viii) the Company or any Subsidiary has not approved, entered into any agreement in respect of, or has any knowledge of:
  - (A) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Company or any Subsidiary whether by asset sale, transfer of shares or otherwise;
  - (B) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of the Company or any Subsidiary or otherwise) of the Company or any Subsidiary; or
  - (C) a proposed or planned disposition of shares by any shareholder or equityholder who owns, directly or indirectly, 10% or more of the outstanding shares or other equity interests in the capital of the Company or any Subsidiary;
- (ix) the Financial Statements of the Company have been prepared in accordance with IFRS, applied on a basis consistent with prior periods (except as disclosed therein), and present fairly, in all material respects, the financial position of the Company on a consolidated basis, as at the dates thereof and the results of operations and cash flows of the Company on a consolidated basis for the periods then indicated, the Company has no liability or obligation, whether accrued, absolute, contingent or otherwise, not reflected in such Financial Statements, which would be reasonably expected to have a Material Adverse Effect, and there has been no material change in the accounting policies or practices of the Company since September 30, 2024, except as disclosed in the notes to the Financial Statements;
- (x) the Company's Auditors, who audited the consolidated financial statements of the Company for the years ended September 30, 2024 and 2023, are independent public accountants as required under applicable Securities Laws and there has never been a reportable event (within the meaning of NI 51-102) between the Company and the Company's Auditors or any prior auditor of the Company;
- (xi) with respect to forward-looking information contained in the Public Disclosure Documents and the Offering Document:

- (A) the Company 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, identify material risk factors that could cause actual results to differ materially from the forward-looking information, and state the material factors or assumptions used to develop the forward-looking information;
  - (C) the future-oriented financial information or financial outlook contained therein is limited to a period for which the information can be reasonably estimated; and
  - (D) the Company has updated such forward-looking information to the extent required by and in compliance with applicable Securities Laws;
- (xii) as of the date hereof, the authorized capital of the Company consists of an unlimited number of Common Shares and preferred shares. As of the close of business on the Business Day immediately preceding the date hereof, 111,206,721 Common Shares, 6,298,719 options to acquire Common Shares, and 160,000 restricted share rights are issued and outstanding, and there are no other securities of the Company issued and outstanding;
  - (xiii) except for the outstanding securities convertible into Common Shares as set forth in Section 4.1(a)(xii) attached hereto, no holder of outstanding Common Shares is entitled to any pre-emptive or any similar rights to subscribe for any Common Shares or other securities of the Company and no rights, warrants or options to acquire, or instruments convertible into or exercisable or exchangeable for, any Common Shares or other securities of the Company are outstanding;
  - (xiv) to the knowledge of the Company, there is no agreement in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Company or any Subsidiary;
  - (xv) no legal or governmental proceedings are pending to which the Company or a Subsidiary is a party or to which its property or assets is subject that could or would result in the revocation or modification of any certificate, authority, permit or license necessary to conduct the business now owned or operated by the Company or a Subsidiary which, if the subject of an unfavourable decision, ruling or finding would have a Material Adverse Effect;
  - (xvi) neither the Company nor any Subsidiary is in violation of its constating documents or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any Material Agreement or Debt Instrument, which would have a Material Adverse Effect;

- (xvii) the Company has not entered into or been a party to any non-arm's length transactions within the last two years, other than as disclosed in the Public Disclosure Documents;
- (xviii) any and all of the Material Agreements and other documents and instruments pursuant to which the Company or a Subsidiary holds any of the property and assets of the Company that are, individually or in the aggregate, material to the Company, are valid and subsisting agreements, documents or instruments in full force and effect, enforceable by and against the Company or the Subsidiaries, as applicable, in accordance with the terms thereof, neither the Company nor a Subsidiary is in default of any of the provisions of any such Material Agreements, documents or instruments nor has any such default been alleged, other than any default which would not have a Material Adverse Effect, and such properties and assets are in good standing under the applicable laws of the jurisdictions in which they are situated, all leases, licences and claims pursuant to which the Company or a Subsidiary derives its interests in such property and assets are in good standing and there has been no default under any such lease, licence or claim, which would have a Material Adverse Effect;
- (xix) to the knowledge of the Company, no counterparty to any obligation, agreement, covenant or condition contained in any Material Agreement or Debt Instrument to which the Company or a Subsidiary is a party is in default in the performance or observance thereof which would have a Material Adverse Effect;
- (xx) with respect to each premise of the Company or a Subsidiary which is material to the Company and the Subsidiaries on a consolidated basis and which the Company or a Subsidiary occupies as tenant (the "**Leased Premises**"), the Company or a Subsidiary occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises, and each of the leases pursuant to which the Company and/or a Subsidiary occupies the Leased Premises is in good standing and in full force and effect;
- (xxi) to the knowledge of the Company, there are no misrepresentations or alleged misrepresentations in connection with any of the Company's or its Subsidiaries' advertising campaigns or written literature describing the functionality, features and uses of the Company's technology or products;
- (xxii) the Company's Business Platforms, and all activities conducted in connection therewith, comprise substantially all of the material business of the Company and the Subsidiaries, on a consolidated basis. The Company and the Subsidiaries have good, valid and marketable title to and have all necessary licenses and permits in respect of all of their Business Assets, as owned, leased, licensed, loaned, operated or used by them or over which they otherwise have rights, free and clear of all Liens other than as disclosed in the Public Disclosure Documents, and no other licenses or permits are necessary for the conduct of the business of the Company or the Subsidiaries as currently conducted or as proposed to be conducted. The Company knows of no claim or basis for any claim that might or could have a Material Adverse Effect on the rights of the Company or the Subsidiaries to manufacture, develop, use, transfer, lease, license,

operate, sell or otherwise exploit their Business Assets, and neither the Company nor the Subsidiaries have any obligation to pay any ongoing commission, license fee or similar payment to any person in respect thereof except as disclosed in the Public Disclosure Documents. There are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any person to acquire any of the rights, title or interests in the Business Assets of the Company or any of the Subsidiaries;

- (xxiii) all research and development activities, including testing, quality assurance, training programs and research and analysis activities, conducted by the Company and the Subsidiaries in connection with their business has been and is being conducted in compliance with applicable laboratory safety, management and training standards and laws applicable to the business of the Company and the Subsidiaries;
- (xxiv) the Company or a Subsidiary, as applicable, is the owner of all the Intellectual Property necessary to conduct the business of the Company and its Subsidiaries, as such business is currently conducted;
- (xxv) the Company or a Subsidiary, as applicable, is the sole legal and beneficial owner of, has good and marketable title to, and owns all right, title and interest in all EnWave IP free and clear of all Liens, options to purchase and restrictions or other adverse claims or interests of any kind or nature. No consent of any person is necessary to make, use, reproduce, license, sell, modify, update, enhance or otherwise exploit any EnWave IP and none of the EnWave IP comprises an improvement to Licensed EnWave IP that would give any person any rights to EnWave IP, including, without limitation, rights to license EnWave IP;
- (xxvi) to the knowledge of the Company, there are no restrictions on the ability of the Company or any Subsidiary to use and exploit all rights in the EnWave IP and the Licensed EnWave IP. None of the rights of the Company or any Subsidiary in the EnWave IP or Licensed EnWave IP will be impaired or affected in any way by the transactions contemplated by this Agreement;
- (xxvii) all of the EnWave IP has been maintained and renewed by the Company in accordance with all applicable laws and to the extent required in respect of the Company's business objectives; the Company or the Subsidiaries own and possess all right, title and interest in and to, or has a valid and enforceable license to use all Licensed EnWave IP used in, or necessary for, the conduct of the business of the Company and the Subsidiaries as now conducted, except where such failure to own or possess the valid right to use such Intellectual Property would not, individually or in the aggregate have a Material Adverse Effect;
- (xxviii) to the knowledge of the Company, there is no unauthorized use, disclosure, infringement or misappropriation by third parties of any of the EnWave IP or Licensed EnWave IP. There are no legal or governmental actions, suits, proceedings, notices or claims pending or, to the knowledge of the Company, threatened, against the Company or the Subsidiaries (i) challenging the Company's or the Subsidiaries' right in or to the EnWave IP or the Licensed EnWave IP, (ii) challenging the validity or scope of the EnWave IP or, to the knowledge of the Company, the Licensed EnWave

IP, (iii) suggesting that any other person has any claim of legal or beneficial ownership or other claim or interest in the EnWave IP, or (iv) alleging that the operation of the Company's or the Subsidiaries' business as now conducted infringes or otherwise violates any Intellectual Property right, or other proprietary rights of a third party and which infringement, invalidity, inadequacy or violation or actions, suits, proceedings, notices or claims would, individually or in the aggregate, have a Material Adverse Effect, and the Company has no knowledge of any facts which could form a basis for any such action, suit, proceeding, notice or claim. Neither the Company nor any of the Subsidiaries have brought or threatened any action, suit, proceeding or claim for unauthorized use, disclosure, infringement or misappropriation of the EnWave IP or the Licensed EnWave IP or breach of any license or agreement involving the EnWave IP or the Licensed EnWave IP against any third party;

- (xxix) all applications for registration of any Registered EnWave IP are in good standing, stand in the name of the Company or a Subsidiary, as applicable, and have been filed in a timely manner in the appropriate offices to preserve the rights thereto and, in the case of a provisional application, the Company confirms that all right, title and interest in and to the invention(s) disclosed in such application have been assigned in writing (without any express right to revoke such assignment) to the Company or a Subsidiary, as applicable. The Company has prosecuted, and is prosecuting, such applications diligently. There has been no public disclosure, sale or offer for sale of any EnWave IP anywhere in the world that may prevent the valid issue of all available Intellectual Property rights in such EnWave IP to the extent as the same would have a Material Adverse Effect. All material prior art or other information has been disclosed to the appropriate offices as required according to the local laws in the jurisdictions where the applications are pending;
- (xxx) no registration of Registered EnWave IP has expired, become abandoned, been cancelled or expunged, or has lapsed for failure to be renewed or maintained, except as would not, individually or in the aggregate, have a Material Adverse Effect;
- (xxxii) there is no Licensed EnWave IP that is material to the business of the Company and the Subsidiaries as currently conducted and as contemplated to be conducted;
- (xxxiii) to the extent that any EnWave IP is licensed or disclosed to any person or any person has access to such EnWave IP (including but not limited to any employee, officer, director, shareholder or consultant of the Company or a Subsidiary), the Company and the Subsidiaries have entered into a valid and enforceable written agreement which contains terms and conditions prohibiting the unauthorized use, reproduction, disclosure, reverse engineering or transfer of such EnWave IP by such person and there has been no breach of any such agreement that would result in a Material Adverse Effect;
- (xxxiiii) the Company or the Subsidiaries have entered into agreements that require assignment to the Company or the Subsidiaries, as applicable, of all Intellectual Property developed as a result of work being performed by a

third party on behalf of the Company or the applicable Subsidiary in instances where the Company or such Subsidiary has engaged a third party with respect to material services relating to the Company's or a Subsidiary's products or other important Company or Subsidiary materials, and to the knowledge of the Company, no such third party is in violation thereof that would result in a Material Adverse Effect;

- (xxxiv) the measures taken by the Company to protect Intellectual Property are reasonably designed to adequately ensure that the EnWave IP that is material to the business of the Company belongs to the Company or the Subsidiaries, as applicable, and to prevent any third parties, including any present and past employees and contractors, from using any EnWave IP that is material to the business of the Company without a valid license;
- (xxxv) to the knowledge of the Company, the conduct of the business of the Company and of the Subsidiaries has not infringed, violated, misappropriated or otherwise conflicted with any Intellectual Property right of any person;
- (xxxvi) neither the Company nor any Subsidiary is a party to any action or proceeding, nor, to the knowledge of the Company, is or has any action or proceeding been threatened that alleges that any current or proposed conduct of their respective businesses have or will infringe, violate or misappropriate or otherwise conflict with any Intellectual Property right of any person, other than as disclosed in the Public Disclosure Documents;
- (xxxvii) the Company's and the Subsidiaries' products being used by third parties carry appropriate Intellectual Property notices indicating Intellectual Property ownership by the Company or the Subsidiaries;
- (xxxviii) the Company and each of the Subsidiaries has taken reasonable precautions and taken reasonable measures to protect and preserve the security and confidentiality of its trade secrets and other confidential information, and none of the trade secrets or other confidential information of the Company or any Subsidiary are, to the knowledge of the Company, part of the public domain or knowledge, nor, to the knowledge of the Company, have any trade secrets or confidential information been misappropriated by any person having an obligation to maintain such trade secrets or other confidential information in confidence for the Company or a Subsidiary;
- (xxxix) (i) there has been no security breach or other compromise of or relating to any of the Company's or its Subsidiaries' information technology and computer systems, networks, hardware, software, data (including the data of their respective customers, employees, suppliers, vendors and any third party data maintained by or on behalf of them), equipment or technology (collectively, "**IT Systems and Data**") which would reasonably be expected to have a Material Adverse Effect, and (ii) the Company and its Subsidiaries have not been notified of, and have no knowledge of, any security breach or other compromise to their IT Systems and Data that would reasonably be expected to result in a Material Adverse Effect; and (iii) the Company and its Subsidiaries are presently, and have been at all times during the last three years, in compliance in all material respects with all applicable

laws, statutes, and all judgments, decisions and orders of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification;

- (xi) the Company and its Subsidiaries have implemented in a commercially reasonable manner, consistent with industry standards (i) measures to prevent that the IT Systems and Data be infected by viruses, spywares, malwares or be subject to unauthorized access, and (ii) functioning backup systems in order to protect, in the event of any failure of the IT Systems and Data, material data from being irrevocably compromised or lost;
- (xli) except where non-compliance does not and would not reasonably be expected to have a Material Adverse Effect, the Company and each of the Subsidiaries has, in the last two years, conducted and is conducting its business in compliance with all applicable laws of each jurisdiction in which it carries on business and has not received a notice of non-compliance, or knows of, or has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws;
- (xlii) the Company and the Subsidiaries are not in material violation of any federal, provincial, state, local, municipal or foreign statute, law, rule, regulation, ordinance, code, policy applicable to its business, including any judicial or administrative order, consent decree or judgment, relating to pollution or protection of human health, the environment (including ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**");
- (xliii) the Company and the Subsidiaries have all material permits, licenses, authorizations, certificates, registrations and approvals (the "**Environmental Permits**") required under any applicable Environmental Laws to conduct their business as currently conducted and are in material compliance with their requirements under such Environmental Laws and, to the knowledge of the Company, no proceeding is pending or threatened to revoke or limit any such Environmental Permit;
- (xliv) neither the Company nor the Subsidiaries (including, if applicable, any predecessor companies) has received any notice of, or been prosecuted for an offence alleging, non-compliance with any Environmental Law, and neither the Company nor the Subsidiaries (including, if applicable, any predecessor companies) has settled any allegation of non-compliance short of prosecution. There are no pending or, to the knowledge of the Company, threatened administrative, regulatory or judicial actions, suits, orders, demands, demand letters, claims, Liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws against the Company and the Subsidiaries which if determined

adversely, would reasonably be expected to have a Material Adverse Effect;

- (xiv) there are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Company or the Subsidiaries, nor has the Company or the Subsidiaries received notice of any of the same;
- (xlv) the Company and the Subsidiaries are not subject to any contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment or non-compliance with Environmental Laws which would reasonably be expected to have a Material Adverse Effect;
- (xlvii) except as ordinarily or customarily required by applicable permits, neither the Company nor the Subsidiaries has received any notice wherein it is alleged or stated that it is potentially responsible for a federal, provincial, state, municipal or local clean-up site or corrective action under any Environmental Laws. Neither the Company nor the Subsidiaries has received any request for information in connection with any federal, state, municipal or local inquiries as to disposal sites; and
- (xlviii) there are no environmental audits, evaluations, assessments, studies or tests relating to the Company or the Subsidiaries except for ongoing assessments conducted by or on behalf of the Company or the Subsidiaries in the ordinary course;
- (xlix) the Company and each of the Subsidiaries possesses such permits, licences, approvals, consents and other authorizations issued by Governmental Entities (collectively, "**Governmental Licences**") necessary to conduct the business now operated by it, except where the failure to so possess such Governmental Licences would not, individually or in the aggregate, have a Material Adverse Effect, and all such Governmental Licences are valid and existing and in good standing. Each of the Company and the Subsidiaries is in compliance with the terms and conditions of all such Governmental Licences, except where the failure to so comply would not, individually or in the aggregate, have a Material Adverse Effect;
- (l) at the Closing Time, each of the Transaction Documents shall have been duly authorized and executed and delivered by the Company and upon such execution and delivery by the Company and the other parties thereto each shall constitute a valid and binding obligation of the Company and each shall be enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by applicable law;
- (li) the Company will ensure that the Offered Shares upon issuance shall be duly issued as fully paid and non-assessable Common Shares in the capital of the Company and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Offering Document;

- (lii) the Company will ensure that the Compensation Options upon issuance, shall be duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement, the Offering Document, and the Compensation Option Certificates, as applicable;
- (liii) at the Closing Time, the Company will ensure that sufficient Compensation Option Shares are allotted for issuance upon due and proper exercise of the Compensation Options. The Company will ensure that the Compensation Option Shares, when issued upon valid exercise of the Compensation Options in accordance with the terms of the Compensation Option Certificates shall be duly issued as fully paid and non-assessable Common Shares in the capital of the Company and shall have the attributes corresponding to the description thereof set forth in this Agreement, and the Compensation Option Certificates, as applicable;
- (liv) the Transfer Agent has been duly appointed as the transfer agent and registrar for the Common Shares;
- (lv) the Common Shares are listed and posted for trading on the TSX-V and the Company will obtain the necessary regulatory consents from the TSX-V for the issuance of the Offered Shares, Compensation Options and Compensation Option Shares, on such conditions as are acceptable to the Agent and the Company, acting reasonably;
- (lvi) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are pending, contemplated or threatened by any regulatory authority;
- (lvii) there are no actions, suits, judgments, investigations, inquires or proceedings of any kind whatsoever outstanding (whether or not purportedly on behalf of the Company or a Subsidiary), pending or, to the knowledge of the Company, threatened against or affecting the Company or the Subsidiaries or any of their respective directors or officers, at law or in equity or before or by any commission, board, bureau or agency of any kind whatsoever and, to the knowledge of the Company, there is no basis therefor and neither the Company nor any Subsidiary is subject to any judgment, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Entity which, either separately or in the aggregate, may affect, is material to or will materially affect the Company or any Subsidiary or would adversely affect the ability of the Company to perform its obligations under the Transaction Documents;
- (lviii) none of the directors, officers or employees of the Company or of any Subsidiary or, to the knowledge of the Company, any person who owns directly or indirectly more than 10% of any class of securities of the Company or securities of any person exchangeable for more than 10% of any class of securities of the Company, or, to the knowledge of the Company, any associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction or any proposed transaction with the Company or any Subsidiary which materially affects, is

material to or would be expected to materially affect the Company on a consolidated basis;

- (lix) all material employment agreements, severance agreements and change of control agreements and all employee plans, currently in place or proposed, have been disclosed in the Public Disclosure Documents or to the Agent or its counsel. The Company and the Subsidiaries are in material compliance with all laws respecting employment and employment practices, terms and conditions of employment, occupational health and safety, pay equity;
- (Ix) other than as disclosed in the Public Disclosure Record, that has not been in the last two years and there is currently no labour disturbance by or dispute with employees of the Company or any of the Subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labour disturbance by, or dispute with, the employees of any of its or the Subsidiaries' principal suppliers, contractors or customers, except as would not have a Material Adverse Effect;
- (Ixi) the Company and the Subsidiaries have sufficient personnel with the requisite skills to effectively conduct their business as currently conducted and as contemplated to be conducted by the Company and the Subsidiaries;
- (Ixii) the assets of the Company and of each Subsidiary and their businesses and operations are insured against loss or damage with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses, such coverage is in full force and effect, and the Company and the Subsidiaries have not failed to promptly give any notice of any claim thereunder;
- (Ixiii) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, customs and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Company and the Subsidiaries have been paid. All tax returns, declarations, remittances and filings required to be filed by the Company and each of the Subsidiaries have been filed with all appropriate Governmental Entities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading;
- (Ixiv) the Company and the Subsidiaries have established on their books and records reserves that are adequate for the payment of all Taxes not yet due and payable and there are no Liens for Taxes registered against the assets of the Company or any Subsidiary, and, to the knowledge of the Company, there are no audits pending of the tax returns of the Company or any Subsidiary (whether federal, state, provincial, local or foreign) and there are no claims which have been or may be asserted relating to any such tax returns, which audits and claims, if determined adversely, would result in

the assertion by any Governmental Entity of any deficiency that would result in a Material Adverse Effect;

- (lxv) other than as will have been obtained prior to the Closing Date, no consent, approval, authorization, order, registration or qualification of or with any person or Governmental Entity is required for execution and delivery of the Transaction Documents, the issue, sale and delivery of the Offered Shares, the issue and delivery of the Compensation Options and Compensation Option Shares, or the consummation by the Company of the transactions contemplated in this Agreement, other than filings that may be made following the Closing Date in accordance with applicable securities laws or stock exchange policies;
- (lxvi) the Company has not declared or paid any dividends or declared or made any other payments or distributions on or in respect of any of its securities and has not, directly or indirectly, redeemed, purchased or otherwise acquired any of its securities or agreed to do so or otherwise effected any return of capital with respect to such securities within the last 12 months;
- (lxvii) there is not, in the constating documents of the Company or in any Material Agreement or Debt Instrument, or other instrument or document to which the Company or any Subsidiary is a party, any restriction upon or impediment to the declaration of dividends by the directors of the Company or the payment of dividends by the Company to the holders of its Common Shares;
- (lxviii) none of the Company, the Subsidiaries, nor any other party to any Material Agreement, Debt Instrument or other agreement or instrument to which either the Company or either of the Subsidiaries are a party, is in material default in the observance or performance of any term or obligation to be performed by it under any such agreement or instrument and no event has occurred which with notice or lapse of time or both would constitute such a default on the part of the Company or the Subsidiaries, in any such case which default or event would have a Material Adverse Effect. The Company does not expect any Material Agreements to which the Company or any Subsidiary are a party or otherwise bound to be terminated other than in the ordinary course of business;
- (lxix) other than as would not, alone or in the aggregate, have a Material Adverse Effect, including upon the business of the Company or any of the Subsidiaries as currently conducted, neither the Company nor any Subsidiary is party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Company or such Subsidiary to compete in any line of business or transfer or move any of their assets or operations or which materially adversely affects the business practices, operations or condition of the Company (on a consolidated basis);
- (lxx) neither the Company nor any of the Subsidiaries has received notice from any Governmental Entity of any jurisdiction in which it carries on a material part of its business, or owns or leases any material property, of any restriction on its ability to or of a requirement for it to qualify to, nor is it otherwise aware of any restriction on its ability to or of a requirement for it

to qualify to, conduct its business as currently or proposed to be carried on in such jurisdiction, except those that would not result in a Material Adverse Effect;

- (lxxi) since March 31, 2025: (a) there has not been any adverse material change or change in material fact (actual, proposed, threatened or contemplated) in the business, affairs, operations, business prospects, assets, liabilities or obligations, contingent or otherwise, or capital of the Company or the Subsidiaries; (b) there has not been any adverse material change in the consolidated financial position of the Company; and (c) there has been no material transaction entered into by the Company or the Subsidiaries, other than those in the ordinary course of business or as disclosed in the Public Disclosure Documents;
- (lxxii) the Company maintains a system of internal accounting controls sufficient to provide reasonable assurances that (a) transactions are executed in accordance with management's general or specific authorization; and (b) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain accountability for assets;
- (lxxiii) there are no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) of the Company or the Subsidiaries with unconsolidated entities or other persons that could reasonably be expected to have a Material Adverse Effect;
- (lxxiv) other than as disclosed in the Public Disclosure Documents, the Company and the Subsidiaries are not party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any debt instrument other than of the ordinary course of business and neither the Company nor any Subsidiary has made any loans to, or guaranteed the obligations of, any person;
- (lxxv) the minute books of the Company and the Subsidiaries made available to the Agent's counsel, Miller Thomson LLP, in connection with its due diligence investigation of the Company for the past three years are all of the minute books of the Company and the Subsidiaries and contain the constating documents of the Company and the Subsidiaries for the past three years and copies of all proceedings (or certified copies thereof) of the shareholders, the boards of directors and all committees of the boards of directors of the Company and the Subsidiaries for such period, and there have been no other meetings, resolutions or proceedings of the shareholders, board of directors or any committees of the boards of directors of the Company and the Subsidiaries not reflected in such minute books and other records for such period, other than those which are not material in the context of the Company (on a consolidated basis);
- (lxxvi) all the information which has been prepared by the Company relating to the Company and the Subsidiaries and their business, property and liabilities and provided to the Agent in connection with the Offering, including all financial, marketing, sales and operational information provided to the Agent is, as of the date of such information, true and correct in all material respects, taken as a whole (except to the extent amended or superseded

by information subsequently provided to the Agent or publicly disclosed), and no fact or facts have been omitted therefrom which would make such information misleading;

- (lxxvii) neither the Company nor, to the knowledge of the Company, its officers or directors are aware of any circumstances presently existing under which liability is or could reasonably be expected to be incurred by the Company under Part XXIII.1 – Civil Liability for Secondary Market Disclosure of the *Securities Act* (Ontario) or analogous provisions under the Securities Laws of the Selling Jurisdictions;
- (lxxviii) other than the Agent, there is no person acting or purporting to act at the request or on behalf of the Company, that is entitled to any brokerage or finder's fee in connection with the transactions contemplated by this Agreement;
- (lxxix) other than the Company, there is no person that is entitled to demand the net proceeds of the Offering;
- (lxxx) other than in relation to the Subsidiaries, the Company does not own, directly or indirectly, or exercise control or direction over, and has not agreed to acquire, outstanding securities of any other corporation or options to acquire securities of any other corporation, or a participating interest in any partnership, joint venture or other business enterprise;
- (lxxxi) the Company is not aware of any legislation, or proposed legislation (published by a legislative body), which it anticipates will have a Material Adverse Effect;
- (lxxxii) there are no material judgments against the Company or any of the Subsidiaries which are unsatisfied, nor are there any consent decrees or injunctions to which the Company or any Subsidiary is subject;
- (lxxxiii) neither the Company nor the Subsidiaries, nor any of their respective employees or agents, has made any unlawful contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office, or failed to disclose fully any contribution, in violation of any Law, or made any payment to any foreign, Canadian, United States or provincial or state governmental officer or official or other person charged with similar public or quasi-public duties, other than payments required or permitted by applicable laws and that would not be expected to have a Material Adverse Effect;
- (lxxxiv) the operations of the Company and each Subsidiary are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Entity (collectively, the “**Anti-Money Laundering Laws**”) and no action, suit or proceeding by or before any court or Governmental Entity or any arbitrator involving the

Company or any Subsidiary with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened; and

(lxxxv) *LIFE Exemption.*

- (A) during the 12 months prior to the date of the Prescribed News Release, the Company has not raised any capital using the LIFE Exemption and is not otherwise raising funds under the LIFE Exemption other than under the Offering;
- (B) all information and statements contained in the Offering Document are true and correct, in all material respects. The Offering Document, together with any document filed under Securities Laws on or after August 7, 2024, contains disclosure of all material facts about the securities being distributed in the Offering and does not contain a misrepresentation. The Offering Document complies in all material respects with the requirements of Securities Laws;
- (C) the Company is and has been a reporting issuer in at least one jurisdiction of Canada for the 12 months immediately prior to the date of the Prescribed News Release;
- (D) the Common Shares are listed for trading on the TSX-V, being an exchange recognized by a Securities Regulator in a jurisdiction of Canada;
- (E) the Company's operations have not ceased or its principal asset is not cash or cash equivalents, or its exchange listing nor has the Company's operations ever ceased or its principal assets ever been cash or cash equivalents, or its exchange listing during the 12 months immediately prior to the date of the Prescribed News Release;
- (F) the Company does not plan to use the proceeds of the Offering towards: (i) an acquisition that is a significant acquisition under Part 8 of 51-102; (ii) a restricting transaction as such term is defined in NI 51-102; and (iii) an undertaking to the regulator or securities regulatory authority;
- (G) the Company has filed all periodic and timely continuous disclosure documents that it is required to have filed by each of the following: (i) Securities Laws; (ii) an order issued by a Securities Regulator; and (iii) an undertaking to a Securities Regulator;
- (H) the total dollar amount of the Offering, combined with the dollar amount of all other distributions made by the Company under the LIFE Exemption during the 12 months immediately before the date of the Prescribed News Release, will not exceed the greater of the following: (i) \$25,000,000; or (ii) 20% of the aggregate market value of the Company listed securities, on the date of the Prescribed News Release, calculated in accordance with NI 45-106, to a maximum total dollar amount of \$50,000,000;

- (I) the Offering, combined with all other distributions made by the Company under the LIFE Exemption during the 12 months immediately before the date of the Prescribed News Release, will not result in an increase of more than 50% of the number, or, in the case of debt, of the principal amount, of the Company's issued and outstanding securities, as of the date that is 12 months before the date of the Prescribed News Release;
- (J) the Completion of the Offering will not result in a new control person and will not result in a person acquiring beneficial ownership of, or exercising control or direction over, such number of Common Shares that would result in such person being entitled to elect a majority of the directors of the Company; and
- (K) the Company reasonably expects that, on completion of the Offering, the Company will have sufficient available funds to meet its business objectives and all liquidity requirements for a period of 12 months.

#### **4.2 Covenants of the Company.**

- (a) The Company hereby covenants to the Agent and to the Purchasers, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Offered Shares, that:
  - (i) the Company shall use its commercially reasonable efforts to remain a company validly subsisting, licensed, registered or qualified as an extra-provincial or foreign corporation in all jurisdictions where the character of its properties owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary, and for a period of two (2) years from the Closing Date, the Company shall carry on its business in the ordinary course and in compliance in all material respects with all applicable laws of each such jurisdiction, provided that, in each case, this covenant shall not restrict the Company from entering into an agreement with respect to, or effecting, a transaction pursuant to which the common shares of the Company are exchanged for cash and/or securities of another person that is a reporting issuer and listed on a recognized stock exchange, or the holders of Common Shares have approved the transaction in accordance with the requirements of applicable corporate and Securities Laws and the rules and policies of the TSX-V;
  - (ii) the Company shall use commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Securities Laws in each of the provinces of Canada for a period of two (2) years following the Closing Date; provided that this covenant shall not prevent the Company from completing any transaction which would result in the Company ceasing to be a "reporting issuer" so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or elsewhere, or cash, or the holders of Common Shares have approved the transaction in accordance with the requirements of applicable corporate and Securities Laws and the rules and policies of the TSX-V;

- (iii) the Company shall use commercially reasonable efforts to maintain the listing of the Common Shares on the TSX-V to the date which is two (2) years following the Closing Date; provided that this covenant shall not prevent the Company from transferring its listing to the Toronto Stock Exchange or completing any transaction which would result in the Common Shares ceasing to be listed so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or elsewhere, or cash, or the holders of Common Shares have approved the transaction in accordance with the requirements of applicable corporate and Securities Laws and the rules and policies of the TSX-V;
- (iv) up until the Closing Time, the Company shall provide the Agent and its legal counsel with timely access to all information that they may reasonably request to permit them to conduct all due diligence investigations of the Company and its business operations, properties, assets, affairs and financial condition. In particular, the Company will make available to the Agent and its legal counsel, on a timely basis, all corporate and operating records, material contracts, technical and financial information, budgets, key officers, and other relevant information necessary in order to complete the due diligence investigation of the Company and its business operations, properties, assets, affairs and financial condition for this purpose, and without limiting the scope of the due diligence inquiries the Agent may conduct, to participate in one or more due diligence sessions to be held prior to the Closing Time;
- (v) the Company shall duly execute and deliver any material documents in connection with the Offering at the Closing Time, and comply with and satisfy all terms, conditions and covenants herein or therein contained to be complied with or satisfied by the Company;
- (vi) the Company shall, as soon as practicable, use its commercially reasonable efforts to obtain all necessary consents to the transactions contemplated herein;
- (vii) the Company shall ensure that the Offered Shares, upon issuance in accordance with this Agreement, shall be duly issued as fully paid and non-assessable Common Shares, and shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement;
- (viii) the Company shall ensure that at all times prior to the expiry of the Compensation Options, a sufficient number of Compensation Option Shares are allotted and reserved for issuance upon the exercise of the Compensation Options in accordance with their applicable terms;
- (ix) the Company shall ensure that, upon issuance thereof and payment therefor, the Compensation Option Shares will be duly issued as fully paid and non-assessable Common Shares;
- (x) the Company shall have taken all steps as are necessary to cause the Offered Shares and the Compensation Option Shares to be listed and posted for trading on the TSX-V, subject to the satisfaction of by the Company of the Standard Listing Conditions within the applicable time frame pursuant to the rules and policies of the TSX-V;

- (xi) the Company shall use commercially reasonable efforts to fulfill or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 5.2;
- (xii) the Company shall execute and file with the Securities Regulators and the TSX-V all forms, notices and certificates required to be filed by the Company pursuant to the Securities Laws and the policies of the TSX-V in the time required by the applicable Securities Laws and the policies of the TSX-V, including, for greater certainty, Form 45-106F1 of NI 45-106 and any other forms, notices and certificates set forth in the opinions delivered to the Agent pursuant to the closing conditions set forth in Section 5.2 hereof, as are required to be filed by the Company;
- (xiii) the Company shall provide the Agent with a reasonable opportunity to review and provide comments on a draft of any proposed announcement or press release relating to the Offering. In addition, if required by applicable Securities Laws, any press release announcing or otherwise referring to the Offering shall include an appropriate notation on each page as follows: "Not for distribution to United States news wire services or for dissemination in the United States." All press releases announcing the Offering will also be tailored to qualify for the safe harbour provided for in Rule 135e under the U.S. Securities Act, and include the following statement:

"This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available."
- (xiv) the Company shall use the net proceeds from the purchase and sale of the Offered Shares in accordance with the description set forth under the heading "Use of Proceeds" in the Offering Document;
- (xv) the Company shall not, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to, or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional Common Shares or any securities convertible or exchangeable into Common Shares of the Company, other than pursuant to (i) the grant, exercise or vesting of stock options and other similar issuances pursuant to any stock option plan, share unit plan or similar share compensation arrangements in place prior to the Closing Date, (ii) an arm's length acquisition, (iii) the exchange, transfer, conversion or exercise of rights of existing outstanding securities or existing commitments, or (iv) pursuant to the Non-Brokered Offering, for a period commencing on the date hereof and ending on the date that is four months plus one day following the Closing Date (the "**Lock-Up Period**"),

without the prior written consent of the Agent, such consent not be unreasonably withheld or delayed; and

- (xvi) the Company shall cooperate with the Agent in marketing the Offering, including, to the extent reasonable, by making its senior officers available to meet with prospective investors identified by the Agent.

## **ARTICLE 5 CLOSING**

### **5.1 Closing Deliveries.**

The purchase and sale of the Offered Shares shall be completed at the Closing Time through the electronic exchange of documents. At or prior to the Closing Time, the Company shall deliver to the Agent, certificates or the electronic registration by book-entry of evidence of ownership (as may be agreed upon by the Agent and the Company) representing the Offered Shares and Compensation Options and such further documentation as may be contemplated herein, including the requisite legal opinions and certificates as contemplated in Section 5.2, against payment of the Aggregate Subscription Price in lawful money of Canada by certified cheque or wire transfer payable to the Company or as otherwise directed by the Company. The Company will, at the Closing Time, make payment in full of the Cash Fee and the reasonable out-of-pocket costs and expenses of the Agent, including fees and disbursements of counsel to the Agent as specified in Section 7.3 herein.

### **5.2 Closing Conditions.**

The Agent's obligation to purchase the Offered Shares at the Closing Time shall be conditional upon the fulfilment at or before the Closing Time of the following conditions:

- (a) *Requisite Approvals.* The Agent shall have received at the Closing Time, evidence that any requisite approvals (including any applicable shareholder approvals from the Company's shareholders), consents and acceptances of the appropriate regulatory authorities and the TSX-V, required to be made or obtained by the Company in order to complete the Offering, have been made or obtained.
- (b) *Board Approval.* The board of directors of the Company shall have authorized and approved the execution and delivery of this Agreement, the allotment, issuance and delivery of the Offered Shares, Compensation Options and the allotment and reservation for issuance of the Compensation Option Shares and all matters relating thereto.
- (c) *Officers' Certificates.* The Agent shall have received officers' certificates, in form and substance satisfactory to the Agent's counsel acting reasonably, dated the Closing Date, signed by appropriate officers of the Company addressed to the Agent and its counsel:
  - (i) with respect to the articles of the Company, all resolutions of the Company's board of directors relating to this Agreement and the transactions contemplated hereby, the incumbency and specimen signatures of signing officers in the form of a certificate of incumbency;
  - (ii) to the effect that:

- (A) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company or prohibiting the issue and sale of the Offered Shares, the issue of the Compensation Options or the issue of the Compensation Option Shares upon the due exercise of the Compensation Options, or any of the Company's issued securities shall have been issued by any regulatory authority that is continuing in effect and no proceedings for that purpose shall have been instituted or be pending or, contemplated or threatened by any Governmental Entity;
  - (B) no Material Adverse Effect shall have occurred; and except for the Offering, no transaction shall have been entered into by the Company which is or would be material to the Company other than in the ordinary course of business;
  - (C) the Company shall have duly complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time;
  - (D) the representations and warranties of the Company contained in this Agreement shall be true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated by this Agreement;
- (d) *Canadian Legal Opinions.* The Agent shall have received favourable legal opinions with respect to Canadian corporate and securities matters, in form and substance satisfactory to the Agent's counsel acting reasonably, dated the Closing Date, from Kornfeld LLP, Canadian counsel to the Company or where appropriate, counsel in the other provinces of Canada, which counsel in turn may rely, as to matters of fact, on certificates of public officials, the Transfer Agent and officers of the Company.
  - (e) *Listing Approval.* The Offering shall have been conditionally approved by the TSX-V, subject only to the Company satisfying the Standard Listing Conditions within the applicable time frame pursuant to the rules and policies of the TSX-V; and the Company shall not have received any notice from the TSX-V that the Offered Shares or the Compensation Option Shares shall not be accepted for listing on such exchange.
  - (f) *Compensation Option Certificate.* The Agent shall have received fully executed Compensation Option Certificates in respect of all Compensation Options.
  - (g) *Certificate of Status.* The Agent shall have received a certificate of status (or equivalent) under applicable law for the Company.
  - (h) *Certificate of Transfer Agent.* The Agent shall have received a certificate from the Transfer Agent as to the number of Common Shares, issued and outstanding as at a date no more than one Business Day prior to the Closing Date.
  - (i) *No Termination.* The Agent not having exercised any rights of termination set forth in Article 6.

- (j) *Other Documentation.* The Agent having received at the Closing Time such further certificates, opinions of counsel and other documentation from the Company as the Agent or its counsel may reasonably require, provided, however, that the Agent or its counsel shall request any such certificate, opinion or document within a reasonable period prior to the Closing Time that is sufficient for the Company to obtain and deliver such certificate, opinion or document.

The Company agrees that the aforesaid legal opinions and certificates to be delivered at the Closing Time will also be addressed to the Purchasers and that the Agent may deliver copies thereof to such Persons and the Agent's counsel.

## **ARTICLE 6 TERMINATION**

### **6.1 Rights of Termination**

- (a) The Company shall use its best efforts to cause all conditions in this Agreement which relate to it to be satisfied. It is understood that the Agent may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to its rights in respect of any other of the foregoing terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding any such waiver or extension must be in writing.
- (b) The Agent shall be entitled, in its sole discretion, to terminate and cancel, without any liability on the Agent's part, its obligations under this Agreement by giving notice at or at any time prior to Closing Time if:
  - (i) there is, in the opinion of the Agent, acting reasonably, a material change or a change in any material fact or a new material fact shall arise which would be expected to have a material adverse change or effect on the business, affairs, prospects or financial condition of the Company or on the market price or the value of the Offered Shares, or other securities of the Company;
  - (ii) (i) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism or accident) or major financial occurrence of national or international consequence or a new or change in any law or regulation which in the sole opinion of the Agent materially adversely affects or involves or may materially adversely affect or involve the financial markets or the business, operations or affairs of the Company and its Subsidiaries taken as a whole or the market price or value of the securities of the Company, (ii) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the Offered Shares, or any other securities of the Company is made or threatened by a securities regulatory authority;
  - (iii) the Company is in breach of a material term, condition or covenant of this Agreement, or any representation or warranty given by the Company in this Agreement becomes or is materially false;
  - (iv) any inquiry, action, suit, proceeding or investigation (whether formal or informal) (including matters of regulatory transgression or unlawful conduct) is commenced, announced or threatened or any order made by

- any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSX-V or any securities regulatory authority or any law or regulation is enacted or changed which in the opinion of the Agent, acting reasonably, operates to prevent or restrict the trading of the Offered Shares, or any other securities of the Company, or materially and adversely affects or will materially and adversely affect the market price or value of the Offered Shares or any other securities of the Company;
- (v) the state of the financial markets, whether national or international, is such that in the sole opinion of the Agent, acting reasonably, it would be impractical or unprofitable to offer or continue to offer the Offered Shares for sale;
  - (vi) the Agent is unsatisfied with the results of its due diligence investigation of the Company; or
  - (vii) any condition (including, without limitation, those contemplated in Section 5.2) to Closing shall remain outstanding and uncompleted at any time after the time which it is required to be completed.
- (c) The rights of termination contained in the foregoing subsections of this section may be exercised by the Agent and are in addition to, and without prejudice to, any other rights or remedies the Agent may have in respect of any default, act or failure to act or noncompliance by the Company in respect of any of the matters contemplated by this Agreement or otherwise. In the event of any such termination, there shall be no further liability on the part of the Agent to the Company or on the part of the Company to the Agent except in respect of any liability which may have arisen prior to such termination or may arise after such termination in respect of acts or omissions of the Company prior to such termination or under Section 7.2 and Section 7.3.

## **ARTICLE 7 GENERAL**

### **7.1 Survival of Representations, Warranties and Covenants**

All representations, warranties, and covenants of the Company and the Agent herein contained or contained in documents submitted or required to be submitted pursuant to this Agreement shall survive the purchase by the Purchasers of the Offered Shares and shall continue in full force and effect for the benefit of the Agent and the Purchasers for a period of two (2) years following the Closing Date.

### **7.2 Indemnity and Contribution.**

- (a) The Company and its Subsidiaries and affiliated companies, as the case may be, (collectively, for purposes of this Section 7.2, the “**Indemnitor**”) shall indemnify and hold the Agent, each of its Subsidiaries and affiliates, and each of their directors, officers and employees (hereinafter referred to as the “**Personnel**”) harmless from and against any and all expenses, losses (other than loss of profits), fees, claims, actions (including shareholder actions, derivative actions or otherwise), damages, obligations, or liabilities, whether joint or several, and the reasonable fees and expenses of their counsel, that may be incurred in advising

with respect to and/or defending any actual or threatened claims, actions, suits, investigations or proceedings to which the Agent and/or any Personnel may become subject or otherwise involved in any capacity under any statute or common law, or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance or professional services rendered to the Indemnitor by the Agent and any Personnel hereunder, or otherwise in connection with the matters referred to in this Agreement to which this indemnity is attached (including the aggregate amount paid in reasonable settlement of any such actions, suits, investigations, proceedings or claims that may be made against the Agent and/or their Personnel, provided that the Indemnitor has agreed to such settlement), provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

- (i) the Agent and/or their any Personnel have been grossly negligent or have committed wilful misconduct or any fraudulent act in the course of such performance; and
- (ii) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the gross negligence, wilful misconduct or fraud referred to in Section 7.2(a)(i).

Without limiting the generality of the foregoing, this indemnity shall apply to all expenses (including reasonable legal expenses), losses, claims and liabilities that the Agent or any Personnel may incur as a result of any action or litigation that may be threatened or brought against the Agent or their Personnel.

If for any reason (other than the occurrence of any of the events itemized in Section 7.2(a)(i) and Section 7.2(a)(ii) above), the foregoing indemnification is unavailable to the Agent or any Personnel or insufficient to hold the Agent or any Personnel harmless as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Agent or any Personnel on the other hand but also the relative fault of the Indemnitor and the Agent or any Personnel, as well as any relevant equitable considerations; provided that the Indemnitor shall in any event contribute to the amount paid or payable by the Agent or any Personnel as a result of such expense, loss, claim, damage or liability and any excess of such amount over the amount of the fees received by the Agent pursuant to this Agreement.

- (b) The Indemnitor agrees that in case any legal proceeding shall be brought against the Indemnitor, the Agent, and/or any Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or any such entity shall investigate the Indemnitor, the Agent, and/or any Personnel shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Indemnitor, the Agent and/or their Personnel shall have the right to employ their own counsel in connection therewith provided it acts reasonably in selecting such counsel, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Agent for time spent by any Personnel in connection therewith) and

out-of-pocket expenses incurred by any Personnel in connection therewith shall be paid by the Indemnitor as they occur.

- (c) Promptly after receipt of notice of the commencement of any legal proceeding against the Agent or any of the Personnel or after receipt of notice of the commencement or any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, the Agent will notify the Indemnitor in writing of the commencement thereof, and throughout the course thereof, will provide copies of all relevant documentation to the Indemnitor, will keep the Indemnitor advised of the progress thereof and will discuss with the Indemnitor all significant actions proposed. However, the failure by the Agent to notify the Indemnitor will not relieve the Indemnitor of its obligations to indemnify the Agent and/or any Personnel. The Indemnitor shall on behalf of itself and the Agent and/or any Personnel, as applicable, be entitled (but not required) to assume the defence of any suit brought to enforce such legal proceeding; provided, however, that the defence shall be conducted through legal counsel acceptable to the Agent and/or any Personnel, as applicable, acting reasonably, that no settlement of any such legal proceeding may be made by the Indemnitor without the prior written consent of the Agent and/or any Personnel, as applicable, and none of the Agent and/or any Personnel, as applicable, shall be liable for any settlement of any such legal proceeding unless it has consented in writing to such settlement, such consent not to be unreasonably withheld. The Agent and their Personnel shall have the right to appoint its or their own separate counsel at the Indemnitor's cost provided the Agent and their Personnel act reasonably in selecting such counsel.
- (d) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability, which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Personnel of the Agent and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor, the Agent and any of the Personnel. The Company hereby constitutes each of the Agent as trustee for the Personnel of the Company's covenants under this indemnity and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such Personnel.
- (e) The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of the authorization given by this Agreement.

### **7.3 Expenses.**

Whether or not the Closing occurs, the Company shall pay all reasonable and costs and expenses related to the Offering (including without limitation, reasonable costs and expenses of the Agent, including the reasonable and documented fees and disbursements of the Agent's legal counsel, which in the case of the Agent's counsel, shall not exceed the cap set forth in the Engagement Letter, unless the parties mutually agree, exclusive of disbursements and applicable taxes), all expenses of or incidental to the creation, issuance, sale and distribution of the Offered Shares, transfer agent and filing fees, all printing costs, and all reasonable expenses of the Agent in connection with the marketing of the Offering. Costs and expenses of the Agent will be payable by the Company in addition to any other fees payable under this Agreement and will be payable by the Company out of the gross proceeds of the Offering payable at Closing, or will otherwise be paid by the Company upon receiving invoices for such expenses from the Agent. In the event the Offering is not completed because any condition has not been fulfilled (including, without

limitation, those set forth in Section 5.2) or the engagement of the Agent has terminated hereunder pursuant to Section 6.1, the Company shall be responsible for the payment of all of the expenses of the Agent otherwise payable by the Company under this Section 7.3. The Company shall pay any goods and services tax, and harmonized sales tax imposed by the *Excise Tax Act* (Canada) and any other applicable sales tax applicable in respect of the Agent's expenses.

#### **7.4 Acknowledgement**

- (a) The Company acknowledges that the Agent is a full service securities firm engaged in securities trading and brokerage activities as well as providing investment banking and financial advisory services and that in the ordinary course of its trading and brokerage activities, the Agent and its affiliates at any time may hold long and short positions, and may trade or otherwise effect transactions, for its own account or the accounts of its customers, in debt or equity securities of the Company or any other person that may be involved in or related to the use of proceeds of the Offering or related derivative securities.
- (b) The Company further acknowledges that the Agent is acting solely as agent in connection with the purchase and sale of the Offered Shares. The Company further acknowledges that the Agent is acting pursuant to a contractual relationship created solely by this Agreement entered into on an arm's length basis, and in no event does the Agent intend to act or be responsible as a fiduciary to the Company, its management, shareholders or creditors or any other person in connection with any activity that the Agent may undertake or have undertaken in furtherance of such purchase and sale of the Company's securities, either before or after the date hereof. The Agent hereby expressly disclaims any fiduciary or similar obligations to the Company, either in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions, and the Company hereby confirms its understanding and agreement to that effect. The Company and the Agent agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Agent to the Company regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Company's securities, do not constitute advice or recommendations to the Company. The Company and the Agent agree that the Agent is acting as principal and not the agent or fiduciary of the Company and has not assumed, and will not assume, any advisory responsibility in favour of the Company with respect to the transactions contemplated hereby or the process leading thereto (irrespective of whether the Agent has advised or is currently advising the Company on other matters). The Company hereby waives and releases, to the fullest extent permitted by law, any claims that the Company may have against the Agent with respect to any breach or alleged breach of any fiduciary or similar duty to the Company in connection with the transactions contemplated by this Agreement or any matters leading up to such transactions.

#### **7.5 Public Announcement**

Provided the Offering is successfully completed, the Agent shall be permitted to publish, at their own expense, such advertisements or announcements relating to the performance of services provided in respect of the Offering in such newspapers or other publications as the Agent considers appropriate, and, in that regard, shall have the right to include therein the name and corporate logo of the Company, and shall further be permitted to post such advertisements or announcements on its websites, as may be permitted by applicable law.

## 7.6 Notices.

(a) Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a “**notice**”) shall be in writing addressed as follows:

(i) If to the Company, to it at:

EnWave Corporation  
1668 Derwent Way, #1  
Delta, British Columbia V3M 6R9

Attention: Brent Charleton  
Email: *[Redacted – Personal Information]*

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

Kornfeld LLP  
505 Burrard St, Suite 1100  
Vancouver, British Columbia V7X 1M5

Attention: Mihai H. Ionescu  
Email: *[Redacted – Personal Information]*

(ii) If to the Agent, to them at:

Clarus Securities Inc.  
130 King St. W., Suite 3640  
Toronto, Ontario M5X 1A9

Attention: Robert Orviss  
Email: *[Redacted – Personal Information]*

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

Miller Thomson LLP  
40 King Street West, Suite 6600  
Toronto, Ontario M5H 3S1

Attention: Andrew Powers and Jeffrey Gebert  
Email: *[Redacted – Personal Information]* and  
*[Redacted – Personal Information]*

or to such other address as any of the parties may designate by notice given to the others.

(b) Each notice shall be personally delivered to the addressee or sent by email transmission to the addressee, and: (a) a notice which is personally delivered 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 delivered; and (b) a notice sent by email which is sent before 5:00 p.m. (local time of the recipient) on a Business Day shall be deemed to be given and received on that day and, in any other case, shall be deemed to be given and received on the first Business Day following the day on which it is sent.

**7.7 Time of the Essence.**

Time shall, in all respects, be of the essence hereof.

**7.8 Canadian Dollars.**

All references herein to dollar amounts are to lawful money of Canada.

**7.9 Headings.**

The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

**7.10 Singular and Plural, etc.**

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

**7.11 Entire Agreement.**

This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings between the parties, including, but not limited to, the Engagement Letter, with respect to the subject matter hereof whether verbal or written. This Agreement may be amended or modified in any respect by written instrument only.

**7.12 Severability.**

If one or more 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 hereof, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

**7.13 Governing Law.**

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

**7.14 Successors and Assigns.**

The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company, the Agent and the Purchasers and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein or in the Subscriber Questionnaires, this Agreement shall not be assignable by any party without the written consent of the others.

**7.15 Further Assurances.**

Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

**7.16 Effective Date.**

This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

**7.17 Counterparts and Facsimile.**

This Agreement may be executed in any number of counterparts and delivered by facsimile or portable document format (pdf), each of which so executed shall constitute an original and all of which taken together shall form one and the same agreement.

If the Company is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to the Agent.

Yours very truly,

**CLARUS SECURITIES INC.**

Per: (signed) "Robert Orviss"

Name: Robert Orviss

Title: Managing Director

The foregoing is hereby accepted on the terms and conditions therein set forth as of the date first above written.

**ENWAVE CORPORATION**

Per: (signed) "Brent Charleton"

Name: Brent Charleton

Title: President & Chief Executive Officer