

UNDERWRITING AGREEMENT

December 4, 2017

OrganiGram Holdings Inc.
35 English Dr.
Moncton, NB
E1E 3X3

Attention: Greg Engel, Chief Executive Officer

Dear Mesdames/Sirs:

Eight Capital as lead underwriter, and Canaccord Genuity Corp., Mackie Research Capital Corporation, GMP Securities L.P. and PI Financial Corp. (collectively, the “**Underwriters**” and each individually, an “**Underwriter**”) hereby severally, and not jointly, nor jointly and severally, in their respective percentages set out in Section 18 below, offer to purchase from OrganiGram Holdings Inc. (the “**Corporation**”) and the Corporation hereby agrees to issue and sell to the Underwriters, 14,285,715 units of the Corporation (the “**Base Units**”), on an underwritten basis, at the purchase price of \$3.50 per Base Unit (the “**Offering Price**”), for aggregate gross proceeds of \$50,000,003. Each Unit (as defined herein) shall be comprised of one Common Share (as defined herein) (each, a “**Unit Share**”) and one-half of one Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”). Each Warrant shall entitle the holder thereof to acquire one Common Share (a “**Warrant Share**”) at an exercise price of \$4.00 for a period of 18 months following the Closing Date (as defined herein).

The Underwriters may arrange for substituted purchasers (the “**Substituted Purchasers**”) for the Units, where such Substituted Purchasers are resident in the Selling Jurisdictions (as defined herein). Each Substituted Purchaser shall purchase the Units at the Offering Price, and to the extent that Substituted Purchasers purchase Units, the obligations of the Underwriters to do so will be reduced by the number of Units purchased by the Substituted Purchasers from the Corporation.

The Corporation and the Underwriters agree that any sales or purchases of Units in the United States will be made by the Underwriters through U.S. Affiliates (as defined herein) on a private placement basis in accordance with Schedule “B” attached hereto, which Schedule forms a part of this Agreement, and in compliance with U.S. Securities Laws (as defined herein) and the U.S. Placement Memorandum (as defined herein). Subject to applicable law, including applicable Securities Laws (as defined herein), and subject to the terms of this Agreement, the Units may also be distributed outside of Canada and the United States in each jurisdiction as mutually agreed to by the Corporation and the Underwriters where they may be lawfully sold by the Underwriters without: (i) giving rise to any requirement under the laws of such jurisdiction to prepare and/or file a prospectus or document having similar effect; or (ii) creating any ongoing compliance or continuous disclosure obligations for the Corporation pursuant to the laws of such jurisdiction.

The Corporation hereby grants to the Underwriters an option (the “**Over-Allotment Option**”) to purchase up to an additional 2,142,857 Units (the “**Additional Units**”) at the Offering Price for additional gross proceeds of up to \$7,500,000 upon the terms and conditions set forth herein for the purpose of covering over-allotments made in connection with the Offering (as defined herein) and for market stabilization purposes, if any. The Over-Allotment Option in respect of the Additional Units may be exercised by the Underwriters: (i) to acquire Additional Units at the Offering Price; or (ii) to acquire additional Unit Shares (the “**Additional Shares**”) at a price of \$3.39 per Additional Share; or (iii) to

acquire additional Warrants (the “**Additional Warrants**”) at a price of \$0.22 per Additional Warrant; or (iv) to acquire any combination of Additional Units, Additional Shares and Additional Warrants, so long as the aggregate number of Additional Shares and Additional Warrants that may be issued under such Over-Allotment Option does not exceed 2,142,857 Additional Shares and 1,071,428 Additional Warrants. The Over-Allotment Option shall be exercisable, in whole or in part, and from time to time, by the Underwriters, for a period of 30 days from and including the Closing Date by giving written notice to the Corporation, as more particularly described in Section 12 hereof. Pursuant to such notice, the Underwriters shall purchase in their respective percentages set out in Section 18 below, and the Corporation shall deliver and sell, the number of Additional Securities (as defined herein) indicated in such notice, in accordance with this Agreement.

The Base Units and the Additional Units are collectively referred to herein as the “**Units**” and the offering of the Units by the Corporation is hereinafter referred to as the “**Offering**”. Unless the context requires otherwise, references herein to the “**Unit Shares**”, “**Warrants**” and “**Warrant Shares**” shall assume the exercise of the Over-Allotment Option and include all Additional Securities issuable thereunder. The price of any Units sold under this Agreement shall be the Offering Price.

The Underwriters shall be entitled to appoint a selling group consisting of other registered investment dealers and brokers (the “**Selling Group**”) in accordance with applicable Securities Laws for the purposes of arranging for purchasers of the Units. Any investment dealer or broker who is a member of any Selling Group formed by the Underwriters pursuant to the provisions of this Agreement or with whom any Underwriter has a contractual relationship with respect to the Offering, if any, shall agree with such Underwriter to comply with the covenants and obligations given by the Underwriters herein. The fee payable to any such investment dealer who is a member of any Selling Group shall be for the account of the Underwriters.

The Underwriters may offer the Units at a price less than the Offering Price as described in further detail in Section 18 below, in compliance with Canadian Securities Laws and, specifically, the requirements of NI 44-101 (as defined herein) and the disclosure concerning the same contained in the Prospectus (as defined herein).

In consideration of the services to be rendered by the Underwriters in connection with the Offering, the Corporation agrees to pay to the Underwriters the Commission (as defined herein), which shall be due and payable at the Closing Time (as defined herein).

TERMS AND CONDITIONS

The following are additional terms and conditions of this Agreement between the Corporation and the Underwriters:

Section 1 Definitions and Interpretation

- (1) Where used in this Agreement or in any amendment hereto, the following terms have the following meanings, respectively:

“**2017 Financial Statements**” has the meaning ascribed thereto in Section 7(bb);

“**ACMPR**” means the *Access to Cannabis for Medical Purposes Regulations* (Canada) in effect since August 24, 2016;

“**ACMPR Licence**” means Licence No. 10-MM0029/2017 issued by Health Canada pursuant to the Section 35 of the ACMPR, with a term from August 10, 2017 to March 27, 2020 (effective date of August 10, 2017), granting the Corporation the authority to produce, sell, possess, ship, transport, deliver and destroy dried marihuana, marihuana plants, marihuana seeds, cannabis oil, cannabis resin and cannabis trichomes;

“**Additional Securities**” means, collectively, the Additional Units, the Additional Shares and the Additional Warrants;

“**Additional Shares**” has the meaning ascribed thereto in the fourth paragraph of this Agreement;

“**Additional Units**” has the meaning ascribed thereto in the fourth paragraph of this Agreement;

“**Additional Warrants**” has the meaning ascribed thereto in the fourth paragraph of this Agreement;

“**associate**”, “**affiliate**”, “**insider**” and “**person**” have the respective meanings given to them in the Securities Act;

“**Agreement**” means this underwriting agreement, as it may be amended from time to time;

“**Annual Financial Statements**” means the audited consolidated financial statements of the Corporation as at and for the financial years ended August 31, 2016 and 2015, together with the notes thereto and the Auditors’ reports thereon;

“**Applicable Laws**” means all applicable laws, rules, regulations, policies, statutes, ordinances, codes, orders, consents, decrees, judgments, decisions, rulings, awards, or guidelines, the terms and conditions of any permits, including any judicial or administrative interpretation thereof, of any Governmental Authority, including without limitation the ACMPR;

“**Auditors**” means Deloitte LLP;

“**Authorizations**” means any regulatory licences, approvals, permits, consents, certificates, registrations, filings or other authorizations of or issued by any Governmental Authority under Applicable Laws, including the ACMPR Licence;

“**Base Units**” has the meaning ascribed thereto in the first paragraph of this Agreement;

“**Business**” means the business of producing, possessing, selling, shipping and disposing of prescription medical marihuana, cannabis oils and related products;

“**Business Assets**” means all tangible and intangible property and assets owned (either directly or indirectly), leased, licensed, loaned, operated or used, including all real property, fixed assets, facilities, equipment, inventories and accounts receivable, by the Corporation and the Subsidiaries in connection with the Business and the business operations of THC;

“**Business Day**” means a day, other than a Saturday, a Sunday or statutory or civic holiday in the cities of Moncton, New Brunswick or Toronto, Ontario;

“Business Development Program Loan” means the loan to the Corporation and the Material Subsidiary in an aggregate principal amount of \$421,458 dated April 2016, as revised in June 2017, with a 7 year amortization and bearing interest at a rate of 0%;

“Canadian Securities Laws” means, collectively, all applicable securities laws of each of the Qualifying Jurisdictions and the respective rules and regulations under such laws together with applicable published instruments, notices and orders of the securities regulatory authorities in the Qualifying Jurisdictions, including the rules and policies of the TSXV;

“Claims” has the meaning ascribed thereto in Section 13 of this Agreement

“Closing” means the completion of the sale of the Units and the purchase by the Underwriters of the Units pursuant to this Agreement;

“Closing Date” means December 18, 2017 or such earlier or later date as may be agreed to in writing by the Corporation and the Underwriters, each acting reasonably;

“Closing Time” means 8:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as may be agreed to by the Corporation and the Underwriters;

“Commission” has the meaning ascribed thereto in Section 14 of this Agreement;

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

“Corporation” has the meaning ascribed thereto in the first paragraph of this Agreement;

“Credit Canada Loans” means, collectively, (i) the Farm Credit Canada loan to the Material Subsidiary in an aggregate principal amount of \$2,500,000 dated November 2014, with a 10 year amortization and 5 year term with variable rate of 5.45%; and (ii) the Farm Credit Canada loan to the Material Subsidiary in an aggregate principal amount of \$1,500,000 dated August 2015, with a 10 year amortization and 5 year term with variable of 5.936%;

“Debt Instrument” means the Credit Canada Loans, the Business Development Program Loan and any and all other loans, bonds, notes, debentures, indentures, promissory notes, mortgages, guarantees, security agreements or other instruments evidencing indebtedness (demand or otherwise) for borrowed money or other liability to which the Corporation or its Subsidiaries are a party or to which their property or assets are otherwise bound;

“distribution” means distribution or distribution to the public, as the case may be, for the purposes of Canadian Securities Laws or any of them;

“Documents Incorporated by Reference” means all financial statements, related management’s discussion and analysis, management information circulars, annual information forms, material change reports or other documents filed by the Corporation, whether before or after the date of this Agreement, that are required to be incorporated by reference into the Prospectus;

“Eight” means Eight Capital;

“Employee Plans” has the meaning ascribed thereto in Section 7(uu) of this Agreement;

“Environmental Laws” means all Applicable Laws relating to the environment or environmental issues (including air, surface, water and stratospheric matters), pollution or protection of human health and safety, including without limitation relating to the release, threatened release, manufacture, processing, blending, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials;

“Final Prospectus” means the (final) short form prospectus of the Corporation relating to the Offering, including all of the Documents Incorporated by Reference and any Supplementary Material thereto, prepared and to be filed by the Corporation with the Securities Commissions in accordance with the Passport System and NI 44-101 in the Qualifying Jurisdictions in respect of the Offering and for which a Final Receipt has been issued;

“Final Receipt” means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Final Prospectus in each of the Qualifying Jurisdictions;

“Financial Statements” means, collectively, (i) the Annual Financial Statements, and (ii) the unaudited interim condensed consolidated financial statements of the Corporation as at and for the three and nine months ended May 31, 2017, together with the notes thereto;

“Government Official” means (i) any official, officer, employee or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Authority, (ii) any salaried political party official, elected member of political office or candidate for political office, or (iii) any company, business, enterprise or other entity owned or controlled by any person described in the foregoing clauses;

“Governmental Authority” means and includes, without limitation, any national or federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing, including without limitation Health Canada;

“Hazardous Materials” means chemicals, fluids, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products;

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board;

“including” means including but not limited to;

“Indemnified Party” or **“Indemnified Parties”** have the meanings ascribed thereto in Section 13 of this Agreement

“Indemnitor” has the meaning ascribed thereto in Section 13 of this Agreement

“Leased Premises” means all premises which the Corporation and/or its subsidiaries occupies as a tenant, including the Main Facility;

“Liens” means any encumbrance or title defect of 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 or claim of any kind or nature whatever which affects ownership or possession of, or title to, any interest in, or right to use or occupy such property or assets;

“**Losses**” has the meaning ascribed thereto in Section 13 of this Agreement;

“**Main Facility**” means the Corporation’s indoor grow and production facility located in Moncton, New Brunswick, which is a licensed premise for growing, processing and storing marihuana, cannabis oils and related products;

“**marketing materials**” has the meaning ascribed thereto in NI 41-101;

“**Material Adverse Effect**” means any event, change, fact, or state of being which could reasonably be expected to have a significant and adverse effect on the business, affairs, capital, operation, properties, permits, assets, liabilities (absolute, accrued, contingent or otherwise) or condition (financial or otherwise) of the Corporation and the Subsidiaries considered on a consolidated basis;

“**Material Agreement**” means any and all contracts, commitments, agreements (written or oral), instruments, leases or other documents, including licences, sub-licenses, supply agreements, manufacturing agreements, distribution agreements, sales agreements, or any other similar type agreements, to which the Corporation or the Subsidiaries is a party or to which their Business Assets are otherwise bound, and which is material to the Corporation and the Subsidiaries on a consolidated basis;

“**material change**”, “**material fact**” and “**misrepresentation**” have the respective meanings ascribed thereto in the Securities Act;

“**Material Subsidiary**” means OrganiGram Inc., a corporation existing under the laws of New Brunswick;

“**MI 11-102**” means Multilateral Instrument 11-102 – *Passport System*;

“**NP 11-202**” means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*;

“**NI 44-101**” means National Instrument 44-101 – *Short Form Prospectus Distributions*;

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

“**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*;

“**Offered Securities**” means, collectively, the Units, the Unit Shares, the Warrants and the Warrant Shares;

“**Offering**” has the meaning ascribed thereto in the fifth paragraph of this Agreement;

“**Offering Documents**” means the Preliminary Prospectus, the Final Prospectus, the U.S. Placement Memorandum and any Supplementary Material;

“**Offering Price**” has the meaning ascribed thereto in the first paragraph of this Agreement;

“**Over-Allotment Option**” has the meaning ascribed thereto in the fourth paragraph of this Agreement;

“**Passport System**” means the system for review of prospectus filings set out in MI 11-102 and NP 11-202;

“**person**” shall be broadly interpreted and shall include any individual, corporation, partnership, joint venture, association, trust or other legal entity;

“**Preliminary Prospectus**” means the preliminary short form prospectus of the Corporation dated December 4, 2017, including all of the Documents Incorporated by Reference and any Supplementary Material thereto, prepared and filed by the Corporation in accordance with the Passport System and NI 44-101 in the Qualifying Jurisdictions in respect of the Offering and for which a Preliminary Receipt has been issued;

“**Preliminary Receipt**” means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Preliminary Prospectus in each of the Qualifying Jurisdictions;

“**President’s List**” has the meaning ascribed thereto in Section 14 of this Agreement;

“**Principal Regulator**” means the New Brunswick Securities Commission;

“**Prospectus**” means, collectively, the Preliminary Prospectus and the Final Prospectus;

“**provide**” in the context of sending or making available marketing materials to a potential investor of Units has the meaning ascribed thereto under Securities Laws, whether in the context of a “road show” (as defined in NI 41-101) or otherwise;

“**Public Disclosure Record**” means, collectively, all of the documents which have been filed on www.sedar.com after September 1, 2013 by or on behalf of the Corporation with the Securities Commissions pursuant to the requirements of Canadian Securities Laws;

“**Purchasers**” means, collectively, each of the purchasers of Units arranged by the Underwriters, including the Substituted Purchasers, in connection with the Offering, including, if applicable, the Underwriters;

“**Qualifying Jurisdictions**” means all of the provinces of Canada, except for Québec;

“**Reverse Takeover Transaction**” means the reverse takeover transaction completed on August 22, 2014 between the Corporation (formerly Inform Exploration Corp.) and OrganiGram Inc. (“**OGI**”), pursuant to which the Corporation became, through its now wholly-owned subsidiary OGI, a licensed producer of medical marihuana;

“**Repayment Event**” means any event or condition which gives the holder of any Debt Instrument (or any person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a material portion of such indebtedness by the Corporation or its subsidiaries;

“**SEC**” means the United States Securities and Exchange Commission;

“**Securities Act**” means the *Securities Act* (New Brunswick);

“**Securities Commissions**” means the securities regulatory authority in each of the Qualifying Jurisdictions;

“**Securities Laws**” means, collectively, Canadian Securities Laws, U.S. Securities Laws and all applicable securities laws, rules, regulations, policies and other instruments promulgated by the Securities Regulators in any of the other Selling Jurisdictions;

“**Securities Regulators**” means, collectively, the securities 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;

“**Selling Group**” has the meaning ascribed thereto in sixth paragraph of this Agreement;

“**Selling Jurisdictions**” means, collectively, each of the Qualifying Jurisdictions and such states in the United States and any other jurisdictions outside of Canada and the United States as mutually agreed to by the Corporation and the Underwriters;

“**Standard Term Sheet**” means the term sheet for the Offering dated November 28, 2017 as agreed to between the Corporation and Eight;

“**Subsidiaries**” means, collectively, the Material Subsidiary and THC;

“**subsidiary**” or “**subsidiaries**” has the meaning ascribed thereto in the Securities Act;

“**Substituted Purchasers**” has the meaning ascribed thereto in the second paragraph of this Agreement;

“**Supplementary Material**” means, collectively, any amendment to the Preliminary Prospectus, the Final Prospectus or the U.S. Placement Memorandum, and any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Corporation under Securities Laws relating to the distribution of the Units;

“**THC**” means Trauma Healing Centers Incorporated, a corporation existing under the laws of Canada;

“**TMX Group**” has the meaning ascribed thereto in Section 20(13) of this Agreement;

“**Transaction Documents**” means, collectively, this Agreement and the Warrant Indenture;

“**TSXV**” means the TSX Venture Exchange;

“**Underwriters**” has the meaning ascribed thereto in the first paragraph of this Agreement;

“**Unit Shares**” has the meaning ascribed thereto in the first paragraph of this Agreement, and for certainty includes any Additional Shares issued on the exercise of the Over-Allotment Option;

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

“**Units**” has the meaning ascribed thereto in the fifth paragraph of this Agreement, and for certainty includes any Additional Units issued on the exercise of the Over-Allotment Option;

“**U.S. Affiliates**” means the United States broker-dealer affiliates of the Underwriters;

“**U.S. Exchange Act**” means the United States Securities Exchange Act of 1934, as amended;

“**U.S. Placement Memorandum**” means the U.S. private placement memorandum, in a form satisfactory to the Underwriters and the Corporation, each acting reasonably, the preliminary version of which will have annexed thereto and incorporate a copy of the Preliminary Prospectus and the final version of which will have annexed thereto and incorporate a copy of the Final Prospectus, and any Supplementary Material thereto, to be delivered to U.S. Purchasers in the United States in accordance with Schedule “B” hereto;

“**U.S. Purchasers**” has the meaning ascribed thereto in Schedule “B” hereto;

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

“**U.S. Securities Laws**” means all applicable securities legislation in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, including the rules and policies of the SEC and any applicable state securities laws;

“**Warrant Agent**” means TSX Trust Company;

“**Warrant Indenture**” means the warrant indenture to be entered into on the Closing Date between the Warrant Agent and the Corporation in relation to the Warrants, as amended from time to time;

“**Warrant Shares**” has the meaning ascribed thereto in the first paragraph of this Agreement, and for certainty includes any additional Warrant Shares issuable upon exercise of the Additional Warrants issued on the exercise of the Over-Allotment Option; and

“**Warrants**” has the meaning ascribed thereto in the first paragraph of this Agreement, and for certainty includes any Additional Warrants issued on the exercise of the Over-Allotment Option.

- (2) Any reference in this Agreement to a section or subsection shall refer to a section or subsection of this Agreement.
- (3) All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case required and the verb shall be construed as agreeing with the required word and/or pronoun.

- (4) Any reference in this Agreement to \$ or to “dollars” shall refer to the lawful currency of Canada, unless otherwise specified.
- (5) The following are the schedules to this Agreement, which schedules are deemed to be a part hereof and are hereby incorporated by reference herein:

Schedule “A” Subsidiaries
Schedule “B” Terms and Conditions for United States Offers and Sales
Schedule “C” Existing Rights

Section 2 Attributes of the Offered Securities.

The Offered Securities to be sold by the Corporation hereunder shall have the rights, privileges, restrictions and conditions that conform in all material respects to the rights, privileges, restrictions and conditions set forth in the Offering Documents.

Section 3 Filing of Prospectus.

- (1) The Corporation shall:
 - (a) not later than 4:00 p.m. (Toronto time) on the date hereof, have filed the Preliminary Prospectus pursuant to the Passport System with the Securities Commissions and obtained a Preliminary Receipt in respect thereof;
 - (b) promptly (i) use commercially reasonable efforts to resolve all comments made and deficiencies raised in respect of the Preliminary Prospectus by the Principal Regulator, and (ii) file the Final Prospectus and obtain a Final Receipt not later than 4:00 p.m. (Toronto time) on December 11, 2017, and otherwise fulfill all legal requirements to qualify the Units for distribution to the public in the Qualifying Jurisdictions through the Underwriters or any other investment dealer or broker registered to transact such business in the applicable Qualifying Jurisdictions contracting with the Underwriters, and to qualify the grant of the Over-Allotment Option; and
 - (c) until the date on which the distribution of the Units is completed, promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required under Canadian Securities Laws to continue to qualify the distribution of the Units for sale to the public and the grant of the Over-Allotment Option to the Underwriters or, in the event that the Units or the Over-Allotment Option have, for any reason, ceased to so qualify, to again so qualify the Units and the Over-Allotment Option.
- (2) Prior to the filing of the Offering Documents and thereafter, during the period of distribution of the Units, the Corporation shall have allowed the Underwriters to participate fully in the preparation of, and to approve the form and content of, such documents and shall have allowed the Underwriters to conduct all due diligence investigations (which shall include the attendance of management of the Corporation, the Auditors and any experts or other consultants requested by the Underwriters at one or more due diligence sessions to be held) which they may reasonably require in order to fulfill their obligations as underwriters and in order to enable them to responsibly execute the certificate required to be executed by them at the end of the Prospectus.

Section 4 Deliveries on Filing and Related Matters.

- (1) The Corporation shall deliver to each of the Underwriters:
 - (a) prior to the time of each filing thereof, a copy of the Preliminary Prospectus and the Final Prospectus each manually signed on behalf of the Corporation, by the persons and in the form signed and certified as required by Canadian Securities Laws, along with a copy of the applicable U.S. Placement Memorandum;
 - (b) prior to the time of filing thereof, a copy of any Supplementary Material, or other document required to be filed with or delivered to, the Securities Commissions by the Corporation under Canadian Securities Laws in connection with the Offering, including any document incorporated by reference in the Final Prospectus (other than documents already filed publicly with a Securities Commission);
 - (c) prior to or concurrently with the filing of the Final Prospectus with the Securities Commissions, a “long-form” comfort letter of the Auditors, dated the date of the Final Prospectus (with the requisite procedures to be completed by such Auditors within two (2) Business Days of the date of such letter), in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters, the Corporation and the board of directors of the Corporation, with respect to the verification of financial and accounting information and other numerical data of a financial nature contained in the Final Prospectus (including all Documents Incorporated by Reference) and matters involving changes or developments since the respective dates as of which specific financial information is given therein which letter shall be in addition to the Auditors’ consent letter and comfort letter (if any) addressed to the Securities Commissions; and
 - (d) prior to the filing of the Final Prospectus with the Securities Commissions, a copy of the TSXV conditional approval letter indicating that the application for the listing and posting for trading on the TSXV of the Unit Shares, Warrants and Warrant Shares have been approved, subject only to satisfaction by the Corporation of the customary post-closing conditions as specified by the TSXV.

Unless otherwise advised in writing, such deliveries shall also constitute the Corporation’s consent to the Underwriters’ use of the Offering Documents in connection with the distribution of the Units in compliance with this Agreement and Securities Laws.

- (2) The Corporation represents and warrants to the Underwriters with respect to the Offering Documents that as at their respective dates of delivery to the Underwriters as set out in Section 4(1) above:
 - (a) all information and statements in such documents (including information and statements incorporated by reference to the extent they have not been superseded by the information and statements in the Offering Documents) (except information and statements relating solely to the Underwriters and furnished by them specifically for use in a Prospectus) are true and correct, in all material respects, and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation, the Offering and the Units, as required by Canadian Securities Laws;
 - (b) no material fact or information in such documents (including information and statements incorporated by reference) (except information and statements relating solely to the

Underwriters and furnished by them specifically for use in a Prospectus) has been omitted therefrom which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were made; and

- (c) except with respect to information and statements relating solely to the Underwriters and furnished by them specifically for use in a Prospectus, the Prospectus and any Supplementary Material comply fully with the requirements of the Canadian Securities Laws.
- (3) The Corporation shall cause commercial copies of the Preliminary Prospectus, the Final Prospectus and the applicable U.S. Placement Memorandum, as the case may be, to be delivered to the Underwriters without charge, in such quantities and in such cities as the Underwriters may reasonably request by written instructions to the printer of such documents as soon as possible after obtaining the Preliminary Receipt or the Final Receipt, as the case may be, but, in any event on or before noon (Toronto time) on the next Business Day (or for delivery locations outside of Toronto, on the second Business Day) after obtaining the Preliminary Receipt or the Final Receipt, as the case may be. Such deliveries shall constitute the consent of the Corporation to the Underwriters' use of the Preliminary Prospectus and the Final Prospectus for the distribution of the Units in the Qualifying Jurisdictions in compliance with the provisions of this Agreement and Canadian Securities Laws and of the U.S. Placement Memorandum for the offer and sale of the Units in the United States in compliance with the provisions of this Agreement and U.S. Securities Laws. The Corporation shall similarly cause to be delivered commercial copies of any Supplementary Material and hereby similarly consents to the Underwriters' use thereof. The Corporation shall cause to be provided to the Underwriters, without cost, such number of copies of any Documents Incorporated by Reference as the Underwriters may reasonably request for use in connection with the distribution of the Units.
 - (4) Each of the Corporation and the Underwriters have approved the Standard Term Sheet. The Corporation and the Underwriters each covenant and agree that during the distribution of the Units, it will not provide any potential investor of Units with any marketing materials except for marketing materials that comply with, and have been approved in accordance with, NI 44-101. If requested by the Underwriters, in addition to the Standard Term Sheet, the Corporation will cooperate, acting reasonably, with the Underwriters in approving any other marketing materials to be used in connection with the Offering.
 - (5) Subject to compliance with Canadian Securities Laws, during the period commencing on the date hereof and until completion of the distribution of the Units, the Corporation will promptly provide to the Underwriters drafts of any press releases of the Corporation for review by the Underwriters prior to issuance and shall obtain the prior approval of the Underwriters as to the content and form of any press release relating to the Offering prior to issuance, such approval not to be unreasonably withheld or delayed. If required by Securities Laws, any press release announcing or otherwise referring to the Offering disseminated outside the United States shall comply with the requirements of Rule 135e under the U.S. Securities Act and shall include an appropriate notation on the face page as follows: "*Not for distribution to the U.S. news wire services, or dissemination in the United States*".

Section 5 Material Change.

- (1) During the period from the date of this Agreement to the completion of the distribution of the Units, the Corporation covenants and agrees with the Underwriters that it shall promptly notify the Underwriters in writing with full particulars of:
 - (a) any material change (actual, anticipated, contemplated or threatened) in respect of the Corporation and the Subsidiaries considered on a consolidated basis;
 - (b) any material fact in respect of the Corporation which has arisen or has been discovered and would have been required to have been stated in any of the Offering Documents had the fact arisen or been discovered on, or prior to, the date of such document; and
 - (c) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Offering Documents which fact or change is, or may be, of such a nature as to render any statement in such Offering Document misleading or untrue in any material respect or which would result in a misrepresentation in the Offering Document or which would result in any of the Offering Documents not complying (to the extent that such compliance is required) with Securities Laws.

The Corporation shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Underwriters, acting reasonably, with all applicable filings and other requirements under Canadian Securities Laws as a result of such fact or change; provided that the Corporation shall not file any Supplementary Material or other document without first providing the Underwriters with a copy of such Supplementary Material or other document and consulting with the Underwriters with respect to the form and content thereof. The Corporation shall in good faith discuss with the Underwriters any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is or could be reasonable doubt whether written notice need be given under this Section 5.

- (2) If during the period of distribution of the Units there shall be any change in Canadian Securities Laws or other laws which results in any requirement to file Supplementary Material, the Corporation will promptly prepare and file such Supplementary Material with the appropriate Securities Commissions where such filing is required, provided that the Corporation shall have allowed the Underwriters and its counsel to participate in the preparation and review of any Supplementary Material.
- (3) During the period from the date of this Agreement to the completion of the distribution of the Units, the Corporation will notify the Underwriters promptly:
 - (a) when any supplement to any of the Offering Documents or any Supplementary Material shall have been filed;
 - (b) of any request by any Securities Commission to amend or supplement the Prospectus or for additional information;
 - (c) of the suspension of the qualification of the Units or the Over-Allotment Option for offering, sale, issuance, or grant, as applicable, in any jurisdiction, or of any order suspending or preventing the use of the Offering Documents (or any Supplementary Material) or of the institution or, to the knowledge of the Corporation, threatening of any proceedings for any such purpose; and

- (d) of the issuance by any Securities Commission or any stock exchange of any order having the effect of ceasing or suspending the distribution of the Units or the trading in any securities of the Corporation, or of the institution or, to the knowledge of the Corporation, threatening of any proceeding for any such purpose. The Corporation will use its reasonable best efforts to prevent the issuance of any such stop order or of any order preventing or suspending such use or such order ceasing or suspending the distribution of the Units or the trading in any securities of the Corporation and, if any such order is issued, to obtain the lifting thereof at the earliest possible time.

Section 6 Regulatory Approvals.

The Corporation will make all necessary filings, obtain all necessary consents and approvals (if any) and pay all filing fees required to be paid in connection with the transactions contemplated by this Agreement. The Corporation will cooperate with the Underwriters in connection with the qualification of the Units for offer and sale and the grant of the Over-Allotment Option under the Canadian Securities Laws and in maintaining such qualifications in effect for so long as required for the distribution of the Units.

Section 7 Representations and Warranties of the Corporation.

The Corporation represents and warrants to each of the Underwriters, and acknowledges that each of them is relying upon such representations and warranties in connection with the purchase of the Units, that:

- (a) *Good Standing of the Corporation.* The Corporation (i) is a corporation existing under the laws of Canada and is and will at the Closing Time be current and up-to-date with all material filings required to be made and in good standing under the *Canada Business Corporations Act*, (ii) has all requisite corporate power and capacity to own, lease and operate its properties and assets, including its Business Assets, and to conduct its business as now carried on by it or proposed to be carried on by it as described in the Offering Documents, and (iii) has all requisite corporate power and authority to create, issue and sell, as applicable, the Offered Securities, to grant the Over-Allotment Option, and to execute, deliver and perform its obligations under the Transaction Documents.
- (b) *Good Standing of Subsidiaries.* The Corporation's only subsidiaries are listed in Schedule "A" hereto, which schedule is true, complete and accurate in all respects. Each of the Subsidiaries is a corporation incorporated, organized and existing under the laws of the jurisdiction of incorporation set out in Schedule "A", is current and up-to-date with all material filings required to be made and has all requisite corporate power and capacity to own, lease and operate its properties and assets, including its Business Assets, and to conduct its business as is now carried on by it or proposed to be carried on by it as described in the Offering Documents, and is duly qualified to transact business and is in good standing in each jurisdiction in which such qualification is required. All of the issued and outstanding shares in the capital of each of the Subsidiaries have been duly authorized and validly issued, are fully paid and are directly or indirectly beneficially owned by the Corporation, free and clear of any Liens, and none of the outstanding securities of either of the Subsidiaries were issued in violation of the pre-emptive or similar rights of any security holder of such subsidiary. There exist no options, warrants, purchase rights, or other contracts or commitments that could require the Corporation to sell, transfer or otherwise dispose of any securities of either of the Subsidiaries.

- (c) *No Proceedings for Dissolution.* No act or proceeding has been taken by or against the Corporation or the Subsidiaries in connection with their liquidation, winding-up or bankruptcy, or to their knowledge are pending.
- (d) *Share Capital of the Corporation.* The authorized and issued share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares of which 106,183,580 Common Shares and nil preferred shares were issued and outstanding as at the close of business on December 1, 2017. The description of the attributes of the authorized and issued share capital of the Corporation as set out under the heading “Description of Securities Being Distributed” in the Prospectus is true and correct. Neither the Corporation nor its Subsidiaries are party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any securities of the Corporation or its Subsidiaries.
- (e) *Share Capital of Subsidiaries.* The authorized and issued share capital of the Subsidiaries as set forth in Schedule “A” hereto is true and correct.
- (f) *Form of Share Certificates.* The form of certificate respecting the Common Shares has been approved and adopted by the board of directors of the Corporation and does not conflict with any applicable laws and complies with the rules and regulations of the TSXV.
- (g) *Common Shares are Listed.* The Common Shares are listed and posted for trading on the TSXV, and the Corporation has applied to list the Unit Shares, Warrants and Warrant Shares on the TSXV and neither the Corporation nor its Subsidiaries has taken any action which would reasonably be expected to result in the delisting or suspension of the Common Shares on or from the TSXV.
- (h) *TSXV Compliance.* The Corporation is, and will at the Closing Time be, in compliance in all material respects with the by-laws, policies, rules and regulations of the TSXV.
- (i) *No Cease Trade Orders.* No order ceasing or suspending trading in the securities of the Corporation or prohibiting the sale of securities by the Corporation has been issued by an exchange or securities regulatory authority, and no proceedings for this purpose have been instituted, or are, to the Corporation’s knowledge, pending, contemplated or threatened.
- (j) *Reporting Issuer Status.* The Corporation is a “reporting issuer” in each of the provinces of Canada within the meaning of Canadian Securities Laws in such jurisdictions and is not currently in default of any requirement of the Canadian Securities Laws of such jurisdictions and the Corporation is not included on a list of defaulting reporting issuers maintained by any of the Securities Commissions.
- (k) *Unit Shares Validly Issued.* The Unit Shares have been, or prior to the Closing Time will be, duly and validly authorized for issuance and sale pursuant to this Agreement and when issued and delivered by the Corporation pursuant to this Agreement, against payment of the consideration therefor, will be validly issued as fully paid and non-assessable Common Shares.
- (l) *Warrants Validly Issued.* The Warrants have been, or prior to the Closing Time will be, duly and validly created and authorized for issuance and sale pursuant to this Agreement

and when issued and delivered by the Corporation pursuant to this Agreement, against payment of the consideration therefor, will be validly issued.

- (m) *Warrant Shares Validly Issued.* The Warrant Shares to be issued and sold have been, or prior to the Closing Time will be, duly and validly authorized and reserved for issuance and, upon exercise of the Warrants in accordance with their terms and when issued and delivered by the Corporation, against payment of the consideration therefor, the Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.
- (n) *Qualified Investments.* Subject to the qualifications and limitations described under “Eligibility for Investment” in the Final Prospectus, the Unit Shares, Warrants and Warrant Shares will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, a registered disability savings plan and tax free savings accounts.
- (o) *Transfer Agent.* TSX Trust Company at its offices in Vancouver, British Columbia and Toronto, Ontario has been duly appointed as the transfer agent and registrar for the Common Shares.
- (p) *Warrant Agent.* Prior to the Closing Time, TSX Trust Company at its offices in Toronto, Ontario will be duly appointed as the Warrant Agent for the Warrants.
- (q) *Absence of Rights.* No person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the issue or allotment of any unissued shares of the Corporation or any other agreement or option, for the issue or allotment of any unissued shares of the Corporation or any other security convertible into or exchangeable for any such shares or to require the Corporation to purchase, redeem or otherwise acquire any of the issued and outstanding shares of the Corporation except for the Existing Rights set out in Schedule “C” to this Agreement. The Units, upon issuance, will not be issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Corporation.
- (r) *Corporate Actions.* The Corporation has taken, or will have taken prior to the Closing Time, all necessary corporate action, (i) to authorize the execution, delivery and performance of the Transaction Documents, (ii) to authorize the execution and filing, as applicable, of the Offering Documents, (iii) to validly issue and sell the Unit Shares as fully paid and non-assessable Common Shares, (iv) to validly create, issue and sell the Warrants; (v) to grant the Over-Allotment Option; (vi) to create, issue and sell, as applicable, the Additional Securities upon exercise of the Over-Allotment Option; and (vii) to validly create and reserve for issuance the Warrant Shares.
- (s) *Valid and Binding Documents.* The Transaction Documents have been duly authorized and when executed and delivered by the Corporation, each will constitute a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms, provided that enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, and that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable and that enforceability is subject to the provisions of the *Limitation Act* (Ontario).

- (t) *No Consents, Approvals etc.* The execution and delivery of the Transaction Documents and the fulfilment of the terms thereof by the Corporation, and the issuance, sale and delivery of the Units to be issued and sold by the Corporation and the grant of the Over-Allotment Option, do not and will not require the consent, approval, authorization, registration or qualification of or with any Governmental Authority, stock exchange or other third party (including under the terms of any Material Agreement or Debt Instrument), except: (i) those which have been obtained or those which may be required and shall be obtained prior to the Closing Time under the Securities Laws or the rules of the TSXV, including in compliance with the Securities Laws regarding the distribution of the Units and the Over-Allotment Option in the Qualifying Jurisdictions, and (ii) such customary post-closing notices or filings required to be submitted within the applicable time frame pursuant to Securities Laws and any “blue sky laws” in the United States, as may be required in connection with the Offering.
- (u) *Continuous Disclosure.* The Corporation is in compliance in all material respects with its timely and continuous disclosure obligations under Canadian Securities Laws, including insider reporting obligations, and, without limiting the generality of the foregoing, there has been no material fact or material change relating to the Corporation which has not been publicly disclosed and the information and statements in the Public Disclosure Record were true and correct as of the respective dates of such information and statements and at the time such documents were filed on SEDAR, do not contain any misrepresentations and no material facts have been omitted therefrom which would make such information materially misleading, and the Corporation has not filed any confidential material change reports which remain confidential as at the date hereof. There are no circumstances presently existing under which liability is or would reasonably be expected to be incurred under Part 11.1 – *Civil Liability for Secondary Market Disclosure* of the Securities Act and analogous provisions under Securities Laws in the other Qualifying Jurisdictions.
- (v) *Forward-Looking Information.* With respect to forward-looking information contained in the Corporation’s public disclosure documents, including for certainty the Documents Incorporated by Reference:
- (i) the Corporation has a reasonable basis for the forward-looking information; and
 - (ii) all material forward-looking information is identified as such, and all such documents caution users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information, and accurately states the material factors or assumptions used to develop forward-looking information.
- (w) *Financial Statements.* The Financial Statements:
- (i) present fairly, in all material respects, the financial position of the Corporation on a consolidated basis and the statements of operations, retained earnings, cash flow from operations and changes in financial information of the Corporation on a consolidated basis for the periods specified in such Financial Statements;
 - (ii) have been prepared in accordance with IFRS, applied on a consistent basis throughout the periods involved; and

- (iii) do not contain any misrepresentations, with respect to the period covered by the Financial Statements.
- (x) *Off-Balance Sheet Transactions.* There are no off-balance sheet transactions, arrangements, obligations or liabilities of the Corporation or its Subsidiaries whether direct, indirect, absolute, contingent or otherwise.
- (y) *Accounting Policies.* There has been no change in accounting policies or practices of the Corporation or its Subsidiaries since August 31, 2016, other than as disclosed in the Financial Statements.
- (z) *Liabilities.* Neither the Corporation, nor its Subsidiaries have any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements, other than liabilities, obligations, or indebtedness or commitments: (i) incurred in the normal course of business; or (ii) which would not, individually or in the aggregate, have a Material Adverse Effect.
- (aa) *Independent Auditors.* The Auditors who reported on and certified the Annual Financial Statements are independent with respect to the Corporation within the meaning of the rules of professional conduct applicable to auditors in Canada and there has never been a “reportable event” (within the meaning of NI 51-102) with the current, or to the best knowledge of the Corporation any predecessor, auditors of the Corporation during the last three years.
- (bb) *2017 Financial Statements.* The Corporation will file, on or prior to December 29, 2017, its audited consolidated financial statements for the year ended August 31, 2017 (the “**2017 Financial Statements**”). When filed, the 2017 Financial Statements will present fairly and correctly in all material respects, the consolidated financial position and the consolidated results of the operations and cash flows of the Corporation and the Subsidiaries, as at and for the periods then ended, and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Corporation and the Subsidiaries on a basis consistent with the Financial Statements. The 2017 Financial Statements will have been prepared in conformity with IFRS, applied on a consistent basis throughout the periods involved (other than as required by IFRS or as previously disclosed in the Financial Statements). The 2017 Financial Statements, related management discussion and analysis and any press release related thereto will not disclose any previously undisclosed material fact relating to the Corporation and the Subsidiaries.
- (cc) *Accounting Controls.* The Corporation maintains, and will maintain, a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management’s general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability, (iii) access to monies and investments is permitted only in accordance with management’s general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

- (dd) *Purchases and Sales.* Neither the Corporation nor the Subsidiaries have approved, have entered into any agreement in respect of, or have any knowledge, as the case may be, of:
- (i) the purchase of any Business Assets or any interest therein, or the sale, transfer or other disposition of any Business Assets or any interest therein currently owned, directly or indirectly, by the Corporation or the Subsidiaries whether by asset sale, transfer of shares, or otherwise, other than as disclosed in the Prospectus;
 - (ii) a transaction which would result in the change of control (by sale or transfer of Common Shares or sale of all or substantially all of the assets of the Corporation or the Subsidiaries or otherwise) of the Corporation or the Subsidiaries; or
 - (iii) a proposed or planned disposition of Common Shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares or common shares of either of the Subsidiaries.
- (ee) *Title to Business Assets.* The Corporation and the Subsidiaries have good, valid and marketable title to and have all necessary rights in respect of all of their Business Assets as owned, leased, licensed, loaned, operated or used by them or over which they have rights, free and clear of Liens, and no other rights or Business Assets are necessary for the conduct of the Business as currently conducted or as proposed to be conducted. The Corporation knows of no claim or basis for any claim that might or could have a Material Adverse Effect on the rights of the Corporation or the Subsidiaries to use, transfer, lease, license, operate, sell or otherwise exploit such Business Assets and neither the Corporation nor the Subsidiaries have any obligation to pay any commission, license fee or similar payment to any person in respect thereof, other than as disclosed in the Offering Documents and there are no outstanding rights of first refusal or other preemptive rights of purchase which entitle any person to acquire any of the rights, title or interests in the Business Assets.
- (ff) *Compliance with Laws, Regulatory Approvals and Authorizations.* The Material Subsidiary is an approved licensed producer in the medical cannabis industry and all operations of the Corporation and the Subsidiaries in respect of or in connection with the Business Assets have been and continue to be conducted in accordance with best industry practices and in material compliance with all Applicable Laws. The Corporation and the Subsidiaries have obtained and are in compliance with all Authorizations to permit them to conduct their Business as currently conducted or proposed to be conducted. All of the Authorizations issued to date are valid and in full force and effect and neither the Corporation nor the Subsidiaries have received any correspondence or notice from any Governmental Authority alleging or asserting material non-compliance with any Applicable Laws or Authorizations. Neither the Corporation nor the Subsidiaries have received any notice of proceedings or actions relating to the revocation, suspension, limitation or modification of any Authorizations or any notice advising of the refusal to grant any Authorization that has been applied for or is in process of being granted and has no knowledge or reason to believe that any such Governmental Authority is considering taking or would have reasonable grounds to take any such action.
- (gg) *Research and Development.* All product research and development activities, including quality assurance, quality control, testing, research and analysis activities conducted by the Corporation and the Material Subsidiary in connection with their business, is being conducted in accordance with Health Canada requirements and best industry practices

and in compliance, in all material respects, with all industry, laboratory safety, management and training standards applicable to the Business, and all such processes, procedures and practices required in connection with such activities are in place as necessary and are being complied with, in all material respects.

- (hh) *Business Relationships.* All agreements with third parties in connection with the Business have been entered into and are being performed by the Corporation and the Material Subsidiary and, to the knowledge of the Corporation, by all other third parties thereto, in compliance with their terms. There exists no actual or, to the knowledge of the Corporation, threatened termination, cancellation or limitation of, or any material adverse modification or material change in, the business relationship of the Corporation or the Material Subsidiary, with any supplier or customer, or any group of suppliers or customers whose business with or whose purchases or inventories/components provided to the business of the Corporation or the Material Subsidiary are individually or in the aggregate material to the assets, business, properties, operations or financial condition of the Corporation or the Material Subsidiary. All such business relationships are intact and mutually cooperative, and there exists no condition or state of fact or circumstances that would prevent the Corporation or the Material Subsidiary from conducting such business with any such third parties in the same manner in all material respects as currently conducted or proposed to be conducted.

- (ii) *Privacy Protection.* Each of the Corporation and the Subsidiaries have security measures and safeguards in place to protect personal information it collects from registered patients and customers and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties. The Corporation and the Subsidiaries have complied, in all material respects, with all applicable privacy and consumer protection legislation and have not collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws, whether collected directly or from third parties, in an unlawful manner. The Corporation and the Subsidiaries have taken all reasonable steps to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse.

- (jj) *Intellectual Property.* The Corporation and the Subsidiaries own or possess the right to use all material patents, trademarks, trademark registrations, service marks, service mark registrations, trade names, copyrights, licenses, inventions, trade secrets and rights necessary for the conduct of their respective businesses, and the Corporation is not aware of any claim to the contrary or any challenge by any other person to the rights of the Corporation and the Subsidiaries with respect to the foregoing. To the knowledge of the Corporation, the Corporation's business, including that of the Subsidiaries, as now conducted does not, and as currently proposed to be conducted will not, infringe or conflict with in any material respect patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses or other intellectual property or franchise right of any person. No claim has been made against the Corporation or the Subsidiaries alleging the infringement by the Corporation or the Subsidiaries of any patent, trademark, service mark, trade name, copyright, trade secret, license in or other intellectual property right or franchise right of any person.

- (kk) *Leased Premises.* With respect to any Leased Premises, the Corporation or its Subsidiaries have the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation or the Subsidiaries occupy the Leased Premises is in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement, and the completion of the transactions described herein by the Corporation, will not afford any of the parties to such leases or any other person the right to terminate such lease or result in any additional or more onerous obligations under such leases.
- (ll) *Environmental and Workplace Laws.* Each of the Corporation and the Subsidiaries are currently in compliance, in all material respects, with all Environmental Laws, including all reporting and monitoring requirements thereunder, and there are no pending or, to the knowledge of the Corporation, any threatened, administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Laws. Neither the Corporation nor the Subsidiaries have ever received any notice of any non-compliance in respect of Environmental Laws, there are no events or circumstances that might reasonably be expected to form the basis of an order for clean up or remediation under Environmental Laws or relating to any Hazardous Materials and there are no permits required under Environmental Laws for the conduct of the Business. The facilities and operations of the Corporation and the Subsidiaries are currently being conducted, and to the knowledge of the Corporation have been conducted, in all material respects in accordance with all applicable workers' compensation and health and safety and workplace laws, regulations and policies.
- (mm) *Insurance.* The Corporation and the Subsidiaries maintain insurance by insurers of recognized financial responsibility, against such losses, risks and damages to their Business Assets (including in respect of any product liability claims) in such amounts that are customary for the business in which they are engaged and on a basis consistent with reasonably prudent persons in comparable businesses, and all of the policies in respect of such insurance coverage, fidelity or surety bonds insuring the Corporation, the Subsidiaries, and their respective directors, officers and employees, and the Business Assets, are in good standing and in full force and effect in all respects, and not in default. Each of the Corporation and the Subsidiaries is in compliance with the terms of such policies and instruments in all material respects and there are no material claims by the Corporation or the Subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause. The Corporation has no reason to believe that it will not be able to renew such existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue the Business at a cost that would not have a Material Adverse Effect, and neither the Corporation nor the Subsidiaries have failed to promptly give any notice of any material claim thereunder.
- (nn) *Material Agreements and Debt Instruments.* All Material Agreements and Debt Instruments have been described or disclosed in the Offering Documents and each Material Agreement and Debt Instrument is valid, subsisting, in good standing and in full force and effect, enforceable in accordance with the terms thereof. The Corporation and the Subsidiaries have, in all material respects, performed all obligations in a timely manner under, and are in compliance, in all material respects, with all terms and conditions (including any financial covenants) contained in each Material Agreement and Debt Instrument. Neither the Corporation nor the Subsidiaries is in material breach,

violation or default, nor has it received any notification from any party claiming that the Corporation or the Subsidiaries is in material breach, violation or default under any Material Agreement or Debt Instrument and no other party, to the knowledge of the Corporation, is in material breach, violation or default of any term under any Material Agreement or Debt Instrument.

- (oo) *No Material Changes.* Since August 31, 2016, other than as disclosed in the Prospectus (i) there has been no material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise), properties, capital or results of operations of the Corporation and the Subsidiaries considered as one enterprise, and (ii) there have been no transactions entered into by the Corporation or the Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Corporation and the Subsidiaries considered as one enterprise.
- (pp) *Absence of Proceedings.* There is no action, suit, proceeding, inquiry or investigation before or brought by any Governmental Authority, domestic or foreign, now pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, either of the Subsidiaries or the Business Assets (including in respect of any product liability claims) which is required to be disclosed in the Offering Documents, and which if not so disclosed, or which if determined adversely, would have a Material Adverse Effect, or would materially and adversely affect the consummation of the transactions contemplated in the Transaction Documents or the performance by the Corporation of its obligations thereunder. The aggregate of all pending legal or governmental proceedings to which the Corporation or either of the Subsidiaries is a party or of which any of their respective property or assets is subject, which are not described in the Offering Documents, would not reasonably be expected to result in a Material Adverse Effect.
- (qq) *Absence of Defaults and Conflicts.* Neither the Corporation nor the Subsidiaries are in material violation, default or breach of, and the execution, delivery and performance of the Transaction Documents and the Offering Documents, and the consummation of the transactions and compliance by the Corporation with its obligations hereunder and thereunder, the sale of the Units and the grant of the Over-Allotment Option do not and will not, whether with or without the giving of notice or passage of time or both, result in a material violation, default or breach of, or conflict with, or result in a Repayment Event or the creation or imposition of any Lien upon any property or assets of the Corporation, including the Business Assets, or the Subsidiaries under the terms or provisions of (i) any Material Agreements or Debt Instruments, (ii) the articles or by-laws or other constating documents or resolutions of the directors or shareholders of the Corporation or the Subsidiaries, (iii) any existing Applicable Laws, including Securities Laws, or (iv) any judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Corporation, or the Subsidiaries or any of their assets, properties or operations.
- (rr) *Labour Matters.* No material work stoppage, strike, lock-out, labour disruption, dispute grievance, arbitration, proceeding or other conflict with the employees of the Corporation or the Subsidiaries currently exists or, to the knowledge of the Corporation, is imminent or pending and the Corporation and its Subsidiaries are in material compliance with all provisions of all federal, national, regional, provincial and local laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours.

- (ss) *Employment Standards.* There are no material complaints against the Corporation or the Subsidiaries before any employment standards branch or tribunal or human rights tribunal, nor any complaints or any occurrence which would reasonably be expected to lead to a complaint under any human rights legislation or employment standards legislation that would be material to the Corporation. There are no outstanding decisions or settlements or pending settlements under applicable employment standards legislation which place any material obligation upon the Corporation or the Subsidiaries to do or refrain from doing any act. The Corporation and the Subsidiaries are currently in material compliance with all workers' compensation, occupational health and safety and similar legislation, including payment in full of all amounts owing thereunder, and there are no pending claims or outstanding orders of a material nature against any of them under applicable workers' compensation legislation, occupational health and safety or similar legislation nor has any event occurred which may give rise to any such material claim.
- (tt) *Collective Bargaining Agreements.* Neither the Corporation nor the Subsidiaries are party to any collective bargaining agreements with unionized employees. To the knowledge of the Corporation, no action has been taken or is being contemplated to organize or unionize any employees of the Corporation or the Subsidiaries that would have a Material Adverse Effect.
- (uu) *Employee Plans.* The Offering Documents disclose, to the extent required by applicable Canadian Securities Laws, each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by the Corporation for the benefit of any current or former director, officer, employee or consultant of the Corporation (the "**Employee Plans**"), each of which has been maintained in all material respects with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans.
- (vv) *Taxes.* All tax returns, reports, elections, remittances and payments of the Corporation and the Subsidiaries required by applicable law to have been filed or made in any applicable jurisdiction, have been filed or made (as the case may be) and are true, complete and correct except where the failure to make such filing, election, or remittance and payment would not constitute a Material Adverse Effect, and all taxes of the Corporation and of the Subsidiaries have been paid or accrued in the Financial Statements (except as any extension may have been requested or granted and in any case in which the failure to file, pay or accrue such taxes would not result in a Material Adverse Effect). There are no examinations of any tax return of the Corporation or the Subsidiaries currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any taxes that have been paid, or may be payable, by the Corporation or the Subsidiaries.
- (ww) *Anti-Bribery Laws.* Neither the Corporation nor the Subsidiaries, nor to the knowledge of the Corporation, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to the Corporation and the Subsidiaries, including but not limited to Canada's *Corruption of Foreign Public Officials Act*, or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/or of modest

value: (X) to any Government Official, whether directly or through any other person, for the purpose of influencing any act or decision of a Government Official in his or her official capacity; inducing a Government Official to do or omit to do any act in violation of his or her lawful duties; securing any improper advantage; inducing a Government Official to influence or affect any act or decision of any Governmental Authority; or assisting any representative of the Corporation or the Subsidiaries in obtaining or retaining business for or with, or directing business to, any person; or (Y) to any person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Corporation nor the Subsidiaries, nor to the knowledge of the Corporation, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Corporation, either of the Subsidiaries, or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing, or (ii) made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws.

- (xx) *No Significant Acquisitions.* The Corporation has not completed any “significant acquisition” nor is it proposing any “probable acquisitions” (within the meaning of such terms under NI 51-102) that would require the inclusion or incorporation by reference of any additional financial statements or pro forma financial statements in the Prospectus or the filing of a Business Acquisition Report pursuant to Canadian Securities Laws.
- (yy) *Previous Acquisitions.* All previous acquisitions completed by the Corporation or any of the Subsidiaries of any securities, business or assets of any other entity have been fully and properly disclosed in the Public Disclosure Record, were completed in compliance with all applicable corporate and securities laws and all necessary corporate and regulatory approvals, consents, authorizations, registrations and filings required in connection therewith were obtained and complied with. The Corporation or the Subsidiaries, as the case may be, conducted all due diligence procedures in connection with such previous acquisitions as are standard and customary for transactions of such nature, including environmental due diligence, and the Corporation or the Subsidiaries, as the case may be, conducted all necessary procedures in accordance with its internal programs to identify and address any contamination issues prior to the acquisition of any real property.
- (zz) *Reverse Takeover Transaction.* The Reverse Takeover Transaction was completed in compliance with all applicable corporate and securities laws and all necessary corporate and regulatory approvals, consents, authorizations, registrations and filings required in connection therewith were obtained and made by the Corporation or the Material Subsidiary, as applicable. The Corporation has no remaining assets or liabilities in connection with its previous mineral exploration business.
- (aaa) *Corporation Short Form Eligible.* The Corporation is eligible to file a short form prospectus in each of the Qualifying Jurisdictions pursuant to applicable Canadian Securities Laws and on the date of and upon filing of the Final Prospectus there will be

no documents required to be filed under the Canadian Securities Laws in connection with the distribution of the Units that will not have been filed as required.

- (bbb) *Status in the U.S.* The Corporation makes the representations, warranties and covenants applicable to it in Schedule “B” attached hereto and acknowledges that the terms and conditions of the representations, warranties and covenants of the parties contained in Schedule “B” form part of this Agreement.
- (ccc) *Compliance with Laws.* The Corporation has complied, or will have complied, in all material respects with all relevant statutory and regulatory requirements required to be complied with prior to the Closing Time in connection with the Offering. Neither the Corporation nor the Subsidiaries are aware of any legislation or proposed legislation which they anticipate will have a Material Adverse Effect.
- (ddd) *No Loans.* Except as disclosed in the Financial Statements, neither the Corporation nor the Subsidiaries have made any material loans to or guaranteed the material obligations of any person.
- (eee) *Directors and Officers.* None of the directors or officers of the Corporation are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange.
- (fff) *Minute Books and Records.* The minute books and records of the Corporation and the Subsidiaries made available to counsel for the Underwriters in connection with their due diligence investigation of the Corporation for the periods requested to the date hereof are all of the minute books and records of the Corporation and the Subsidiaries and contain copies of all material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Corporation and the Subsidiaries, as the case may be, to the date of review of such corporate records and minute books and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of the Corporation and the Subsidiaries to the date hereof not reflected in such minute books and other records, other than those which have been disclosed to the Underwriters or which are not material in the context of the Corporation and the Subsidiaries.
- (ggg) *No Dividends.* During the previous 12 months, the Corporation has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class or, directly or indirectly, redeemed, purchased or otherwise acquired any of its Common Shares or securities or agreed to do any of the foregoing. There are no restrictions upon or impediment to the declaration or payment of dividends by the directors of the Corporation or the payment of dividends by the Corporation in the constating documents or in any Material Agreements or Debt Instruments.
- (hhh) *Fees and Commissions.* Other than the Underwriters (and their Selling Group members) pursuant to this Agreement, there is no other person acting at the request of the Corporation, or to the knowledge of the Corporation, purporting to act who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or transactions contemplated herein.

- (iii) *Entitlement to Proceeds.* Other than the Corporation, there is no person that is or will be entitled to demand any of the net proceeds of the Offering.
- (jjj) *Related Parties.* Except as described or disclosed in the Offering Documents, none of the directors, officers or employees of the Corporation, any known holder of more than 10% of any class of securities of the Corporation or securities of any person exchangeable for more than 10% of any class of securities of the Corporation, or any known associate or affiliate of any of the foregoing persons or companies (as such terms are defined in the Securities Act), has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction which, as the case may be, materially affected or is reasonably expected to materially affect the Corporation and the Subsidiaries, on a consolidated basis. Neither the Corporation nor the Subsidiaries have any material loans or other indebtedness outstanding which have been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at “arm’s length” (within the meaning of the *Income Tax Act* (Canada)) with them.

Section 8 Covenants of the Corporation.

The Corporation covenants and agrees with the Underwriters, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Units, as follows:

- (1) *Notification of Filings.* The Corporation will advise the Underwriters, promptly after receiving notice thereof, of the time when the Offering Documents have been filed and receipts, as applicable, therefor have been obtained and will provide evidence reasonably satisfactory to the Underwriters of each such filing and copies of such receipts.
- (2) *Standstill.* The Corporation will not, directly or indirectly, for a period commencing on the date of this Agreement and ending 90 days after the Closing Date, without the prior written consent of Eight, on behalf of the Underwriters, issue, agree to issue, or announce an intention to issue, any additional debt, Common Shares or any securities convertible into or exchangeable for shares of the Corporation, other than (i) pursuant to the Offering; (ii) in connection with the exchange, transfer, conversion or exercise rights of existing outstanding securities or existing commitments to issue securities; or (iii) pursuant to any arm’s length acquisitions.
- (3) *Lock-Up Agreements.* The Corporation will use its best efforts to cause each of the directors and officers of the Corporation to enter into lock-up agreements in a form satisfactory to the Corporation and Eight, on behalf of the Underwriters, each acting reasonably, pursuant to which each such person agrees, for a period ending 90 days after the Closing Date, not to directly or indirectly, offer, sell, transfer, pledge or otherwise dispose of any of the economic consequences of ownership (or announce any intention to do any of the foregoing) of any securities of the Corporation, whether now owned, directly or indirectly, or under their control or direction, without the prior written consent of Eight, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed.
- (4) *Maintain Reporting Issuer Status.* The Corporation will use its commercially reasonable best efforts to maintain its status as a “reporting issuer” (or the equivalent thereof) not in default of the requirements of the Canadian Securities Laws in each of the Qualifying Jurisdictions, to the date that is at least 24 months following the Closing Date, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation.

- (5) *Maintain Stock Exchange Listing.* The Corporation will use its commercially reasonable best efforts to maintain the listing of the Common Shares (including those issuable pursuant to the Offering) and Warrants on the TSXV or such other recognized stock exchange or quotation system as the Underwriters may approve, acting reasonably, for a period of at least 24 months and 18 months, respectively, following the Closing Date, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation.
- (6) *Validly Issued Securities.* The Corporation will, provided it receives payment therefor, ensure that at the Closing Time the Unit Shares have been duly and validly issued as fully paid and non-assessable Common Shares and that the Warrants have been duly and validly created and issued.
- (7) *Use of Proceeds.* The Corporation will use the proceeds of the Offering in the manner specified in the Prospectus under the heading “Use of Proceeds”.
- (8) *Consents and Approvals.* The Corporation will have made or obtained, as applicable, at or prior to the Closing Time, all consents (including any requisite consents pursuant to the Credit Canada Loans), approvals, permits, authorizations or filings as may be required by the Corporation under Securities Laws necessary for the consummation of the transactions contemplated herein, other than customary post-closing filings required to be submitted within the applicable time frame pursuant to Securities Laws, “blue sky laws” in the United States and the rules of the TSXV.
- (9) *Closing Conditions.* The Corporation will have, at or prior to the Closing Time, fulfilled or caused to be fulfilled, each of the conditions set out in Section 10 hereof.

Section 9 Representations, Warranties and Covenants of the Underwriters.

- (1) Each Underwriter hereby severally, and not jointly, nor jointly and severally, represents and warrants to the Corporation, that:
 - (a) *Registration.* The Underwriters are, and will remain so, until the completion of the Offering, appropriately registered under applicable Canadian Securities Laws so as to permit it to lawfully fulfill its obligations hereunder.
 - (b) *Authority.* The Underwriters have good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein.
 - (c) *Marketing Materials.* Other than the Standard Term Sheet, the Underwriters have not provided any marketing materials to any potential investors in connection with the Offering.
- (2) The Underwriters hereby severally, and not jointly, nor jointly and severally, covenant and agree with the Corporation, as follows:
 - (a) *Jurisdictions and Offering Price.* During the period of distribution of the Units by or through the Underwriters, the Underwriters will offer and sell the Units to the public only in the Selling Jurisdictions where they may lawfully be offered for sale upon the terms and conditions set forth in the Prospectus, the U.S. Placement Memorandum, as applicable, and this Agreement, either directly or through its Selling Group. The Underwriters shall be entitled to assume that the Units are qualified for distribution in any Qualifying Jurisdiction where the Final Receipt shall have been obtained following the filing of the Prospectus.

- (b) *Compliance with Securities Laws.* The Underwriters will comply with applicable Securities Laws in connection with the offer and sale and distribution of the Units.
- (c) *Sales.* The Underwriters will not, directly or indirectly, solicit offers to purchase or sell the Units or deliver any Offering Document to purchasers so as to require registration of the Units or the filing of a prospectus or registration statement with respect to the Units under the Laws of any jurisdiction other than the Qualifying Jurisdictions, including, without limitation, the United States. Any offer or sales of Units (including any unsold allotment of Units) in the United States will be made in accordance with the terms and conditions set out in this Agreement. The terms and conditions and the representations and warranties and covenants of the parties contained in Schedule “B” form part of this Agreement.
- (d) *Completion of Distribution.* The Underwriters will use their commercially reasonable best efforts to complete the distribution of the Units as promptly as possible after the Closing Time. Eight will notify the Corporation when the Underwriters have ceased the distribution of the Units and, within thirty (30) days after the Closing Date, will provide the Corporation, in writing, with a breakdown of the number of Units distributed (i) in each of the Qualifying Jurisdictions, and (ii) in any other Selling Jurisdictions.
- (e) *Liability on Default.* No Underwriter or U.S. Affiliate shall be liable to the Corporation under this Section with respect to a breach or default by any of the other Underwriters or U.S. Affiliates, respectively.

Section 10 Conditions of Closing.

The Underwriters’ obligation to purchase the Units pursuant to this Agreement (including the obligation to complete the purchase of the Base Units and the Additional Securities, as the case may be) shall be subject to the following conditions having been met at the Closing Time:

- (1) The Underwriters receiving favourable legal opinions from Tripp Law, legal counsel to the Corporation (who may rely, to the extent appropriate in the circumstances, on the opinions of local counsel acceptable to counsel to the Underwriters as to the qualification of the Units for sale to the public and as to other matters governed by the laws of jurisdictions in Canada other than the provinces in which they are qualified to practice and may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of officers, public and exchange officials or of the Auditor or transfer agent of the Corporation), substantially to the effect set forth below, subject to customary assumptions, qualifications and limitations:
 - (a) the Corporation is a corporation validly incorporated and existing under the *Canada Business Corporations Act* and has all requisite corporate power and capacity to carry on business and to own and lease properties and assets;
 - (b) the Corporation has all necessary corporate power and authority to (i) execute, deliver and perform its obligations under the Transaction Documents, (ii) to create, issue and sell, as applicable, the Offered Securities, and (iii) to grant the Over-Allotment Option;
 - (c) the authorized and issued capital of the Corporation;
 - (d) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of the Transaction Documents and the performance of its obligations thereunder and each of the Transaction Documents has been duly executed

and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable against it in accordance with its terms, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to such other standard assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution set out in this Agreement may be limited by applicable law;

- (e) the execution and delivery of the Transaction Documents and the fulfilment of the terms thereof by the Corporation and the issuance, sale and delivery of the Offered Securities and the grant of the Over-Allotment Option, do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with the articles and by-laws of the Corporation, any resolutions of the shareholders or directors of the Corporation, or any applicable corporate law or Canadian Securities Laws;
- (f) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of each of the Preliminary Prospectus and the Final Prospectus (and any Supplementary Material) and the filing thereof with the Securities Commissions in the Qualifying Jurisdictions;
- (g) the Unit Shares have been validly issued as fully paid and non-assessable shares in the capital of the Corporation;
- (h) the Warrants have been duly and validly created and issued and the Warrant Shares have been reserved and authorized and allotted for issuance and upon the payment therefor and the issue thereof upon exercise of the Warrants in accordance with the provisions of the Warrant Indenture, the Warrant Shares will be validly issued as fully paid and non-assessable shares in the capital of the Corporation;
- (i) all necessary documents have been filed, all necessary proceedings have been taken and all necessary authorizations, approvals, permits, consents and orders have been obtained under Canadian Securities Laws to qualify the distribution to the public of the Offered Securities in the Qualifying Jurisdictions by or through persons who are duly registered under the applicable Canadian Securities Laws and who have complied with the relevant provisions of such applicable Canadian Securities Laws and to qualify the grant of the Over-Allotment Option to the Underwriters;
- (j) the issuance by the Corporation of the Warrant Shares upon due exercise of the Warrants is exempt from, or is not subject to, the prospectus and registration requirements of the Canadian Securities Laws of the Qualifying Jurisdictions and no prospectus or other documents are required to be filed, proceedings taken, or approvals, permits, consents or authorizations obtained under the Canadian Securities Laws of the Qualifying Jurisdictions in connection therewith;
- (k) the first trade in or resale of the Warrant Shares is exempt from, or is not subject to, the prospectus requirements of the Canadian Securities Laws of the Qualifying Jurisdictions and no filing, proceeding or approval will need to be made, taken or obtained under such laws in connection with any such trade, provided that the trade is not a “control

distribution” (as defined in NI 45-102) and the Corporation is a reporting issuer at the time of the trade;

- (l) subject to the qualifications and assumptions set out therein, the statements set forth in the Preliminary Prospectus and the Final Prospectus under the caption “Eligibility for Investment” and “Certain Canadian Federal Income Tax Considerations”, insofar as they purport to describe the provisions of the laws referred to therein, are fair summaries of the matters discussed therein;
- (m) subject only to the standard listing conditions, the Unit Shares, Warrants and Warrant Shares have been conditionally approved for listing on the TSXV;
- (n) TSX Trust company has been duly appointed as the warrant agent for the Warrants; and
- (o) to such other matters as may reasonably be requested by the Underwriters no less than 48 hours prior to the Closing Time;

in form and substance acceptable to the Underwriters and their counsel, acting reasonably.

- (2) The Underwriters receiving a favourable legal opinion dated the Closing Date from McMillan LLP, special United States counsel for the Corporation, to the effect that registration of the Units offered and sold in the United States in accordance with this Agreement (including Schedule “B” attached hereto) will not be required under the U.S. Securities Act, in form and substance satisfactory to the Underwriters and their counsel, acting reasonably.
- (3) The Underwriters receiving favourable legal opinions from Tripp Law, legal counsel to the Corporation, regarding the Subsidiaries in form and substance acceptable to the Underwriters and their counsel, acting reasonably, substantially to the effect set out below:
 - (a) the Subsidiaries having been incorporated and existing under their respective jurisdiction of incorporation;
 - (b) the Subsidiaries having the corporate capacity and power to own and lease their respective properties and assets and to conduct their respective businesses as described in the Prospectus; and
 - (c) as to the authorized and issued share capital of the Subsidiaries and to the ownership thereof.
- (4) The Underwriters receiving a certificate dated the Closing Date and signed by two senior officers of the Corporation as may be acceptable to the Underwriters, acting reasonably, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to:
 - (a) the constating documents of the Corporation;
 - (b) the resolutions of the directors of the Corporation relevant to the Offering Documents, the sale of the Units, the grant of the Over-Allotment Option and the authorization of the Transaction Documents and the transactions contemplated herein and therein; and
 - (c) the incumbency and signatures of signing officers for the Corporation.

- (5) The Underwriters receiving certificates of status and/or compliance, where issuable under applicable law, for the Corporation and the Subsidiaries, each dated within one (1) Business Day prior to the Closing Date.
- (6) The Underwriters receiving the auditors “bring down” comfort letter dated the Closing Date from the Auditors, in form and substance satisfactory to the Underwriters, acting reasonably, bringing forward to a date not more than two (2) Business Days prior to the Closing Date the information contained in the comfort letter referred to in Section 4(1)(c) hereof.
- (7) The Underwriters receiving a certificate dated the Closing Date and signed by the Chief Executive Officer and the Chief Financial Officer or such other senior officer(s) of the Corporation as may be acceptable to the Underwriters, certifying for and on behalf of the Corporation and without personal liability, after having made due enquiries, that:
 - (a) the representations and warranties of the Corporation contained in this Agreement, and in any certificates of the Corporation delivered pursuant to or in connection with this Agreement, are true and correct in all material respects as of the Closing Time as if such representations and warranties were made as at the Closing Time, after giving effect to the transactions contemplated hereby;
 - (b) the Corporation has complied in all material respects with all the covenants and satisfied in all material respects all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time;
 - (c) no order, ruling or determination having the effect of suspending the sale or ceasing the trading or prohibiting the sale of the Units or any other securities of the Corporation (including the Common Shares) has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority;
 - (d) since the respective dates as of which information is given in the Final Prospectus (i) there has been no material change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), prospects or capital of the Corporation on a consolidated basis, and (ii) no transaction has been entered into by the Corporation or either of the Subsidiaries which is material to the Corporation on a consolidated basis, other than as disclosed in the Final Prospectus or the Supplementary Material, as the case may be; and
 - (e) there has been no change in any material fact (which includes the disclosure of any previously undisclosed material fact) contained in the Final Prospectus which fact or change is, or may be, of such a nature as to render any statement in the Final Prospectus misleading or untrue in any material respect or which would result in a misrepresentation in the Final Prospectus or which would result in the Final Prospectus not complying with applicable Securities Laws.
- (8) The Underwriters receiving the executed lock-up agreements from each director and officer of the Corporation in favour of the Underwriters in a form satisfactory to the Underwriters as required pursuant to Section 8(3) of this Agreement.
- (9) The Underwriters receiving an executed copy of the Warrant Indenture.

- (10) The Underwriters receiving a certificate from TSX Trust Company as to the number of Common Shares issued and outstanding as at the end of business on the date prior to the Closing Date.
- (11) No order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Corporation or prohibiting the sale of the Units or any of the Corporation's issued securities being issued and no proceeding for such purpose being pending or, to the knowledge of the Corporation, threatened by any securities regulatory authority or the TSXV.
- (12) The Corporation having delivered to the Underwriters evidence of the approval (or conditional approval) of the listing and posting for trading of the Unit Shares, Warrants and Warrant Shares on the TSXV, subject only to satisfaction by the Corporation of standard listing conditions.
- (13) The Corporation complying with all of its covenants and obligations under this Agreement required to be satisfied at or prior to the Closing Time.
- (14) The Corporation having delivered to the Underwriters any and all consents (including those pursuant to the Credit Canada Loans, if required) in order to complete the Offering as contemplated herein and to apply the proceeds as set forth in the Prospectus.
- (15) The Underwriters not having exercised any rights of termination set forth herein.
- (16) The Underwriters having received such further certificates, opinions of counsel and other documentation from the Corporation contemplated herein, provided, however, that the Underwriters or their counsel shall request any such certificate or document within a reasonable period prior to the Closing Time that is sufficient for the Corporation to obtain and deliver such certificate, opinion or document.

Section 11 Closing.

- (1) *Location of Closing.* The Offering will be completed electronically, and concurrently at the offices of Tripp Law in Moncton, New Brunswick and Cassels Brock & Blackwell LLP in Toronto, Ontario at the Closing Time.
- (2) *Securities.* At the Closing Time, subject to the terms and conditions contained in this Agreement, the Corporation shall deliver to the Underwriters in Toronto, Ontario, the Units in electronic or certificated form, registered as directed by the Underwriters in writing not less than 24 hours prior to the Closing Time, against payment to the Corporation by the Underwriters of the aggregate Offering Price for the Units being issued and sold hereunder by wire transfer or certified cheque, net of the Commission and expenses of the Underwriters payable by the Corporation as set out in this Agreement.

Section 12 Closing of the Over-Allotment Option.

- (1) *Written Notice of Exercise.* The Over-Allotment Option may be exercised for a period of 30 days from and including the Closing Date. Eight, on behalf of the Underwriters, shall provide written notice to the Corporation of its election to exercise the Over-Allotment Option, which notice will set forth: (i) the aggregate number of Additional Securities to be purchased; and (ii) the closing date for the purchase and sale of the Additional Securities, provided that such closing date shall not be less than three (3) Business Days and no more than seven (7) Business Days following the date of such notice, and in any event not later than the 30th day following the Closing Date.

- (2) *Closing.* The purchase and sale of the Additional Securities, if required, shall be completed at such time and place as the Underwriters and the Corporation may agree, and in accordance with Section 12(1) above.
- (3) *Securities.* At the closing of the Over-Allotment Option, subject to the terms and conditions contained in this Agreement, the Corporation shall deliver to the Underwriters the Additional Securities in electronic or certificated form, registered as directed by the Underwriters, against payment to the Corporation by the Underwriters of the aggregate Offering Price for the Additional Securities being issued and sold by wire transfer or certified cheque, net of the Commission and any expenses of the Underwriters payable by the Corporation as set out in this Agreement.
- (4) *Deliveries.* The applicable terms, conditions and provisions of this Agreement (including the provisions of Section 10 relating to closing deliveries) shall apply *mutatis mutandis* to the Closing of the issuance of any Additional Securities pursuant to any exercise of the Over-Allotment Option.
- (5) *Adjustments.* In the event that the Corporation shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Over-Allotment Option is exercisable, appropriate adjustments will be made to the Offering Price and to the number of Additional Securities issuable on exercise thereof such that the Underwriters are entitled to arrange for the sale of the same number and type of securities that the Underwriters would have otherwise arranged for had they exercised such Over-Allotment Option immediately prior to such subdivision, consolidation, reclassification or change.

Section 13 Indemnification and Contribution.

- (1) The Corporation and its subsidiaries or affiliated companies, as the case may be (collectively, the “**Indemnitor**”) agrees to indemnify and hold harmless each of the Underwriters, the U.S. Affiliates and Selling Group members, and each of their subsidiaries and affiliates, and each of their respective directors, officers, employees, securityholders and agents (collectively, the “**Indemnified Parties**” and each, an “**Indemnified Party**”), to the full extent lawful, from and against all expenses, fees, losses, claims, actions, damages, obligations and liabilities, joint or several, of any nature (including the reasonable fees and expenses of their respective counsel and other expenses, but not including any amount for lost profits) (collectively, “**Losses**”) that are incurred in investigating, defending and/or settling any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party (collectively, the “**Claims**”) or to which an Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims arise out of or are based upon, directly or indirectly, the performance of professional services rendered to the Corporation by the Indemnified Parties hereunder or otherwise in connection with the matters referred to in this Agreement, together with any Losses that are incurred in enforcing this indemnity. This indemnity shall not be available to an Indemnified Party in respect of Losses incurred where a court of competent jurisdiction in a final judgment that has become non-appealable determines that such Losses resulted solely from the fraud, gross negligence or wilful misconduct of the Indemnified Party
- (2) If for any reason (other than a determination as to any of the events referred to immediately above) this indemnity is unavailable to an Indemnified Party or is insufficient to hold an Indemnified Party harmless in respect of any Claim, the Indemnitor shall contribute to the Losses paid or payable by such Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand

and the Indemnified Party on the other hand but also the relative fault of the Indemnitor and the Indemnified Party as well as any relevant equitable considerations; provided that the Indemnitor shall in any event contribute to the Losses paid or payable by an Indemnified Party as a result of such Claim, the amount (if any) equal to (i) such amount paid or payable, minus (ii) the amount of the Commission received by the Underwriters pursuant to this Agreement. In the event that the Indemnitor may be entitled to contribution from the Indemnified Parties under the provisions of any statute or law, the Indemnitor shall be limited to contribution in any amount not exceeding the lesser of the portion of the Losses giving rise to such contribution for which the Underwriters are responsible and the amount of the Commission received by the Underwriters.

- (3) The Indemnitor agrees that in case any Claim shall be brought against, or an investigation is commenced in respect of, the Indemnitor and/or an Indemnified Party and an Indemnified Party or its personnel are 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 Corporation by the Indemnified Parties hereunder, the Indemnified Party shall have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Indemnified Party for time spent by its personnel in connection therewith at their normal per diem rates together with such disbursements and out-of-pocket expenses incurred by the personnel of the Indemnified Party in connection therewith) shall be paid by the Indemnitor as they occur.
- (4) The Underwriters will notify the Indemnitor promptly in writing after receiving notice of any Claim against the Underwriters or any other Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, stating the particulars thereof, will provide copies of all relevant documentation to the Indemnitor and, unless the Indemnitor assumes the defence thereof, will keep the Indemnitor advised of the progress thereof and will discuss all significant actions proposed. The omission to so notify the Indemnitor shall not relieve the Indemnitor of any liability which the Indemnitor may have to an Indemnified Party except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such Claim or results in any material increase in the liability under this indemnity which the Indemnitor would otherwise have incurred had the Underwriters not so delayed in giving, or failed to give, the notice required hereunder
- (5) The Indemnitor shall be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defence of any claim, provided such defence is conducted by counsel of good standing acceptable to the Underwriters. Upon the Indemnitor notifying the Underwriters in writing of its election to assume the defence and retaining counsel, the Indemnitor shall not be liable to an Indemnified Party for any legal expenses subsequently incurred by it in connection with such defence. If such defence is not assumed by the Indemnitor, the Indemnified Parties, throughout the course thereof, shall provide copies of all relevant documentation to the Indemnitor, shall keep the Indemnitor advised of the progress thereof and shall discuss with the Indemnitor all significant actions proposed. If such defence is assumed by the Indemnitor, the Indemnitor throughout the course thereof will provide copies of all relevant documentation to the Underwriters, will keep the Underwriters advised of the progress thereof and will discuss with the Underwriters all significant actions proposed.
- (6) Notwithstanding the foregoing paragraph, any Indemnified Party shall have the right, at the Indemnitor's expense, to separately retain counsel of such Indemnified Party's choice, in respect of the defence of any Claim if: (i) the employment of such counsel has been authorized by the Indemnitor; (ii) the Indemnitor has not assumed the defence and employed counsel therefor

promptly after receiving notice of the Claim; or (iii) counsel retained by the Indemnitor or the Indemnified Party has advised the Indemnified Party that representation of both parties by the same counsel would be inappropriate for any reason, including for the reason that there may be legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnitor or that there is a conflict of interest between the Indemnitor and the Indemnified Party or the subject matter of the Claim may not fall within the indemnity set forth herein (in any of which events the Indemnitor shall not have the right to assume or direct the defence on such Indemnified Party's behalf), provided that the Indemnitor shall not be responsible for the fees or expenses of more than one legal firm in any single jurisdiction for all of the Indemnified Parties.

- (7) No admission of liability and no settlement, compromise or consent to the entry of any judgment with respect to any Claim or the termination of any Claim in respect of which indemnification may be sought hereunder shall be made by the Indemnitor without the prior written consent of the Indemnified Parties affected.
- (8) The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.
- (9) The Indemnitor agrees to waive any right the Indemnitor may have of first requiring the Indemnified Party to proceed against or enforce any right, power, remedy, security or claim payment from any other person before claiming under this indemnity. The Indemnitor hereby acknowledges that the Underwriters act as trustee for the other Indemnified Parties of the Indemnitor's covenants under this indemnity and the Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such persons.
- (10) The indemnity and contribution obligations of the Indemnitor hereunder shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Indemnified Parties who are not signatories hereto and shall be binding upon and enure to the benefit of any successors, permitted assigns, heirs and personal representatives of the Indemnitor, the Underwriters and any other Indemnified Party. The foregoing provisions shall survive any termination of this Agreement or the completion of the performance of professional services rendered to the Corporation by the Indemnified Parties hereunder.

Section 14 Compensation of the Underwriters.

In consideration of the services to be rendered by the Underwriters in connection with the Offering, the Corporation shall pay to Eight, on behalf of the Underwriters, at the Closing Time, a cash fee (the "**Commission**") equal to 6.0% of the aggregate gross proceeds received from the sale of the Units (including for certainty on any exercise of the Over-Allotment Option). The Corporation may identify investors to be included on a "president's list" (the "**President's List**") to purchase such number of Units as may be agreed between the Corporation and the Underwriters but not to exceed aggregate gross proceeds of \$2,500,000, and the Underwriters will receive a cash fee of only 3% in respect of such President's List sales. The Commission will be netted out of the gross proceeds of the Offering.

Section 15 Expenses.

Whether or not the purchase and sale of the Units shall be completed, all costs and expenses of or incidental to the sale and delivery of the Units and of or incidental to all matters in connection with the transactions herein shall be borne by the Corporation, including, without limitation, all expenses of or incidental to the issue, sale or distribution of the Units, the fees and expenses of the Corporation's counsel, Auditors and independent experts, all costs incurred in connection with the preparation of

documents relating to the Offering, and the reasonable expenses and fees incurred by the Underwriters which includes but is not limited to out-of-pocket and travel expenses in connection with due diligence and marketing meetings of Eight of \$20,000 and the reasonable fees (to a maximum of \$70,000 exclusive of disbursements and taxes) and disbursements of the Underwriters' legal counsel and applicable taxes thereon. The Underwriters' expenses will be netted out of the gross proceeds of the Offering.

Section 16 All Terms to be Conditions.

The Corporation agrees that the conditions contained in this Agreement will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Corporation and each of the Corporation and the Underwriters will use its respective commercially reasonable efforts to cause all such conditions to be complied with. It is understood that the Underwriters may waive, in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights of the Underwriters in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing.

Section 17 Termination by Underwriters in Certain Events.

- (1) Each Underwriter shall also be entitled to terminate its obligation to purchase the Units by written notice to that effect given to the Corporation at or prior to the Closing Time if:
 - (a) *Material Change Out* - there is a material change or a change in a material fact or new material fact shall arise, or there should be discovered any previously undisclosed material fact required to be disclosed in the Preliminary Prospectus, the Final Prospectus or any amendment thereto, in each case, that has or would be expected to have, in the sole opinion of the Underwriters (or any of them), a significant adverse change or effect on the business or affairs of the Corporation or on the market price or value of the securities of the Corporation;
 - (b) *Disaster Out* - (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 Underwriters (or any one of them), seriously adversely affects or involves or may seriously adversely affect or involve the financial markets or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole or the market price or value of the securities of the Corporation; (ii) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Corporation or any one of the officers or directors of the Corporation or any of its principal shareholders where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the TSXV or Securities Commissions which involves a finding of wrong-doing; or (iii) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the Common Shares or any other securities of the Corporation is made or threatened by a securities regulatory authority; or
 - (c) *Breach Out* - the Corporation is in breach of any material term, condition or covenant of this Agreement or any representation or warranty given by the Corporation in this Agreement becomes or is false in any material respect.

- (2) If this Agreement is terminated by any of the Underwriters pursuant to Section 17(1), there shall be no further liability on the part of such Underwriter or of the Corporation to such Underwriter, except in respect of any liability which may have arisen or may thereafter arise under Sections 13 and 15.
- (3) The right of the Underwriters or any of them to terminate their respective obligations under this Agreement is in addition to such other remedies as they may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement. A notice of termination given by one Underwriter under this Section 17 shall not be binding upon the other Underwriters.

Section 18 Obligations of the Underwriters to be Several.

- (1) Subject to the terms and conditions hereof, the obligation of the Underwriters to purchase the Units shall be several and not joint. The percentage of the Units to be severally purchased and paid for by each of the Underwriters shall be as follows:

Eight Capital	50%
Cancord Genuity Corp.	25%
Mackie Research Capital Corporation	10%
GMP Securities L.P.	10%
PI Financial Corp.	5%

- (2) If an Underwriter shall not complete the purchase and sale of its applicable percentage of the aggregate amount of the Units at the Closing Time for any reason whatsoever, including by reason of Section 17 hereof, the other Underwriters shall have the right, but shall not be obligated, to purchase the Units which would otherwise have been purchased by the Underwriter which fails to purchase. If, with respect to such Units, the non-defaulting Underwriters elect not to exercise such rights to assume the entire obligation of the defaulting Underwriter, then the Corporation shall have the right to either (i) proceed with the sale of the Units (less the defaulted Units) to the non-defaulting Underwriters; or (ii) terminate its obligations hereunder without liability except pursuant to the provisions of Section 13 and 15 in respect of the non-defaulting Underwriters.
- (3) Subject to compliance with Canadian Securities Laws, without affecting the firm obligation of the Underwriters to purchase from the Corporation 14,285,715 Units at the Offering Price in accordance with this Agreement, after the Underwriters have made reasonable efforts to sell all of the Units at the Offering Price, the Offering Price may be decreased by the Underwriters and further changed from time to time to an amount not greater than the Offering Price specified herein. Such decrease in the Offering Price will not affect the Underwriters' Commission (\$0.21 per Unit) to be paid by the Corporation to the Underwriters, and it will not decrease the amount of the net proceeds of the Offering to be paid by the Underwriters to the Corporation (\$3.29 per Unit), before deducting expenses of the Offering. The Underwriters will inform the Corporation if the Offering Price is decreased.

Section 19 Notices.

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered,

in the case of the Corporation, to:

OrganiGram Holdings Inc.
35 English Dr.
Moncton, New Brunswick E1E 3X3

Attention: Greg Engel – Chief Executive Officer
Email: gengel@organigram.ca

with a copy of any such notice to:

Tripp | Business Law
Place de l'Assomption
1004 – 770 Main Street
Moncton, New Brunswick E1C 1E7

Attention: André Carroll
Email: ac@tripplaw.ca

in the case of the Underwriters, to:

Eight Capital
EY Tower
100 Adelaide Street West
Suite 2900
Toronto, Ontario M5H 1S3

Attention: Patrick McBride
Email: pmcbride@viicapital.com

with a copy of any such notice to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Nancy Choi
Email: nchoi@casselsbrock.com

The Corporation and the Underwriters may change their respective addresses for notices by notice given in the manner aforesaid. Any such notice or other communication shall be in writing, and unless delivered personally to the addressee or to a responsible officer of the addressee, as applicable, shall be given by electronic transmission and shall be deemed to have been given when: (i) in the case of a notice delivered personally to a responsible officer of the addressee, when so delivered; and (ii) in the case of a notice delivered or given by electronic transmission on the first Business Day following the day on which it is sent.

Section 20 Miscellaneous.

- (1) *Actions of Underwriters.* Except with respect to Section 13, Section 17 and Section 18, all transactions and notices on behalf of the Underwriters hereunder or contemplated hereby may be carried out or given on behalf of the Underwriters by Eight and the Underwriters shall in good faith discuss with each other the nature of any such transactions and notices prior to giving effect thereto or the delivery thereof, as the case may be.
- (2) *Successors and Assigns.* This Agreement shall enure to the benefit of, and shall be binding upon, the Underwriters and the Corporation and their respective successors and legal representatives.
- (3) *Governing Law.* This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (4) *Time of the Essence.* Time shall be of the essence hereof and, following any waiver or indulgence by any party, time shall again be of the essence hereof.
- (5) *Interpretation.* The words, “hereunder”, “hereof” and similar phrases mean and refer to the Agreement formed as a result of the acceptance by the Corporation of this offer by the Underwriters to purchase the Units.
- (6) *Survival.* All representations, warranties, covenants and agreements of the Corporation and/or the Underwriters herein contained or contained in documents submitted pursuant to this Agreement and in connection with the transaction of purchase and sale herein contemplated shall survive for a period ending on the date that is three years following the Closing Date. Notwithstanding the preceding sentence, Section 13 shall survive the purchase and sale of the Units and the termination of this Agreement and shall continue in full force and effect for the benefit of the Underwriters or the Corporation, as the case may be, regardless of any subsequent disposition of the Units or any investigation by or on behalf of the Underwriters with respect thereto without limitation other than any limitation requirements of applicable law. The Underwriters and the Corporation shall be entitled to rely on the representations and warranties of the Corporation or the Underwriters, as the case may be, contained herein or delivered pursuant hereto notwithstanding any investigation which the Underwriters or the Corporation may undertake or which may be undertaken on their behalf.
- (7) *Electronic Copies.* Each of the parties hereto shall be entitled to rely on delivery of a facsimile or PDF copy of this Agreement and acceptance by each such party of any such facsimile or PDF copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.
- (8) *Severability.* If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.
- (9) *Counterparts.* This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.
- (10) *Several and Joint.* In performing their respective obligations under this Agreement, the Underwriters shall be acting severally and not jointly and severally. Nothing in this Agreement is

intended to create any relationship in the nature of a partnership, or joint venture between the Underwriters.

- (11) *Market Stabilization Activities.* In connection with the distribution of the Units, the Underwriters (or any of them) may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market, but in each case as permitted by Canadian Securities Laws. Such stabilizing transactions, if any, may be discontinued by the Underwriters at any time.
- (12) *No Fiduciary Duty.* The Corporation acknowledges that in connection with the Offering, each of the Underwriters: (i) have acted at arm's length, are not agents of, and owe no fiduciary duties to, the Corporation or any other person, (ii) owe the Corporation only those duties and obligations set forth in this Agreement, and (iii) may have interests that differ from those of the Corporation. The Corporation waives to the full extent permitted by applicable law any claims it may have against the Underwriters arising from an alleged breach of fiduciary duty in connection with the Offering.
- (13) *TMX Group.* The Corporation hereby acknowledges that GMP Securities L.P. or an affiliate thereof, either owns or controls an equity interest in TMX Group Limited (“**TMX Group**”) and/or has a nominee director serving on the TMX Group's board of directors. As such, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the TSXV. No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service.
- (14) *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 in respect of the Offering, including the engagement letter dated November 27, 2017. This Agreement may be amended or modified in any respect by written instrument only.
- (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.

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

**SCHEDULE “A”
SUBSIDIARIES**

This is Schedule “A” to the underwriting agreement dated December 4, 2017 between OrganiGram Holdings Inc. and Eight Capital, Canaccord Genuity Corp., GMP Securities L.P., Mackie Research Capital Corporation and PI Financial Corp.

Name	Jurisdiction of Incorporation	Authorized Share Capital	Issued and Outstanding Shares
OrganiGram Inc.	New Brunswick	Unlimited common shares Unlimited preferred shares	18,678,496 common shares Nil preferred shares
Trauma Healing Centers Incorporated	Canada	Unlimited common shares	2,000,000 common shares

SCHEDULE “B”
TERMS AND CONDITIONS FOR UNITED STATES OFFERS AND SALES

This is Schedule “B” to the underwriting agreement dated December 4, 2017 between OrganiGram Holdings Inc. and Eight Capital, Canaccord Genuity Corp., GMP Securities L.P., Mackie Research Capital Corporation and PI Financial Corp.

As used in this schedule, the following terms shall have the meanings indicated:

Affiliate	means an “affiliate” as that term is defined in Rule 405 under the U.S. Securities Act;
Directed Selling Efforts	means “directed selling efforts” as that term is defined in Regulation S;
Foreign Issuer	means a “foreign issuer” as that term is defined in Regulation S;
General Solicitation or General Advertising	means “general solicitation or general advertising”, as used under Rule 502(c) under the U.S. Securities Act, including any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
Offshore Transaction	means an “offshore transaction” as that term is defined in Regulation S;
Qualified Institutional Buyer	means a “qualified institutional buyer” as that term is defined in Rule 144A;
Qualified Institutional Buyer Investment Letter	means the qualified institutional buyer investment letter in the form attached to the U.S. Placement Memorandum;
Regulation S	means Regulation S under the U.S. Securities Act;
Rule 144A	means Rule 144A under the U.S. Securities Act;
Substantial U.S. Market Interest	means “substantial U.S. market interest” as that term is defined in Regulation S;
U.S. Affiliate	means any U.S. registered broker-dealer affiliate of any Underwriter;

U.S. Exchange Act	means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;
U.S. Person	means a “U.S. person” as that term is defined in Rule 902(k) of Regulation S; and
U.S. Securities Act	means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

All capitalized terms used herein without definition have the meanings ascribed thereto in the Underwriting Agreement.

Representations, Warranties and Covenants of the Underwriters

The Underwriters (on their own behalf and on behalf of their respective U.S. Affiliates) severally but not jointly or jointly and severally acknowledge that the Unit Shares and Warrants comprising the Units, and the Warrant Shares issuable upon exercise of the Warrants, have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered, sold or delivered, directly or indirectly, to any U.S. Person or any person within the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, each of the Underwriters (on its own behalf and on behalf of its respective U.S. Affiliate) severally but not jointly or jointly and severally represents, warrants and covenants to the Corporation as of the date hereof and the Closing Date, and will cause its U.S. Affiliate to comply with such representations, warranties and covenants, that:

1. It has offered and sold, and will offer and sell, the Units forming part of its allotment only (a) in an Offshore Transaction in accordance with Rule 903 of Regulation S or (b) as provided in this Schedule “B”. Accordingly, neither the Underwriter, its affiliates nor any persons acting on its or their behalf, has made or will make (except as permitted in this Schedule “B”): (i) any offer to sell or any solicitation of an offer to buy, any Units to any U.S. Person or person in the United States; (ii) any sale of Units to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States, or the Underwriter, its affiliates or persons acting on its or their behalf reasonably believed that such purchaser was outside the United States; or (iii) any Directed Selling Efforts in the United States with respect to the Units.
2. Any offer, sale or solicitation of an offer to buy Units that has been made or will be made by it or its U.S. Affiliate in the United States was or will be made only to persons reasonably believed by it and its U.S. Affiliate to be Qualified Institutional Buyers purchasing Units for its own account or for the account of one or more Qualified Institutional Buyers with respect to which it exercises sole investment discretion in accordance with Rule 144A in transactions that are exempt from registration under the U.S. Securities Act and applicable U.S. state securities laws.
3. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Units, except with its affiliates, any selling group members or with the prior written consent of the Corporation. It shall require its U.S. Affiliate and each selling group member to agree in writing, for the benefit of the Corporation, to comply with, and shall use its best efforts to ensure that its U.S. Affiliate and each selling group member complies with, the

same provisions of this Schedule “B” as apply to such Underwriter as if such provisions applied to such U.S. Affiliate or selling group member.

4. All offers and sales of the Units in the United States will be effected through its U.S. Affiliate, and such U.S. Affiliate is, and shall be on the date of each offer and sale of Units by it, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the securities laws of each state in which such offers and sales of Units were or will be made (unless exempted from the respective state’s broker-dealer registration requirements) and is, and shall be on the date of each offer and sale of Units by it, a member in good standing with the Financial Industry Regulatory Authority, Inc. (“**FINRA**”). All offers and sales of Units in the United States by it were made and will be made by its U.S. Affiliate in compliance with all applicable United States federal and state broker-dealer requirements and all applicable rules of FINRA. Each of it and its U.S. Affiliate is a Qualified Institutional Buyer.
5. None of it, its affiliates or any person acting on its or their behalf has engaged or will engage in any form of General Solicitation or General Advertising or in any conduct involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with its offers and sales of the Units in the United States.
6. Immediately prior to soliciting offerees in the United States and at the time of completion of each sale to a purchaser in the United States, it, its U.S. Affiliate and any person acting on its or their behalf had reasonable grounds to believe and did believe that each offeree or purchaser, as applicable, was a Qualified Institutional Buyer purchasing Units directly from the Underwriter through its U.S. Affiliate.
7. Prior to the completion of any sale of Units in the United States to a Qualified Institutional Buyer pursuant to Rule 144A, each such Qualified Institutional Buyer will be required to provide a duly executed Qualified Institutional Buyer Investment Letter.
8. Each offeree of Units that is in the United States shall be provided with a copy of one or both of the preliminary version of the U.S. Placement Memorandum and final version of the U.S. Placement Memorandum. Each purchaser of Units that is in the United States shall be provided, prior to time of purchase of any Units, with a copy of the final version of the U.S. Placement Memorandum.
9. At least one Business Day prior to the time of delivery, it will provide the Corporation and its transfer agent with a list of all purchasers of the Units in the United States or that were offered Units in the United States.
10. At each Closing, each Underwriter (together with its U.S. Affiliate) that participated in the offer or sale of Units in the United States will provide the Corporation with a certificate, substantially in the form of Exhibit A to this Schedule “B”, relating to the manner of the offer and sale of the Units in the United States, or will be deemed to have represented and warranted for the benefit of the Corporation that neither it nor its U.S. Affiliate offered or sold Units in the United States.
11. Neither it, its affiliates or any person acting on its or their behalf (other than the Corporation, its affiliates and any person acting on its or their behalf, as to which no representation is made) has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Units.

12. It had reason to believe that all offers and sales in the United States were made to persons with knowledge and experience in financial and business matters such that he, she or it was capable of evaluating the merits and risks of the prospective investment in the Units.
13. None of it, its U.S. Affiliate or any person acting on its or their behalf has used nor will use any written material other than the Offering Documents and the Qualified Institutional Buyer Investment Letter in connection with offers and sales of Units in the United States.
14. All purchasers of the Units in the United States shall be informed that the Unit Shares and Warrants comprising the Units, and the Warrant Shares issuable upon exercise of the Warrants, have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws, and the Units are being offered and sold to such purchasers in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by either Rule 144A and pursuant to similar exemptions under applicable U.S. state securities laws.
15. It acknowledges, on its own behalf and on behalf of its U.S. Affiliate, that until 40 days after the commencement of the Offering, an offer or sale of the Units within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirement of the U.S. Securities Act.

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, covenants and agrees that:

1. The Corporation is, and as of each Closing Date will be, a Foreign Issuer and reasonably believed at the commencement of the Offering that there was no Substantial U.S. Market Interest with respect to the Common Shares.
2. The Corporation is not, and as a result of the sale of the Units contemplated hereby will not be, registered or required to be registered as an “investment company” under the United States Investment Company Act of 1940, as amended.
3. Except with respect to offers and sales in accordance with this Schedule “B” to Qualified Institutional Buyers in reliance upon an exemption from registration under the U.S. Securities Act, none of the Corporation, its affiliates or any person acting on its or their behalf (other than the Underwriters, their respective affiliates, any members of the selling group or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Units to a U.S. Person or person in the United States; or (B) any sale of Units unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States or (ii) the Corporation, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.
4. During the period in which the Units are offered for sale, neither it nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, their respective affiliates, any members of the selling group or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has engaged in or will engage in any Directed Selling Efforts in the United States with respect to the Units, or has taken or will take any action in violation of Regulation M under the U.S. Exchange Act with respect to the Units or that would cause the exemptions afforded by Rule 144A to be unavailable for offers and sales of Units in the

United States in accordance with this Schedule “B”, or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Units outside the United States in accordance with the Underwriting Agreement and this Schedule “B”.

5. None of the Corporation, any of its affiliates or any person acting on its or their behalf (other than the Underwriters, their respective affiliates, any members of the selling group or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, the Units in the United States by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
6. The Corporation will, within the prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or any state securities laws in connection with the sale of the Units.
7. For so long as any of the Units are outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act, and if the Corporation is not subject to and in compliance with the reporting requirements of Section 13 or Section 15(d) of the U.S. Exchange Act or exempt from such reporting requirements pursuant to Rule 12g3-2(b) thereunder, the Corporation will provide to any holder of such Units, or to any prospective purchaser of such Units designated by such holder, upon the request of such holder or prospective purchaser, at or prior to the time of resale, the information required to be provided by Rule 144A(d)(4) of the U.S. Securities Act.

**EXHIBIT A TO SCHEDULE “B”
UNDERWRITERS’ CERTIFICATE**

In connection with the private placement in the United States of the units (the “Units”) of OrganiGram Holdings Inc. (the “Corporation”) pursuant to the underwriting agreement dated as of December 4, 2017 among the Corporation and the Underwriters named therein (the “Underwriting Agreement”), each of the Underwriter and the placement agent in the United States for such Underwriter do hereby certify as follows:

- (1) **[Name of U.S. Affiliate]** (the “U.S. Affiliate”) is on the date hereof, and was at the time of each offer and sale of Units in the United States made by it, a duly registered broker or dealer under the U.S. Exchange Act and all applicable U.S. state securities laws (unless exempted from the respective state’s broker-dealer registration requirements), is and was a member of and is in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof and the date of each offer and sale of Units by it;
- (2) the U.S. Affiliate provided each offeree in the United States to which it offered Units with a copy of one or both of the preliminary version of the U.S. Placement Memorandum and the final version of the U.S. Placement Memorandum, and provided each purchaser of the Units in the United States prior to the purchase of any Units in the United States with a copy of the final version of the U.S. Placement Memorandum, and no other written material (other than the Qualified Institutional Buyer Investment Letter) has been or will be used in connection with offers and sales of Units in the United States by us;
- (3) immediately prior to transmitting the preliminary version of the U.S. Placement Memorandum or the final version of the U.S. Placement Memorandum to such offerees and purchasers, we had reasonable grounds to believe and did believe that each such offeree and purchaser was a Qualified Institutional Buyer and, on the date hereof, we continue to believe that each such offeree or purchaser purchasing Units from us is a Qualified Institutional Buyer;
- (4) we obtained and delivered to the Corporation, for acceptance at the Closing a duly executed Qualified Institutional Buyer Investment Letter from each Qualified Institutional Buyer purchasing Units pursuant to Rule 144A;
- (5) no form of Directed Selling Efforts, General Solicitation or General Advertising was used by us in connection with the offer or sale of the Units in the United States, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising or any public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;
- (6) all offers and sales of Units in the United States have been effected in accordance with all applicable U.S. federal and state broker-dealer requirements;
- (7) we have not taken and will not take any action that would constitute a violation of Regulation M under the U.S. Exchange Act in connection with offers and sales of the Units; and
- (8) all offers and sales of the Units have been conducted by us in accordance with the terms of the Underwriting Agreement, including Schedule “B” thereto.

Unless otherwise defined, terms used in this certificate have the meanings given to them in the Underwriting Agreement, including Schedule “B” thereto.

Dated this _____ day of _____, 2017.

[INSERT NAME OF UNDERWRITER]

[INSERT NAME OF U.S. AFFILIATE]

By: _____

By: _____

Name:

Name:

Title:

Title:

**SCHEDULE “C”
EXISTING RIGHTS**

This is Schedule “C” to the underwriting agreement dated December 4, 2017 between OrganiGram Holdings Inc. and Eight Capital, Canaccord Genuity Corp., GMP Securities L.P., Mackie Research Capital Corporation and PI Financial Corp.

1. As at the close of business on December 1, 2017, 6,295,297 options to acquire Common Shares pursuant to the Corporation’s stock option plan, with a weighted average price of \$1.52 and expiry dates ranging from August 2024 to November 2027.
2. As at the close of business on December 1, 2017, 1,677,913 warrants to acquire Common Shares with a weighted average price of \$1.22 and expiry dates ranging from December 2, 2017 to December 22, 2017.