

AGENCY AGREEMENT

THIS AGENCY AGREEMENT dated for reference September 28, 2022 is made:

BETWEEN:

VICTORY OPPORTUNITIES 1 CORP., a corporation incorporated under the laws of the Province of British Columbia, with its head office at 228 – 112 Mainland Street Vancouver, BC V6B 5L1 (the “**Company**”)

AND:

PI FINANCIAL CORP., a corporation incorporated under the laws of the Province of British Columbia, with its head office in the City of Vancouver, in the Province of British Columbia (the “**Agent**”)

WHEREAS:

A. the Company wishes to raise funds for the purposes described in the Prospectus (as defined below) in the amount of a minimum of \$300,000 (the “**Minimum Offering**”) and maximum of \$500,000 (the “**Maximum Offering**”) by the sale of the Offered Common Shares (as defined below) to the Purchasers (as defined below) in the Qualifying Jurisdictions (as defined below);

B. the Company has agreed to file a Prospectus in accordance with the Securities Legislation (as defined below) in the provinces of Alberta, British Columbia, Ontario and such other jurisdictions as may be agreed to by the Company and the Agent in order to qualify the Offered Common Shares, the CPC Stock Options (as defined below) and the Agent’s Options (as defined below) for distribution; and

C. the Company has agreed to retain the Agent as its exclusive agent to solicit subscriptions for the Offered Common Shares offered pursuant to the Prospectus using commercially reasonable efforts basis and the Agent has agreed to act as trustee of all Subscription Funds (as defined below) on behalf of the Company subject to the terms and conditions hereof.

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 INTERPRETATION

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

- (a) “**Agent’s Commission**” has the meaning ascribed thereto in Section 3.1;
- (b) “**Agent’s Option Certificate**” has the meaning ascribed thereto in Section 3.3;
- (c) “**Agent’s Options**” means the irrevocable and non-transferable options to purchase that number of Common Shares equal to eight percent (8%) of the Offered Common Shares sold pursuant to the Offering and which have the terms provided in this Agreement and the certificates representing such options, each such option being exercisable for a period of 60 months from the Listing Date at an exercise price of \$0.10 per Agent’s Option;
- (d) “**Agent’s Option Shares**” means the Common Shares issued to the Agent upon exercise of the Agent’s Options;

- (e) **“Agreement”** means this agency agreement, the recitals, the schedules attached hereto and any amendments;
- (f) **“Agreement in Principle”** has the meaning given in Policy 2.4;
- (g) **“Business Day”** means any day other than a Saturday, Sunday or other day on which banking institutions in the Province of British Columbia are not open for business during normal business hours;
- (h) **“Closing”** means the completion of the Offering and the transactions herein contemplated on the Closing Date as herein provided;
- (i) **“Closing Date”** means a date as may be agreed upon by the Company and the Agent, such date being no later than 90 days from the date of issuance of a receipt for the Prospectus by the Principal Regulator or such other later date as may be permitted by Securities Legislation and as may be agreed to by the Company and the Agent;
- (j) **“Closing Time”** means 10:00 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Company and the Agent may agree;
- (k) **“Commissions”** means, collectively, the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission;
- (l) **“Common Shares”** means the common shares in the capital of the Company;
- (m) **“Corporate Finance Fee”** has the meaning ascribed thereto in Subsection 3.1;
- (n) **“CPC Stock Options”** means the incentive stock options of the Company to be granted to the directors and senior officers of the Company immediately following the completion of the Offering, to purchase up to 637,000 Common Shares in the event the Minimum Offering is completed or up to 837,000 Common Shares in the event the Maximum Offering is completed, at a price of \$0.10 per Common Share for a period of five (5) years following the date of grant, which incentive stock options are qualified under the Prospectus and granted in accordance with Policy 2.4 and Policy 4.4;
- (o) **“Exchange”** means the TSX Venture Exchange Inc.;
- (p) **“Financial Statements”** has the meaning ascribed thereto in Subsection 6.1(m);
- (q) **“Financing Notice”** has the meaning ascribed thereto in Section 13.1;
- (r) **“IFRS”** means the International Financial Reporting Standards as issued by the International Accounting Standards Board;
- (s) **“Indemnitor”** has the meaning ascribed thereto in Section 14.1;
- (t) **“Listing Date”** means the date that the Common Shares of the Company are first listed for trading on the Exchange;
- (u) **“Knowledge of the Company”** means the actual knowledge of the Chief Executive Officer of the Company;
- (v) **“Offered Common Shares”** means the minimum of 3,000,000 Common Shares and the maximum of 5,000,000 Common Shares offered for sale by the Company at a price of

\$0.10 per Common Share for aggregate minimum gross proceeds of \$300,000 and maximum gross proceeds of \$500,000;

- (w) **“Offering”** means the offer by the Company, through the Agent, to sell the Offered Common Shares as contemplated by the Prospectus and this Agreement;
- (x) **“Policy 1.1”** means Policy 1.1 of the Exchange’s Corporate Finance Manual entitled “Interpretation”;
- (y) **“Policy 2.2”** means Policy 2.2 of the Exchange’s Corporate Finance Manual entitled “Sponsorship and Sponsorship Requirements”;
- (z) **“Policy 2.4”** means Policy 2.4 of the Exchange’s Corporate Finance Manual entitled “Capital Pool Companies” and shall include all orders, policies, rules, regulations, by-laws and procedures of the Commissions and the Exchange pertaining to capital pool companies as may be authorized by the Commissions, as amended from time to time;
- (aa) **“Policy 4.4”** means Policy 4.4 of the Exchange’s Corporate Finance Manual entitled “Security Based Compensation”;
- (bb) **“Preliminary Prospectus”** means the prospectus of the Company dated August 5, 2022 duly approved, signed, certified and filed with the Commissions and the Exchange and any amendments thereto approved, signed and certified in accordance with the Securities Legislation, relating to the Offering and the qualification for distribution of the Offered Common Shares, CPC Stock Options and Agent’s Options in the Qualifying Jurisdictions;
- (cc) **“Principal Regulator”** means the British Columbia Securities Commission, pursuant to Multilateral Instrument 11-102 - *Passport System*;
- (dd) **“Prospectus”** means the final prospectus of the Company and any amendment thereto, duly approved, signed, certified and filed with the Commissions and the Exchange in accordance with the Securities Legislation and relating to the Offering and the qualification for distribution of the Offered Common Shares, CPC Stock Options and Agent’s Options in the Qualifying Jurisdictions;
- (ee) **“Purchasers”** means those subscribers whose offer to purchase Offered Common Shares are accepted by the Agent and the Company;
- (ff) **“Qualifying Jurisdictions”** means the provinces of Alberta, British Columbia and Ontario;
- (gg) **“Qualifying Transaction”** has the meaning given in Policy 2.4;
- (hh) **“Securities Legislation”** means the applicable securities legislation, policies, notices and orders of the Qualifying Jurisdictions including the national policy statements applied therein, and the policies and by-laws of the Exchange, as amended from time to time;
- (ii) **“Subscription Funds”** means the gross proceeds received in respect of subscriptions for Offered Common Shares pursuant to and in accordance with the terms of the Prospectus and this Agreement; and
- (jj) **“Transfer Agent”** means Computershare Investor Services Inc.

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

- 1.3 The headings of the Articles of this Agreement are inserted for convenience of reference only and shall not in any manner affect the construction or meaning of anything herein contained or govern the rights or liabilities of the parties hereto.
- 1.4 Words importing the singular number only shall include the plural and vice versa and words of gender shall entail all genders, including the neuter gender and words importing persons shall include companies, corporations, partnerships, syndicates, trusts and any number or aggregate of persons.

ARTICLE 2 APPOINTMENT OF AGENT

- 2.1 Subject to the terms hereof, the Agent is hereby appointed by the Company as, and the Agent hereby agrees to act as, the exclusive agent of the Company to solicit subscriptions from Purchasers on a commercially reasonable efforts basis to purchase Offered Common Shares pursuant to the Offering. The Agent may retain as sub-agents other registered securities dealers in the Qualifying Jurisdictions and may receive subscriptions from such securities dealers, provided however, that the Company will not be liable for payment of any compensation or fees to the sub-agents or other registered securities dealers. The Agent shall act as agent only and shall be under no obligation to purchase any of the Offered Common Shares. The Agent shall be under no liability for any failure to sell any or all of the Offered Common Shares offered hereunder or to engage sub-agents, provided however that the Agent uses commercially reasonable efforts to obtain subscriptions to purchase all of the Offered Common Shares.
- 2.2 The Agent shall secure from each proposed Purchaser hereunder such certificates, documents and forms as may be required by the Securities Legislation and such questionnaires, undertakings and other material as may, in the opinion of the Agent or its counsel, be required by the Commissions or the Exchange.
- 2.3 The Agent shall receive, tabulate, hold and account for all Subscription Funds received by it.
- 2.4 The Agent may accept Subscription Funds in the form of cash, certified cheque or bank draft.
- 2.5 The Agent shall hold Subscription Funds on behalf of the Purchasers until the Closing Time at which time such funds shall be released in accordance with the provisions of Article 5 hereof.

ARTICLE 3 AGENT'S FEES

- 3.1 In consideration of the Agent agreeing to act as agent for the Offering, the Company has paid to the Agent in cash a non-refundable corporate finance fee (the "**Corporate Finance Fee**") in the amount of \$15,000 plus GST, being a total of \$15,750 and agrees to pay to the Agent, at the Closing Time, upon due completion of the sale of the Offered Common Shares, a commission equal to eight percent (8%) of the Subscription Funds (the "**Agent's Commission**"), provided that no such commission shall be payable unless the Closing occurs. The Agent's Commission shall be paid by the Company to the Agent by the Agent deducting such amounts from the Subscription Funds on the Closing, or in such other manner as is satisfactory to the Agent.
- 3.2 If the Agent retains sub-agents or receives subscriptions from sub-agents, the Agent, in its sole discretion, shall pay them a fee as may be agreed among the Agent and such sub-agents, but in no event shall the Company be required to pay a fee in excess of the Corporate Finance Fee and the Agent's Commission.
- 3.3 On the express condition precedent that Closing occurs, the Company hereby agrees to issue to the Agent and its sub-agents, if any, at the Closing, such number of the Agent's Options as is equal to eight percent (8%) of the number of Offered Common Shares sold under the Offering, and to

execute and deliver a certificate or certificates, as the case may be, in a form to the reasonable satisfaction of the Agent, setting forth the terms and conditions of the Agent's Options (the "**Agent's Option Certificate**"). The Agent's Options shall be qualified under and be distributed pursuant to the Prospectus. The Agent will provide to the Company, written registration instructions for the Agent and any sub-agents prior to Closing.

ARTICLE 4 SUBSCRIPTIONS

- 4.1 Residents of the Qualifying Jurisdictions may subscribe for the Offered Common Shares by delivering to the Agent on or prior to the Closing Date:
- (a) payment of the aggregate subscription price in respect of the Offered Common Shares subscribed for;
 - (b) the appropriate offer to purchase Common Shares together with such certificates, documents and forms as, in the opinion of the Agent or the Agent's counsel, may be required; and
 - (c) appropriate delivery and registration instructions in respect of the Offered Common Shares subscribed for.
- 4.2 Subscription Funds received by the Agent shall be held by the Agent in trust for the Purchasers pursuant to the terms of this Agreement, and shall be dealt with by the Agent as provided in Article 5 hereof.

ARTICLE 5 RELEASE OF SUBSCRIPTION FUNDS

- 5.1 The Agent shall not deliver any Subscription Funds received by it to the Company until it shall have received minimum aggregate subscriptions equal to \$300,000.
- 5.2 If subscriptions in the aggregate minimum amount of \$300,000 are not received by the Agent at or prior to the Closing Time and the Closing does not occur or this Agreement is otherwise terminated in accordance with Article 10 hereof, the Agent shall, promptly thereafter, remit by ordinary mail, or such other means as may be agreed to between the Agent and the Purchasers, and in any case not later than fifteen (15) days from the date in which both the Company and the Agent decide that Closing cannot occur by the Closing Date or upon termination of this Agreement by the Agent, whichever is earlier, to each Purchaser whose Subscription Funds are held by the Agent, its Subscription Funds, without interest or deduction, unless the Purchaser otherwise instructs the Agent.
- 5.3 If the subscription of any Purchaser delivered to the Agent is for any reason rejected (in whole or in part) by the Company, the Subscription Funds in respect of such rejected subscription shall be forthwith returned to such Purchaser without interest or deduction.

ARTICLE 6 REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE COMPANY

- 6.1 The Company represents and warrants to, and covenants with, the Agent, and hereby acknowledges that the Agent is relying on such representations and warranties in entering into this Agreement, as follows:

- (a) the Company has been duly incorporated and organized and is valid and subsisting and in good standing under the laws of British Columbia and has all the requisite corporate power and capacity to carry on its business as now conducted;
- (b) the Company has full corporate capacity, power and authority to execute this Agreement, the escrow agreement referred to in the Prospectus (the “**Escrow Agreement**”) and the Agent’s Option Certificate and to perform its obligations as set out herein and therein, including, without limitation, to issue the Offered Common Shares and the Agent’s Option Shares (upon due exercise of the Agent’s Options), and to carry out the transactions contemplated hereby and by the Prospectus, and this Agreement, the Escrow Agreement and the Agent’s Option Certificate will be, on the Closing Date, duly authorized, executed and delivered by the Company and this Agreement and the Escrow Agreement are and the Agent’s Option Certificate will on the Closing Date be, legal, valid and binding obligations of the Company enforceable against the Company in accordance with their terms except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally, and except as limited by the application of equitable principals when equitable remedies are sought and by the fact that rights to waiver, indemnity and contribution, and the ability to sever unenforceable terms, may be limited by applicable law;
- (c) the Company is not a party to a material contract which is not disclosed in the Prospectus and the material contracts disclosed in the Prospectus constitute valid and binding obligations of the parties thereto, enforceable against each of such parties in accordance with their respective terms except as enforcement may be limited by general principles of equity, applicable bankruptcy, insolvency, preference and reorganization laws and other laws generally affecting the enforcement of creditors’ rights and the availability of discretionary judicial remedies;
- (d) the Company has complied and will comply fully with the requirements of all applicable corporate and securities laws and administrative policies and directions, including, without limitation, the Securities Legislation and its regulations and the *Business Corporations Act* (British Columbia) in all material respects in relation to the issue and trading of its securities and in all matters relating to the Offering;
- (e) the Company is in compliance with all applicable laws, regulations and statutes (including all environmental laws and regulations) in all material respects in the jurisdictions in which it carries on business and which may materially affect the Company, has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations and statutes, and is not aware of any pending change or contemplated change to any applicable law or regulation or governmental position that would materially affect the business of the Company or the business or legal environment under which the Company operates;
- (f) the Company has undertaken no business operations of any kind other than as permitted by Policy 2.4;
- (g) the authorized capital of the Company consists of the share capital as disclosed in the Prospectus, and all of the issued and outstanding securities have been duly issued in compliance with all applicable securities laws and are fully paid and non-assessable; and to the best of the Knowledge of the Company, none of the issued and outstanding securities of the Company are owned directly or indirectly by any director, officer, employee or contractor of the Agent or any Affiliates (as defined in Policy 1.1) of any of the foregoing except as disclosed in the Prospectus; and no person, firm or corporation has any agreement or option, or right or privilege, whether pre-emptive or contractual, capable of becoming an agreement, including convertible securities, for the purchase, subscription or

issuance of any unissued Common Shares or other securities of the Company except as disclosed in the Prospectus;

- (h) there are no other agreements with respect to the securities of the Company between shareholders of the Company and the Company not disclosed in the Prospectus;
- (i) there is no action, proceeding or investigation pending or threatened against the Company before or by any federal, provincial, state, municipal, county or other governmental department, commission, board or agency, domestic or foreign, which may result in any material adverse change in the business or in the condition, financial or otherwise, of the Company, or which questions the validity of any action taken or to be taken by the Company pursuant to or in connection with this Agreement or as contemplated by the Preliminary Prospectus or the Prospectus;
- (j) the Company has not, directly or indirectly, declared or paid any dividends or declared or made any other distribution on any of its Common Shares or any other shares of any class since incorporation, and, subject to the rules, policies and regulations of the Exchange, and the restrictions on the declaration and payment of dividends by the Company as disclosed in the Prospectus, there is not, in the constating documents of the Company or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which the Company is a party, any restriction upon or impediment to the declaration or payment of dividends by the directors of the Company or the payment of dividends by the Company to the holders of its Common Shares;
- (k) the audited financial statements (the “**Financial Statements**”) of the Company included in the Prospectus, including the notes thereto, present fairly, in all material respects, the financial position of the Company at the date indicated in the Financial Statements, reflect all liabilities (absolute, accrued, contingent or otherwise) and have been prepared in accordance with IFRS applied on a consistent basis and there has not been any material adverse change in such position since such date;
- (l) the auditors of the Company who audited the Financial Statements and who provided their audit report thereon are Chartered Professional Accountants as required under Securities Legislation and there has never been a reportable event (within the meaning of National Instrument 51-102 - *Continuous Disclosure Requirements*) with the present auditors of the Company;
- (m) the Financial Statements have been approved by the Company’s directors;
- (n) there has been no material adverse change in the assets, financial position or business of the Company and the Company has not entered into a transaction of a nature material to the Company since the date of the Financial Statements;
- (o) no event has occurred which would require the Prospectus to be amended which has not been so set forth;
- (p) except as disclosed herein or in the Preliminary Prospectus or the Prospectus, there is no person, firm or corporation acting or purporting to act for the Company which is entitled to any brokerage or finder’s fee in connection with any of the transactions contemplated hereunder;
- (q) except as disclosed in the Prospectus, none of the directors or officers of the Company are indebted or under obligation to the Company on any account whatsoever, and the Company has not guaranteed or agreed to guarantee any debt, liability or other obligation of any kind whatsoever of any person, firm or corporation of any kind whatsoever;

- (r) the Company has not entered into any transactions other than as disclosed in the Preliminary Prospectus and the Prospectus;
- (s) the Company does not own or have any interest in any asset or property of any kind whatsoever, other than cash or deposits with financial institutions, and without limiting the generality of the foregoing, the Company has not identified a proposed Qualifying Transaction or reached an Agreement in Principle with any party;
- (t) the Company is not in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of this Agreement, the Escrow Agreement and the Agent's Option Certificate by the Company or any of the transactions contemplated hereby or thereby, do not and will not result in any breach of, or constitute a default under, or do not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, any term or provision of the articles of incorporation or notice of articles, or resolutions of the shareholders or directors of the Company, or any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Company is a party or by which it is bound, or to its knowledge any law, judgment, decree, order, statute, rule or regulation applicable to the Company which default or breach might reasonably be expected to materially adversely affect the business, operations, capitalization (financial or otherwise) of the Company or its properties or assets, or would impair the ability of the Company to consummate the transactions contemplated hereby or thereby or to duly observe and perform any of its covenants or obligations contained in this Agreement, the Escrow Agreement and the Agent's Option Certificate;
- (u) other than the approval of the Exchange for the listing of the Common Shares and the receipt of the Commissions, no approval, authorization, consent or other order of any governmental authority is required in connection with the execution and delivery or with the performance by the Company of this Agreement except requisite filings with the Commissions and the Exchange;
- (v) to the best of the knowledge of the management of the Company, none of the directors or senior officers of the Company, or any holder of more than 10% of its outstanding Common Shares, or any Associate or Affiliate (as such terms are defined in the Securities Legislation) of any of the foregoing persons or companies has, or has had any material interest, direct or indirect, in any continuing or existing material transaction or has any material interest, direct or indirect, in any proposed material transaction which, as the case may be, is material to or will materially affect the Company, except as stated in the Preliminary Prospectus and the Prospectus;
- (w) no securities commission or other governmental authority has issued any order preventing or suspending the use of the Preliminary Prospectus or the Prospectus and the Company is not in default of any requirement of the Securities Legislation;
- (x) except as disclosed in the Preliminary Prospectus and the Prospectus, no order ceasing or suspending trading in securities of the Company, or its directors, officers or promoters or, to the best of the Company's knowledge, against any other companies that have common directors, officers or promoters and, to the best of the Company's knowledge after due inquiry, no proceedings for this purpose have been instituted, are pending, contemplated or threatened;
- (y) all statements, facts, data, information and materials provided in writing from time to time by the Company to the Agent relating to the Company and its directors, officers and shareholders and the Purchasers are true and correct in all material respects, and all material facts relating to the Company and its directors, officers and shareholders have been fully disclosed to the Agent and such statements, facts, data, information and material

did not and do not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make any statement or fact contained therein not misleading in light of the circumstances in which it was made;

- (z) the directors and senior officers of the Company have reviewed the Preliminary Prospectus and will have reviewed the Prospectus and the directors have duly approved the Preliminary Prospectus and the Prospectus and the filing of the Prospectus and will have authorized its distribution by the Agent to the Purchasers hereunder at the respective times they are filed with the Commissions and the Exchange;
- (aa) except statements of fact relating solely to the Agent, for which the Company makes no representation or warranty, the Preliminary Prospectus and the Prospectus contain full, true and plain disclosure of all material facts in relation to the Offered Common Shares, the Agent's Options and the CPC Stock Options as required by the Securities Legislation;
- (bb) except statements of fact relating solely to the Agent, for which the Company makes no representation or warranty, none of the statements or facts contained in the Preliminary Prospectus or the Prospectus are false or misleading in any way and there has been no omission to state any material fact therein necessary in order to make any statement contained therein not misleading in light of the circumstances in which it was made;
- (cc) upon payment of the proceeds for the Offered Common Shares, the Offered Common Shares will be validly authorized and issued, the Agent's Options and the CPC Stock Options will be validly created, authorized and delivered and the Common Shares issued upon the exercise of the Agent's Options and the CPC Stock Options will be validly authorized, allotted and reserved for issuance upon the exercise of the Agent's Options and the CPC Stock Options and the Offered Common Shares and the Common Shares issued upon the exercise of the Agent's Options and the CPC Stock Options will, when issued, be issued as fully paid and non-assessable Common Shares and will be issued free and clear of all liens, charges or encumbrances of any kind whatsoever;
- (dd) the Company's directors and officers, as disclosed in the Prospectus, have been duly elected or appointed and hold the offices indicated in the Prospectus;
- (ee) the Company has advised the directors and officers of the Company about: (1) the nature and scope of their responsibilities and duties as directors and officers, respectively, of a public corporation listed on the Exchange, including, without limitation, the matters set out in Policy 3.1 of the Exchange's Corporate Finance Manual; and (2) the obligations of the Company to prepare, file, publish and disseminate, as applicable, such information and documentation as may be required by Securities Legislation, including, without limitation, as required by Policies 3.2 and Policy 3.3 of the Exchange's Corporate Finance Manual;
- (ff) the Company has advised the Company's directors and officers of the requirements and restrictions on the use of the net proceeds of the Offering as set out in Section 7 of Policy 2.4;
- (gg) the Company has not made and will not make any payments which are prohibited by Policy 2.4, except as may be expressly permitted by the Exchange;
- (hh) the Transfer Agent, at its principal office in the City of Vancouver, has been duly appointed transfer agent and registrar for the Common Shares;
- (ii) except for the Escrow Agreement, neither the Company nor any of its shareholders is a party to any voting trust, securities pooling agreement or similar type of arrangement or agreement in force in respect of any of the securities of the Company;

- (jj) the Company requires the signature of two authorized persons on any cheques issued by the Company;
- (kk) as at the date hereof, the minute book of the Company is true, complete and correct in all material respects and contains the minutes of all meetings and all resolutions of the directors and shareholders thereof; and
- (ll) at or prior to the time of filing the Prospectus with the Commissions, the Exchange will have granted conditional approval to list the Common Shares to be issued pursuant to the Offering and the Common Shares issuable upon the exercise of the Agent's Options and the CPC Stock Options.

ARTICLE 7 COVENANTS OF THE COMPANY

- 7.1 Forthwith following execution of this Agreement, the Company will use its best efforts to take or cause to be taken all steps and proceedings that may be necessary under the Securities Legislation, including but not limited to, the filing of the Prospectus and the obtaining of a final receipt pursuant to Multilateral Instrument 11-102 - *Passport System* therefor from the Principal Regulator, to qualify the Offered Common Shares for distribution to the public resident in the Qualifying Jurisdictions through the Agent and sub-agents, if any, or other registered securities dealers and to qualify for distribution the Agent's Options and the CPC Stock Options.
- 7.2 The Company shall promptly notify the Agent in writing of full particulars of any material change, actual, anticipated or threatened, during the period of distribution to the public of the Offered Common Shares pursuant to the Offering:
- (a) in the business or affairs of the Company of which the Company is aware;
 - (b) in the directors or officers of the Company of which the Company is aware;
 - (c) in any material fact contained or referred to or omitted in the Preliminary Prospectus or, after filing the Prospectus, the Prospectus or in any material supplemental thereto supplied by the Company, which is of such a nature as to render the Preliminary Prospectus or, after filing the Prospectus, the Prospectus or material supplemental thereto, misleading or untrue;
 - (d) in any statements, facts, data, personal information form or materials provided to the Agent with respect to the directors, officers and insiders of the Company, of which the Company is aware, which is of such a nature as to render the Preliminary Prospectus or the Prospectus misleading or untrue; or
 - (e) in any of the representations and warranties contained in Article 6 herein,
- and the Company shall file under the Securities Legislation, with all possible dispatch, and in any event within any statutory limitation therefor, such new or correcting information, amendments and other documents as the circumstances may require. The Company shall further provide the Agent with copies of such information, amendments or other documents as the Agent may reasonably require.
- 7.3 The Company shall in good faith discuss with the Agent any change in circumstances which is of a nature that there is reasonable doubt as to whether notice in writing need be given to the Agent pursuant to Section 7.2 hereof.

- 7.4 During the distribution period of the Offered Common Shares or such longer period of time, if any, while the Prospectus continues to be current, the Company will advise the Agent promptly of any request of the Commissions, the Exchange or other regulatory body for any amendment to the Prospectus or for any additional information and, until the Closing Date, the issuance by the Commissions, the Exchange or any other regulatory body of any cease trading order or suspension order relating to the Common Shares or of the institution of any such proceedings. The Company covenants to use its commercially reasonable efforts to prevent the issuance of any such cease trading order or suspension order and, if issued, to obtain the withdrawal thereof as soon as possible.
- 7.5 The Company from time to time at its expense shall deliver to the Agent, at the direction of the Agent, as many commercial copies of the Prospectus (and in the event of an amendment, of such amended Prospectus) as the Agent may reasonably request, and any such delivery shall constitute the consent of the Company to the use thereof in connection with the Offering, subject to the provisions of the Securities Legislation relating thereto.
- 7.6 Delivery of the Preliminary Prospectus and the Prospectus and any supplementary material thereto shall constitute a representation and warranty by the Company to the Agent that all information and statements (except information and statements relating solely to or provided solely by the Agent) contained in the Preliminary Prospectus and the Prospectus and supplementary material are true and correct in all material respects at the time of delivery thereof and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Company and that no material fact has been omitted therefrom (except facts relating solely to the Agent) which is required to be stated therein or is necessary to make the statements or information contained therein not misleading in light of the circumstances under which they were made. Such delivery shall also constitute the Company's consent to the Agent's use of the Preliminary Prospectus and the Prospectus, any supplementary material thereto and any other public documents supplied to the Agent by the Company for the distribution of the Offered Common Shares in the Qualifying Jurisdictions in compliance with the provisions of this Agreement and the Securities Legislation.
- 7.7 The proceeds received by the Company from the sale of the Offered Common Shares will be used by the Company as described in the Prospectus under the heading "Use of Proceeds" and in compliance with the provisions of Policy 2.4.
- 7.8 The Company will take all necessary action to extra-provincially register the Company in a timely manner, whenever the business or property of the Company makes such registration necessary.
- 7.9 The Company will take all necessary action and make all necessary filings with the Exchange to complete its application for listing the Common Shares on the Exchange in order to effect the listing and posting for trading of the Common Shares on the Closing Date.
- 7.10 Subject to the best interests of the Company, prior to the completion of the Qualifying Transaction, the Company will not take any action which would be reasonably expected to result in the delisting or suspension of its Common Shares on or from the Exchange or on or from any stock exchange, market or trading or quotation facility on which its Common Shares are listed or quoted and the Company will comply, in all material respects, with the rules and regulations thereof.
- 7.11 The Company will promptly deliver to the Agent all documents or information reasonably requested by the Agent in relation to the transactions contemplated in this Agreement and in relation to the performance by the Agent of its due diligence investigations in respect of the Preliminary Prospectus and the Prospectus and the listing of the Common Shares of the Company on the Exchange, including, without limitation, personal information forms for all insiders, officers and directors, financial statements, consent of insiders to background, credit, educational and other checks, shareholder lists, business plans, etc.

- 7.12 The Agent may, prior to the filing of the Prospectus, acting reasonably, retain at the Company's expense, any agents, experts, professionals or others which it deems necessary or advisable in order to perform its obligations and due diligence procedures under this Agreement and in accordance with Policy 2.4 and Policy 2.2, if applicable, and the Company covenants that it will comply with all reasonable requests by such agents, experts or professionals in respect of their investigations into the business and affairs of the Company, including any requests for access to the Company's operations, property and facilities.
- 7.13 Until the Closing Date, the Company will provide to the Agent in advance any press release relating to the Offering and the Company will use its reasonable best efforts to agree to the form and content thereof with the Agent prior to the release thereof. No press release will be issued in the United States by the Company concerning the Offering during the Offering and any press release issued by the Company concerning the Offering shall include the following:
- "This news release does not constitute an offer or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to a U.S. Person unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available."
- 7.14 Until the Company completes a Qualifying Transaction, the Company will comply with all applicable provisions of Policy 2.4. The Company will use its commercially reasonable efforts to maintain its status as a reporting issuer not in default of any Securities Legislation in the Qualifying Jurisdictions for a period of twenty four (24) months following the date that its Common Shares are listed and posted for trading on the Exchange and will use its commercially reasonable efforts to maintain its listing on the Exchange and to complete a Qualifying Transaction.
- 7.15 For a period of one-hundred and twenty (120) days following the Closing Date, the Company agrees not to directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to, or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional Common Shares or any securities convertible or exchangeable into Common Shares, without the written consent of the Agent, not to be unreasonably withheld, except for:
- (a) Common Shares issuable upon exercise of previously issued, convertible or exchangeable securities;
 - (b) securities issued in accordance with any agreement to acquire assets that will form the basis of a Qualifying Transaction;
 - (c) options or Common Shares issuable upon the exercise of options granted to the directors, officers, employees and consultants of the Company from time to time pursuant to a stock option plan or similar plan in place prior to the Closing Date; and
 - (d) the securities (or Common Shares underlying such securities) contemplated herein;
 - (e) securities issued in connection with the Company's Qualifying Transaction following the issuance of a Financing Notice.

**ARTICLE 8
REPRESENTATIONS AND WARRANTIES OF THE AGENT**

- 8.1 The Agent represents and warrants to the Company and acknowledges that the Company is relying thereon that:
- (a) it is a valid and subsisting corporation duly incorporated, continued or amalgamated and in good standing under the laws of the jurisdiction in which it was incorporated, continued or amalgamated;
 - (b) it is duly registered under Securities Legislation to sell the Offered Common Shares in the Qualifying Jurisdictions;
 - (c) it is a member in good standing of the Exchange;
 - (d) this Agreement has been authorized by all necessary corporate action on the part of the Agent and is a valid and binding obligation of the Agent enforceable in accordance with its terms; and
 - (e) the Agent is a resident of Canada within the meaning of the *Income Tax Act* (Canada).

**ARTICLE 9
COVENANTS OF THE AGENT**

- 9.1 The Agent hereby covenants, subject to the conditions contained in Article 10 hereof, to use commercially reasonable efforts to solicit subscriptions for the Offered Common Shares in the Qualifying Jurisdictions such that and without limiting the generality of the foregoing:
- (a) at least 500,000 of the Common Shares (or such lesser number as is acceptable to the Exchange) issued and outstanding on the Closing Date, including the Offered Common Shares, will be in the Public Float (as such term is defined in Policy 1.1);
 - (b) at least twenty percent (20%) of the outstanding Common Shares on the Closing Date, including the Offered Common Shares, will be beneficially owned directly or indirectly by Public Shareholders (as such term is defined in Policy 1.1)
 - (c) no more than twenty percent (20%) of the issued and outstanding Common Shares (or such greater amount as is acceptable to the Exchange) on the Closing Date, including the Offered Common Shares, will be owned directly or indirectly by members of the Aggregate Pro Group (as such term is defined in Policy 1.1) excluding the Agent's Options and any other Common Shares reserved for issuance at a future date;
 - (d) there will be at least that number of Purchasers equal to 150 or such lesser number as is acceptable to the Exchange to satisfy section 3.2(l) and (m) of Policy 2.4, each such Purchaser:
 - (i) purchasing beneficially at least 1,000 Common Shares free of Resale Restrictions (as such terms are defined in Policy 1.1); and
 - (ii) in respect of 75% of the Offered Common Shares, individually purchasing, directly or indirectly, no more than two percent (2%) of the Offered Common Shares, being 60,000 Common Shares in the case of the Minimum Offering, and 100,000 Common Shares in the case of the Maximum Offering, and in the aggregate, with

such Purchaser's Associates and Affiliates (as such terms are defined in Policy 1.1), purchasing, directly or indirectly, no more than four percent (4%) of the Offered Common Shares, being 120,000 Common Shares in the case of the Minimum Offering or 200,000 Common Shares in the case of the Maximum Offering.

- 9.2 The Agent hereby covenants and agrees, subject to the conditions contained in Article 10 hereof, that it will not solicit subscriptions for the Offered Common Shares except in compliance with Securities Legislation, and only in the Qualifying Jurisdictions, the rules, policies and by-laws of the Exchange and the terms and conditions set forth in the Prospectus and this Agreement.
- 9.3 The Agent hereby covenants and agrees that it will comply with all applicable Securities Legislation in respect of the Offering in the Qualifying Jurisdictions, the rules, policies and by-laws of the Exchange and the terms and conditions set forth in the Prospectus and this Agreement.
- 9.4 The Agent will deliver to each Purchaser a copy of the Prospectus sufficiently in advance of the Closing Time such that all withdrawal rights under the Securities Legislation will have expired on or before the Closing Time.
- 9.5 The obligation of the Agent to execute any certificate or deliver any documents pertaining to the Preliminary Prospectus and the Prospectus shall be conditional upon compliance by the Company to the date of such execution and delivery with each of its covenants contained in this Agreement to be complied with prior to the filing of either the Preliminary Prospectus or the Prospectus, as the case may be.
- 9.6 The Agent covenants and agrees that it shall:
- (a) provide all such notices and documents as may be required in connection with the Offering, including those required for the Prospectus by the orders, policies, rules, regulations, by-laws and procedures of the Commissions and the Exchange which govern capital pool company offerings, as amended from time to time;
 - (b) deliver to the Exchange as soon as reasonably possible prior to the Closing, a distribution summary statement as required by Section 3.2 of Policy 2.3 of the Exchange or such other document as may be required by the Exchange; and
 - (c) deliver to the Company as soon as reasonably possible prior to the Closing, a breakdown showing the gross proceeds received by the Agent in each Qualifying Jurisdiction.

ARTICLE 10 TERMINATION

- 10.1 The obligations of the Agent contained in this Agreement may be terminated by the Agent in the event that prior to the Closing Time:
- (a) any order operating to restrict, prevent or cease trading, including communicating with persons to obtain expressions of interest, in the Common Shares is made pursuant to the Securities Legislation;
 - (b) the Company is in breach of any material term, condition or covenant of this Agreement;
 - (c) there is, in the sole opinion of the Agent a material change or a change in any material fact or a new material fact shall arise which would be expected to have an adverse change or effect on the business, affairs, prospects or financial condition of the Company;

- (d) any adverse change, in the sole opinion of the Agent occurs in or to the state of the financial markets generally, or there shall occur any changes (actual, anticipated, contemplated or threatened) in the assets, liabilities, business or operations of the Company which, in the sole opinion of the Agent, could be expected to have an adverse effect on the market price or value of the Common Shares of the Company or adversely affects or may adversely affect the marketability of the Offered Common Shares of the Company;
 - (e) any inquiry, investigation or other proceeding (whether formal or informal) in relation to the Company, its affairs, records or accounts or any of its directors or officers or any of its principal shareholders is commenced, announced or threatened, or any order is issued by a federal, provincial or other government authority or by any stock exchange, or there is any change of law which, in the sole opinion of the Agent operates or will operate to prevent or to restrict the trading of the Common Shares or the distribution of any Common Shares or materially adversely affects or may materially adversely affect the marketability of the Common Shares;
 - (f) if there should develop, occur or come into effect or existence any event, action, state, condition or financial occurrence of consequence or any governmental action, law, regulation, inquiry or other occurrence of any nature whatsoever which, in the sole opinion of the Agent adversely affects or involves, the financial markets generally or the business, operations, affairs or financial condition of the Company, or the market price or value or marketability of the Common Shares, and the Agent determines, in its sole discretion, that it is not in the interest of Purchasers to complete the purchase and sale of the Common Shares;
 - (g) the state of the financial markets, whether national or international, is such that, in the sole opinion of the Agent it would be impractical or unprofitable to offer or continue to offer the Common Shares for sale;
 - (h) the Agent is advised by the Company or the Exchange that the Exchange will not approve the listing of the Common Shares; or
 - (i) the Agent, in its sole discretion is not satisfied with the results of its due diligence investigations of the Company.
- 10.2 This Agreement will terminate if a receipt for the Prospectus is not issued by the Principal Regulator within one hundred and twenty (120) days of the reference date of this Agreement.
- 10.3 Any termination of any of the obligations of the Agent hereunder pursuant to the provisions hereof shall be effected by notice to the Company no later than the Closing Time. Notwithstanding the giving of any notice of termination hereunder, the provisions of Article 14 and all rights of action in connection therewith shall survive following such termination and the fees and expenses agreed to be paid by the Company, referred to in Article 12, incurred up to the time of the giving of such notice shall be paid by the Company. The rights of the Agent to terminate this Agreement are in addition to such remedies as it may have in respect of any default, misrepresentation, act or failure to act of the Company in respect of any of the transactions contemplated in this Agreement.

ARTICLE 11 THE CLOSING

- 11.1 The obligations of the Agent to complete the transactions contemplated in this Agreement are subject to the following conditions precedent, and the Agent shall have the right on the Closing Date to not conclude the Offering if such conditions are not satisfied and/or waived on or before the Closing, which conditions the Company covenants to use its commercially reasonable efforts to fulfill or satisfy on or before the Closing:

- (a) all actions required to be taken by or on behalf of the Company, including the passing of all requisite resolutions of the directors of the Company approving this Agreement, the Offering, the Prospectus, the issuance of the Offered Common Shares, the Agent's Options, the Agent's Option Shares and the Common Shares issuable upon exercise of the CPC Stock Options, and all other matters relating to the foregoing, will have been taken so as to validly offer, sell and deliver the Offered Common Shares in the Qualifying Jurisdictions and to grant the Agent's Options;
- (b) the Company will have made all necessary filings and obtained all necessary approvals, consents and acceptances of appropriate regulatory authorities, including without limitation, receipts for the Prospectus from each Commission and the listing of the Common Shares on the Exchange;
- (c) the Company shall deliver to the Agent on the Closing Date a legal opinion of the Company's legal counsel addressed to the Agent, in form and substance satisfactory to the Agent and the Agent's legal counsel, with respect to such matters as the Agent and the Agent's legal counsel may reasonably request relating to the distribution under the Prospectus;
- (d) the Company shall deliver to the Agent at the Closing Time a certificate, in form and substance satisfactory to counsel for the Agent, signed by the Chief Executive Officer and Chief Financial Officer of the Company and addressed to the Agent and to the Agent's legal counsel, dated the Closing Date, to the effect that:
 - (i) the representations and warranties contained in Article 6 hereof are true and correct at and as at the Closing Time after giving effect to the transactions contemplated by the Prospectus and this Agreement;
 - (ii) the Company has complied with all covenants and satisfied all the conditions contained herein on its part to be performed or satisfied (except those waived in writing by the Agent) at or prior to the Closing Date;
 - (iii) no order suspending the sale or ceasing the trading of the Common Shares or any other securities of the Company has been issued and no proceedings for that purpose have been instituted or are pending or are contemplated or threatened by the Commissions, the Exchange, or any other securities commission, stock exchange or regulatory authority; and
 - (iv) such officer of the Company has examined the Prospectus and since the respective dates as of which information is given in the Prospectus, except as set forth in and contemplated by the Prospectus, the Company has not incurred any material liabilities or obligations, direct or contingent, or entered into any transactions not in compliance with Policy 2.4, and there has been no material change in the assets, financial position, business or results of operations of the Company, and to the best of the knowledge and information of such officer, no event has occurred and no state of fact exists that, under Securities Legislation, is required to be set forth in an amended Prospectus that has not been so set forth;
- (e) the Company shall pay the Agent's Commission and expenses as contemplated in this Agreement; and
- (f) the Company shall deliver to the Agent and its legal counsel any other certificates, comfort letters or opinions in connection with any matter related to the Prospectus, which are reasonably requested by the Agent or its legal counsel.

- 11.2 The Closing shall occur at the Closing Time on the Closing Date at such location as may be agreed to between the Company and the Agent. Subject to the conditions set forth in Section 11.1, at the Closing Time, the Agent shall deliver to the Company:
- (a) the Subscription Funds after deducting the Agent's Commission, the Corporate Finance Fee and the Agent's expenses as contemplated in Article 12 of this Agreement, after taking into account amounts received by the Agent from the Company prior to the Closing Date; and
 - (b) such further and other documentation that may be contemplated by this Agreement,
- against delivery by the Company at the Closing Time of:
- (i) definitive certificates (or confirmation of issuance on a non-certificated basis) representing the number of Offered Common Shares sold and registered in such name or names and numbers as the Agent shall notify the Company in writing prior to the Closing Time;
 - (ii) the Agent's Option Certificate(s); and
 - (iii) such other documents and certificates as may be contemplated by this Agreement or as the Agent, acting reasonably, the Agent's counsel, acting reasonably, the Commissions, Securities Legislation or the Exchange may require or dictate.

ARTICLE 12 EXPENSES OF THE COMPANY

- 12.1 Notwithstanding any termination of this Agreement or the cancellation of its obligations by the Agent pursuant to Article 10 hereof and, except as otherwise indicated herein, the reasonable costs and expenses of or incidental to the creation, issue and offering of the Offered Common Shares including, without limitation, the reasonable fees and expenses of counsel for the Company, the reasonable fees and expenses of counsel for the Agent, all other reasonable expenses incurred by the Agent in connection with the Offering, the fees of the auditor of the Company, the cost of printing and delivering the definitive certificates for the Offered Common Shares, if any, the fees and disbursements of the transfer agent, the cost of preparing, printing and delivering the Prospectus to the Agent, the associated fees prescribed by the Securities Legislation in connection with the Offering and the fees of the Exchange shall be borne and paid by the Company whether or not the Offering is completed as contemplated. Notwithstanding the above, the Company will pay the reasonable fees and expenses of counsel for the Agent at the Closing Time or forthwith upon request of the Agent if the Offering does not close, by bank draft or certified cheque payable to the Agent or counsel to the Agent or in such other manner as is acceptable to the Agent or counsel to the Agent.
- 12.2 The Agent hereby acknowledges receipt of the sum of \$10,000 to be used towards its expenses, including the fees and expenses of Agent's legal counsel, MLT Aikins LLP.

ARTICLE 13 RIGHT OF FIRST REFUSAL

- 13.1 The Company will notify the Agent (the "**Financing Notice**") of any further brokered equity financings being undertaken by the Company in connection with the Company's Qualifying Transaction and the Agent will have a right of first refusal to act as the Company's agent in respect of such brokered financing. Such right of first refusal shall be effective during the term of this Agreement and until the date of completion of the Qualifying Transaction.

- 13.2 The Company will notify the Agent (the “**Q.T. Notice**”) of any Agreement in Principle which is reached with respect to a Qualifying Transaction and the Agent will have the right of first refusal to act as the Company’s sponsor, on terms which are customary for such engagements, with respect to the Qualifying Transaction, if a sponsor is required by the Exchange.
- 13.3 In addition to the Q.T. Notice, subject to the consent of the Target (as defined below) and if required by the Target, the Agent entering into a non-disclosure agreement with the Target, the Company will provide the Agent with:
- (a) copies of the most recent audited financial statements and unaudited financial statements of the Company and any and all financial information that is, or after using commercially reasonable efforts could reasonably be, in the possession of the Company in a timely manner for any Significant Assets (as that term is defined in the Policy 2.4) the Company proposes to purchase in the Qualifying Transaction (the “**Target**”);
 - (b) a copy of any and all business plans or technical reports in respect of the Target that are, or after using commercially reasonable efforts could reasonably be, in the possession of the Company in a timely manner; and
 - (c) copies of all such other information concerning the business of the Target as the Agent may reasonably request, provided that the Company is in possession of such information or could reasonably be in possession of such information in a timely manner using commercially reasonable efforts;
- (collectively, the “**Q.T. Reports**”) in order that the Agent may undertake an investigation of the business of the Target.
- 13.4 The right of first refusal must be exercised in writing by the Agent:
- (a) within ten (10) days following the receipt of the Financing Notice by notifying the Company that it will provide such financing on the terms set out in the Financing Notice; or
 - (b) within ten (10) days following the receipt of the Q.T. Notice and the Q.T. Reports by notifying the Company that it will provide sponsorship on terms to be mutually agreed upon by the parties.
- 13.5 If the Agent fails to give the applicable notice within ten (10) days, the Company will then be free to make other arrangements to obtain financing or sponsorship from another source on the same terms or on terms no less favourable to the Company.
- 13.6 The rights of first refusal will not terminate if, on receipt of any Financing Notice or Q.T. Notice from the Company, the Agent fails to exercise the right.

ARTICLE 14 INDEMNITY

- 14.1 The Company and its subsidiaries or affiliated companies, as the case may be, (collectively, the “**Indemnitor**”) hereby agree to indemnify and hold the Agent, each of its subsidiaries and affiliates, and each of their directors, officers, employees and agents (hereinafter referred to as the “**Personnel**”) harmless from and against any and all expenses, losses (other than loss of profits), fees, claims, actions (including shareholder actions, derivative actions or otherwise), damages, obligations, or liabilities, whether joint or several, and the reasonable fees and expenses of their counsel, that may be incurred in advising with respect to and/or defending any actual or threatened claims, actions, suits, investigations or proceedings to which the Agent and/or its Personnel may

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

- (a) the Agent and/or its Personnel have breached the terms of this Agreement, or has been grossly negligent or has committed willful misconduct or any fraudulent act in the course of such performance; and
 - (b) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the gross negligence, willful misconduct or fraud referred to in Section 14.1(a).
- 14.2 Without limiting the generality of the foregoing, this indemnity shall apply to all reasonable expenses (including legal expenses), losses, claims and liabilities that the Agent may incur as a result of any action or litigation that may be threatened or brought against the Agent.
- 14.3 If for any reason (other than the occurrence of any of the events itemized in 14.1(a) and 14.1(b) above), the foregoing indemnification is unavailable to the Agent or any Personnel or insufficient to hold the Agent or any Personnel harmless as a result of such expense, loss, claim, damage or liability, the Indemnitor, the Agent and such Personnel will contribute to such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Agent or any Personnel on the other hand but also the relative fault of the Indemnitor and the Agent or any Personnel, as well as any relevant equitable considerations; provided that the Indemnitor shall in any event contribute to the amount paid or payable by the Agent or any Personnel as a result of such expense, loss, claim, damage or liability and any excess of such amount over the amount of the fees received by the Agent pursuant this Agreement.
- 14.4 The Indemnitor agrees that in case any legal proceeding shall be brought against the Indemnitor, the Agent and/or any Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or any such entity shall investigate the Indemnitor, the Agent, and/or any Personnel of the Agent shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Indemnitor by the Agent or any Personnel, then the Agent and such Personnel shall have the right to employ its own counsel in connection therewith provided the Agent and such Personnel act reasonably in selecting such counsel, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Agent for time spent by the Agent's Personnel in connection therewith) and reasonable out-of-pocket expenses incurred by their Personnel in connection therewith shall be paid by the Indemnitor as they occur.
- 14.5 Promptly after receipt of notice of the commencement of any legal proceeding against the Agent or any of the Agent's Personnel or after receipt of notice of the commencement or any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, the Agent will notify the Indemnitor in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Indemnitor, will keep the Indemnitor advised of the progress thereof and will discuss with the Indemnitor all significant actions proposed. However, the failure by the Agent to notify the Indemnitor will not relieve the Indemnitor of its obligations to indemnify the Agent and/or any

Personnel. The Indemnitor shall, on behalf of itself and the Agent and/or any Personnel, as applicable, be entitled to (but not required) to assume the defence of any suit brought to enforce such legal proceeding; provided, however, that the defence shall be conducted through legal counsel acceptable to the Agent and/or any Personnel, as applicable, acting reasonably, that no settlement of any such legal proceeding may be made by the Indemnitor, without the prior written consent of the Agent and/or any Personnel, acting reasonably, as applicable, and none of the Agent and/or any Personnel, as applicable, shall be liable for any settlement of any such legal proceeding unless it has consented in writing to such settlement, such consent not to be unreasonably withheld. The Agent and its Personnel shall have the right to appoint its or their own separate counsel at the Indemnitor's cost provided the Agent acts reasonably in selecting such counsel.

- 14.6 The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Personnel of the Agent and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor, the Agent and any of the Personnel of the Agent. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of this Agreement.

ARTICLE 15 NOTICES

- 15.1 Any notice required or permitted to be given hereunder shall be in writing and shall be deemed to have been given or made when delivered at the addresses of the relevant party set forth below or such other address as a party may stipulate in writing:

- (a) to the Company at:

Victory Opportunities 1 Corp.
228-1122 Mainland Street
Vancouver, British Columbia
V6B 5L1

Attention: Michael Yeung
Email: michael@yeungholdings.com

with a copy to:

AFG Law LLP
815 Hornby Street
Vancouver, BC V6Z 2E6

Attention: Nick Ayling
Email: nick@afgllp.com

- (b) the Agent at:

PI Financial Corp.
1900, 666 Burrard Street
Vancouver, BC V6C 3N1

Attention: Jim Locke
Email: jlocke@pifinancial.com

with a copy to:

MLT Aikins LLP
2600, 1066 West Hastings Street
Vancouver, BC V6E 3X1

Attention: Kevin Sorochan
Email: ksorochan@mltaikins.com

The parties may change their respective addresses for notices by notice given in the manner set out above. Each notice shall be personally delivered to the addressee or sent by email to the addressee and (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent by email shall be deemed to be given and received on the first Business Day following the day on which it is sent.

ARTICLE 16 MISCELLANEOUS

- 16.1 Time shall be of the essence with respect to the terms and conditions of this Agreement.
- 16.2 All warranties, representations, covenants, indemnifications and agreements herein contained or contained in certificates or documents submitted pursuant to or in connection with the transactions herein along with all rights of action in connection therewith shall survive the Closing of the Offering and shall continue in full force and effect following the Closing Date for the benefit of the Agent and for the benefit of the Company.
- 16.3 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral, and there are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided.
- 16.4 If any provision of this Agreement is determined by a court of competent jurisdiction to be void or unenforceable in whole or in part, it shall be deemed not to affect or impair the validity of any other provision of this Agreement and such void or unenforceable provision shall be severable from this Agreement.
- 16.5 The terms and provisions of this Agreement will be binding upon and enure to the benefit of the Company, the Agent and their respective successors and assigns; provided that, except as otherwise provided in this Agreement, this Agreement will not be assignable by any party without the written consent of the other party and any purported assignment without such consent will be invalid and of no force and effect.
- 16.6 All the terms and provisions of this Agreement shall be binding upon, shall enure to the benefit of, and shall be enforceable by and against the parties hereto and their respective successors and assigns, but shall not be assignable, before or after the Closing Time, without the written consent of the other parties hereto.
- 16.7 This Agreement may be executed in several counterparts and may be represented by facsimile or other electronic format, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution, shall be deemed to bear the date as of the date hereof.

- 16.8 The Agent may waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, term or condition hereof, or extend the time for compliance therewith.
- 16.9 This Agreement is made solely for the benefit of the Company and the Agent, and their respective successors and permitted assigns, and does not and is not intended to confer any rights or remedies upon any other person.
- 16.10 This Agreement shall be construed and interpreted, and the rights and obligations of the parties arising hereunder governed, by the laws of the Province of British Columbia. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of British Columbia, over any dispute, termination, or breach of any kind or nature whatsoever arising out of or in connection with this Agreement.

[Remainder of page left intentionally blank – signature page to follow]

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

VICTORY OPPORTUNITIES 1 CORP.

Per: “Michael Yeung”
Authorized Signatory

PI FINANCIAL CORP.

Per: “Jim Locke”
Authorized Signatory