

BUSINESS COMBINATION AGREEMENT

AMONG:

ENERSPAR CORP.

and

11273396 CANADA INC.

and

MINDFULL CAPITAL INC.

MADE AS OF APRIL 16, 2019

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BUSINESS COMBINATION AGREEMENT

THIS AGREEMENT is made as of April 16, 2019

AMONG:

ENERSPAR CORP., a corporation existing under the *Business Corporations Act* (Alberta),

(hereinafter called “**EnerSpar**”),

- and -

11273396 CANADA INC., a corporation incorporated under the *Canada Business Corporations Act*,

(hereinafter called “**Subco**”),

- and –

MINDFULL CAPITAL INC., a corporation incorporated under the *Canada Business Corporations Act*,

(hereinafter called “**Mindfull**”),

WHEREAS EnerSpar is a reporting issuer in the provinces of British Columbia, Alberta, and Ontario whose common shares are listed on the TSX Venture Exchange (the “**TSXV**”);

AND WHEREAS Mindfull is engaged in the Mindfull Business (as defined herein);

AND WHEREAS EnerSpar desires to acquire all of the issued and outstanding shares of Mindfull by means of a three-cornered amalgamation among EnerSpar, Mindfull and Subco;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.01 Defined Terms

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

“**ABCA**” means the *Business Corporations Act* (Alberta), as amended;

“**Accredited Investor**” means an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act;

“**Affiliate**” of any person means, at the time such determination is being made, any other person who has control or who is controlled by or under common control with such first person, where “**control**”

means the possession, directly or indirectly, of the power to direct the management and policies of a person through the legal or beneficial ownership of voting securities, the right to appoint directors or management, by contract, voting trust, or otherwise; and the terms “**controlling**” and “**controlled**” have meanings correlative to the foregoing;

“**Agreement**” means this agreement, including its recitals and schedules, as amended from time to time;

“**Amalco**” has the meaning set out in Section 2.01(vi);

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

“**Amalgamation**” means the amalgamation of Mindfull and Subco pursuant to Section 181 of the CBCA as contemplated by this Agreement;

“**Amalgamation Agreement**” means the amalgamation agreement in the form attached hereto as Schedule “A” to be entered into between EnerSpar, Mindfull and Subco pursuant to section 182 of the CBCA to effect the Amalgamation;

“**Articles of Amalgamation**” means the articles of Amalgamation to be filed with the Director, in the form agreed to between EnerSpar and Mindfull, each acting reasonably;

“**Assets**” means the assets, undertaking, property and rights of Mindfull of every kind and description and wheresoever situated, including the Contracts to which Mindfull is a party or has rights or obligations under and all other assets and property that Mindfull purports to own and all assets and property reflected as being owned by Mindfull in its financial books and records;

“**Authorization**” means any order, permit, approval, consent, waiver, license, certificates, registrations or similar authorization of any Governmental Authority having jurisdiction including, but not limited to, environmental permits;

“**Board Change**” has the meaning set out in Section 6.11(i);

“**Board Change Resolution**” means the resolution of the EnerSpar Shareholders approving the Board Change;

“**Business Combination**” means the business combination among EnerSpar, Subco and Mindfull pursuant to which Mindfull Shareholders will receive New EnerSpar Shares on the basis of one New EnerSpar Share for each one Mindfull Common Share held and EnerSpar will become the parent company of Amalco;

“**Business Day**” means a day other than a Saturday, Sunday or statutory holiday in Toronto, Ontario or Calgary, Alberta;

“**Canadian Jurisdictions**” means each of the provinces of British Columbia, Alberta, and Ontario;

“**Canadian Securities Laws**” means all applicable securities Laws in each of the Canadian Jurisdictions and the respective rules and regulations made thereunder, together with applicable published policy statements, instruments, orders and rulings of the securities regulatory authorities in such provinces having the force of law;

“**CBCA**” means the *Canada Business Corporations Act*, as amended;

“**Compelled Disclosure**” has the meaning set out in Section 6.03(iv)(ii);

“**Confidential Information**” has the meaning set out in Section 6.03(i);

“**Confidentiality Agreement**” means the confidentiality and non-disclosure agreement entered into between Jay Richardson, Mindfull and EnerSpar dated January 28, 2019;

“**Consolidation**” means the consolidation of the EnerSpar Shares on the basis of one (1) New EnerSpar Share for each existing eight (8) EnerSpar Shares;

“**Consolidation Resolution**” means the special resolution of the EnerSpar Shareholders approving the Consolidation, as set out in Schedule “F” to this Agreement;

“**Constituting Documents**” means, in respect of a body corporate, the articles and the by-laws, or other charter documents, together with any amendments thereto or replacements thereof;

“**Contaminants**” means any radioactive materials, asbestos materials, urea formaldehyde, hydrocarbon contaminants, underground or above-ground tanks, pollutants, contaminants, deleterious substances, dangerous substances or goods, hazardous, corrosive, or toxic substances, special waste or waste of any kind, or any other substance, the storage, manufacture, disposal, treatment, generation, use, transport, remediation, or Release into the environmental of which is prohibited, controlled, or regulated under Environmental Laws;

“**Continuance**” means the continuance of EnerSpar from Alberta into Ontario under the OBCA prior to the Effective Date;

“**Continuance Resolution**” means the special resolution of the EnerSpar Shareholders approving the Continuance, as set out in Schedule “F” to this Agreement;

“**Contract**” means any agreement, contract, licence, undertaking, option, engagement, or commitment of any nature, written or oral, including but not limited to any: (i) lease of personal property, (ii) unfilled purchase order, (iii) forward commitment for supplies or materials or other forward contract, and (iv) restrictive agreement or negative covenant agreement;

“**CSE**” means the Canadian Securities Exchange;

“**CSE Listing**” has the meaning set out in Section 6.04(iii);

“**Depository**” means Computershare Trust Company of Canada;

“**Director**” means the Director appointed under section 260 of the CBCA;

“**Disclosing Party**” has the meaning set out in Section 6.03(i);

“**Dissent Rights**” means, as applicable, the dissent rights exercisable by: (i) the Mindfull Dissenting Shareholders with respect to the Amalgamation; or (ii) the EnerSpar Dissenting Shareholders with respect to the Continuance;

“**Distribution**” has the meaning set out in Schedule “D”;

“**Effective Date**” means the effective date set forth in the certificate of amalgamation issued by the Director pursuant to the CBCA in respect of the Amalgamation;

“**Effective Time**” means the earliest moment on the Effective Date;

“**Employee Plans**” means, with respect to a party to this Agreement (the “**Applicable Party**”), all employee benefit, fringe benefit, supplemental unemployment benefit, bonus, incentive, profit sharing, termination, change of control, pension, retirement, stock option, stock purchase, stock appreciation, stock award, health, welfare, medical, dental, disability, life insurance and similar plans, programmes, arrangements or practices relating to the current or former directors, officers, or employees of the Applicable Party and its Subsidiaries, maintained, funded or sponsored or required to be contributed to by the Applicable Party or a Subsidiary thereof, whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered, under which the Applicable Party or a Subsidiary thereof may have or would be reasonably expected to have any material Liability, contingent or otherwise, except for any statutory plans to which the Applicable Party or any of its Subsidiaries is obliged to contribute or comply with including the Canada/Québec Pension Plan, or plans administered pursuant to applicable federal or provincial health, worker’s compensation or employment insurance legislation;

“**EnerSpar**” means EnerSpar Corp., a corporation existing under the ABCA;

“**EnerSpar Board**” means the board of directors of EnerSpar prior to the completion of the Business Combination;

“**EnerSpar Circular**” means the management information circular of EnerSpar to be provided to the EnerSpar Shareholders in respect of the Transaction Resolutions and the other matters (if any) to be considered at the EnerSpar Meeting;

“**EnerSpar Disclosure Schedule**” means the disclosure schedule attached as Schedule “C” to this Agreement;

“**EnerSpar Dissent Procedures**” means the dissent procedures provided to EnerSpar Shareholders pursuant to Section 191 of the ABCA;

“**EnerSpar Dissenting Shareholder**” means a registered EnerSpar Shareholder who dissents in respect of the Continuance in strict compliance with the EnerSpar Dissent Procedures;

“**EnerSpar Financial Statements**” means the audited financial statements of EnerSpar for the years ended December 31, 2017 and 2016 and the interim unaudited financial statements of EnerSpar for the nine-month periods ended September 30, 2018 and 2017;

“**EnerSpar Material Adverse Effect**” means a material adverse effect on (i) the business, assets, liabilities, condition (financial or otherwise), or results of operations or shareholders’ equity of EnerSpar, or (ii) the ability of Subco to complete the Amalgamation, or (iii) the ability of EnerSpar to complete the Amalgamation, Business Combination, Consolidation, Continuance, TSXV Delisting, or CSE Listing;

“**EnerSpar Meeting**” means a special meeting of the holders of EnerSpar Shares to be held to approve the Transaction Resolutions and any and all adjournments or postponements of such meeting;

“**EnerSpar Option**” means an option to purchase an EnerSpar Share governed by the terms of the EnerSpar Option Plan;

“**EnerSpar Option Plan**” means the stock option plan for the directors, officers, employees and consultants of EnerSpar in effect on the date hereof;

“**EnerSpar Ordinary Course**” means, with respect to any actions taken by EnerSpar, that such action is consistent with the business of the exploration of the EnerSpar Properties;

“**EnerSpar Properties**” has the meaning set out in Section 4.19;

“**EnerSpar Shareholder Approval**” has the meaning set forth in Section 6.07(iii);

“**EnerSpar Shareholders**” means holders of EnerSpar Shares, and as applicable, New EnerSpar Shares;

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

“**EnerSpar Supporting Shareholders**” means those senior officers and directors of EnerSpar who have entered into the EnerSpar Voting Agreements;

“**EnerSpar Voting Agreements**” means the support agreements (including all amendments thereto) between EnerSpar and the EnerSpar Supporting Shareholders setting forth the terms and conditions upon which they have agreed, among other things, to vote their EnerSpar Shares in favour of the Transaction Resolutions;

“**Encumbrance**” means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition that, in substance secures payment or performance of an obligation;

“**Environmental Laws**” means any federal, state, provincial, territorial or local law, statute, ordinance, rule, regulation, order, decree, judgment, injunction, permit, license, authorization or other binding requirement, or common law, relating to health, safety or the regulation, protection, cleanup or restoration of the environment or natural resources, including those relating to the distribution, processing, generation, treatment, control, storage, disposal, transportation, other handling or release or threatened release of Contaminants;

“**Environmental Liabilities**” means, with respect to any Person, all liabilities, remedial and removal costs, investigation costs, capital costs, operation and maintenance costs, losses, damages, (including punitive damages, property damages, consequential damages and treble damages), costs and expenses, fines, penalties and sanctions incurred as a result of, or related to, any claim, suit, action, administrative order, investigation, proceeding or demand by any person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law arising under, or related to, any Environmental Laws or permits, or in connection with any Release or threatened Release whether on, at, in, under, from or about or in the vicinity of any real or personal property;

“**Exchange Ratio**” means one (1) New EnerSpar Share to be issued by EnerSpar in exchange for one (1) Mindfull Common Share pursuant to the Amalgamation;

“**Governmental Authority**” means (i) any international, multinational, national, federal, provincial, state, municipal, local or other government or governmental or public ministry, department, court, commission, board, bureau, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the foregoing, (iii) any quasi-governmental body exercising any regulatory, expropriation or taxing authority, or (iv) any stock exchange or securities market;

“**Governmental Charges**” means all Taxes, customs, duties, rates, levies, assessments, reassessments and other charges, unemployment insurance contributions, pension plan contributions and any deductions or other amounts which a party is required by Law or Contract to pay, deduct, withhold, collect or remit to any Governmental Authority or other entities entitled to receive payment of such amounts, together with all penalties, interest and fines with respect thereto, payable to any Governmental Authority;

“**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;

“**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 and as adopted by the Canadian Institute of Chartered Accountants;

“**In-the-Money Amount**” in respect of a Mindfull Option means the amount, if any, by which the total fair market value of the Mindfull Shares that a holder is entitled to acquire on exercise of the Mindfull Option immediately before the Effective Time exceeds the applicable aggregate exercise price to acquire Mindfull Shares at that time;

“**knowledge of EnerSpar**” means the actual knowledge of the Chief Executive Officer or the Chief Financial Officer of EnerSpar;

“**knowledge of Mindfull**” means the actual knowledge of the Chief Executive Officer of Mindfull;

“**Laws**” means all laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, instruments, policies, notices, directions and judgments or other requirements having the force of law of any Governmental Authority having jurisdiction over the matter and/or person then being referred to;

“**Liability**” of any Person means (i) any right against such person to payment, whether or not such right is reduced to judgment, and whether or not the amount is liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; (ii) any right against such person to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to any equitable remedy is reduced to judgment, and whether or not the amount is fixed, contingent, matured, unmatured, disputed, undisputed, secured or

unsecured; and (iii) any obligation of such person for the performance of any covenant or agreement (whether for the payment of money or otherwise);

“**Listing Statement**” means the Listing Statement to be prepared in accordance with Form 2A of the policies of the CSE in respect of the Resulting Issuer;

“**Losses**”, in respect of any matter, means all claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including, without limitation, all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising directly or indirectly as a consequence of such matter;

“**Management Change**” has the meaning set out in Section 6.11(ii);

“**Mindfull**” means Mindfull Capital Inc., a corporation incorporated under the CBCA;

“**Mindfull Amalgamation Resolution**” means the special resolution of the Mindfull Shareholders approving the Amalgamation, as set out in Schedule “F” to this Agreement;

“**Mindfull Business**” means the business of producing, marketing, and selling organic and functional food, beverages, and supplements, conducted by Mindfull as of the date hereof, and to be more particularly described in the Listing Statement, including, but not limited to, sales and retail services for its partners and raising funds for its operations and expansion;

“**Mindfull Circular**” means the management information circular of Mindfull to be provided to the Mindfull Shareholders in respect of the Amalgamation and the other matters (if any) to be considered at the Mindfull Meeting;

“**Mindfull Class A Common Shares**” means the class “A” common shares in the capital of Mindfull;

“**Mindfull Class B Common Shares**” means the class “B” common shares in the capital of Mindfull;

“**Mindfull Class C Preferred Shares**” means the class “C” preferred shares in the capital of Mindfull;

“**Mindfull Common Shares**” means, collectively, the Mindfull Class A Common Shares and Mindfull Class B Common Shares;

“**Mindfull Convertible Notes**” means the outstanding \$3,500,000 convertible notes of Mindfull, convertible into Mindfull Class B Common Shares and maturing on July 31, 2019;

“**Mindfull Disclosure Schedule**” means the disclosure schedule attached as Schedule “B” to this Agreement;

“**Mindfull Dissent Procedures**” means the dissent procedures provided to Mindfull Shareholders pursuant to Section 190 of the CBCA;

“**Mindfull Dissenting Shareholder**” means a registered Mindfull Shareholder who dissents in respect of the Amalgamation in strict compliance with the Mindfull Dissent Procedures;

“**Mindful Material Adverse Effect**” means a material adverse effect on (i) the business, assets, liabilities, condition (financial or otherwise) or results of operations; or (ii) the ability of Mindfull to complete the Business Combination and the Amalgamation;

“**Mindful Meeting**” means the special meeting of the shareholders of Mindfull to be held, if necessary, to approve the Amalgamation and any and all adjournments or postponements of such meeting;

“**Mindful Option Plan**” means the stock option plan for the directors, officers, employees and consultants of Mindfull in effect on the date hereof;

“**Mindful Options**” means the 11,250,000 options to purchase Mindfull Class A Shares, with each Mindfull Option entitling the holder to acquire one (1) Mindfull Class A Share at a price of \$0.0129 until July 10, 2028;

“**Mindful Ordinary Course**” means, with respect to any actions taken by Mindfull, that such action is consistent in carrying out the Mindfull Business;

“**Mindful Private Placements**” means the private placement financings contemplated to be completed by Mindfull prior to the Effective Date, pursuant to which Mindfull may: (i) issue of up to 3,926,612 Mindfull Class B Common Shares at a price of \$0.45 per Mindfull Class B Common Share (or less as determined by Mindfull in its sole discretion) and issue of up to 13,333,334 Mindfull Class B Common Shares (or securities convertible or exchangeable into 13,333,334 Mindfull Class B Common Shares) at a price of \$0.75 per Mindfull Class B Common Share (or less as determined by Mindfull in its sole discretion), or (ii) complete such other private placement financing in an aggregate amount acceptable to Mindfull;

“**Mindful Shareholder Approval**” has the meaning set forth in Section 6.06(iii);

“**Mindful Shareholders**” means the holders of Mindfull Common Shares;

“**Mindful Subsidiaries**” means each of the wholly-owned subsidiaries of Mindfull, being: (i) Mindfull Inc., a corporation existing under the laws of Delaware; and (ii) Mindfull Nutraceutical Inc., a corporation existing under the CBCA;

“**Mindful Warrants**” means 2,250,000 warrants to purchase Mindfull Class B Common Shares outstanding as of the date hereof or any additional warrants to purchase Mindfull Class B Common Shares issued in connection with the Mindfull Private Placements prior to the Effective Date;

“**Name Change**” means the change of EnerSpar’s name to “Mindfull Corp.”, or such other name as is acceptable to Mindfull and the Director;

“**Name Change Resolution**” means the special resolution of the EnerSpar Shareholders approving the Name Change, as set out in Schedule “F” to this Agreement;

“**Net Cash on Hand**” means, on a consolidated basis, the sum of the cash balance of EnerSpar, less the Liabilities of EnerSpar, calculated as at the applicable date;

“**New Auditors**” means the new auditors of EnerSpar following the change of the auditors of EnerSpar as specified by Mindfull;

“**New Auditors Resolution**” means the resolution of the EnerSpar Shareholders approving the appointment of the New Auditors, as set out in Schedule “F” to this Agreement;

“**New EnerSpar Shares**” means the common shares in the capital of EnerSpar after giving effect to the Consolidation;

“**New Option Plan**” means the new 10% rolling stock option plan to be adopted by EnerSpar as part of the Transaction Resolutions and to be in effect as at and following the Effective Time;

“**New Option Plan Resolution**” means the resolution of the EnerSpar Shareholders approving the adoption of New Option Plan, as set out in Schedule “F” to this Agreement;

“**OBCA**” means the *Business Corporations Act* (Ontario), as amended;

“**Person**” means any corporation, partnership, limited liability company or partnership, joint venture, trust, unincorporated association or organization, business, enterprise or other entity; any individual; and any Government;

“**Public Record**” means all information filed or to be filed by or on behalf of EnerSpar prior to the earlier of the Effective Date or the termination of this Agreement with any securities commission or regulatory authority in compliance, or intended compliance, with the continuous disclosure obligations applicable to a reporting issuer under applicable Laws;

“**Recipient**” has the meaning set out in Section 6.03(i);

“**Regulation D**” means Regulation D adopted by the SEC under the U.S. Securities Act;

“**Release**” includes any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, migration, disposal or dumping;

“**Representatives**” has the meaning set out in Section 6.03(i);

“**Resulting Issuer**” means EnerSpar at the Effective Time which, following completion of the Business Combination, will be named “Mindfull Corp.”;

“**Resulting Issuer Shares**” means common shares in the capital of the Resulting Issuer;

“**Spinco**” means a numbered corporation to be incorporated pursuant to the laws of the Province of British Columbia;

“**Spin-Out Transaction**” means a transaction to be completed by EnerSpar as set forth in Schedule “D” to this Agreement and as further described in a memorandum from Wildeboer Dellelce LLP to Irwin Lowy LLP dated March 8, 2019;

“**Spin-Out Indemnity Agreement**” means the indemnity agreement to be entered into between EnerSpar and Spinco in connection with the Spin-Out Transaction, substantially in the form set out in Schedule “E” in this Agreement and satisfactory to Mindfull, acting reasonably;

“**Spin-Out Transaction Resolution**” means the special resolution of the EnerSpar Shareholders approving the Spin-Out Transaction;

“**Subco**” means 11273396 Canada Inc., a corporation incorporated under the CBCA and a wholly-owned subsidiary of EnerSpar;

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

“**Subco Amalgamation Resolution**” means the special resolution of EnerSpar, as sole shareholder of Subco, approving the Amalgamation;

“**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which the specified body corporate is entitled to elect a majority of the directors thereof or over which the specified body corporate holds more than 50% of the votes for the directors thereof and will include any body corporate, partnership, joint venture or other person (other than an individual) over which such specified body corporate exercises direction or control or which is in a like relation to such a body corporate;

“**Tax**” or “**Taxes**” means, in relation to any person, any and all taxes, whether or not referred to as taxes, (including any and all fines, interest and penalties in respect thereof) of any nature imposed, levied, withheld or assessed on or with respect to the income, profits, gross receipts, sales, capital, assets, real property, personal property, production, employees, payroll, benefit payments, purchases, payments, receipts or gains of such person (including, without limitation, any federal, provincial or state income, franchise or sales taxes, corporation capital tax, customs or excise duties or municipal license fees, withholding tax and any taxes and other deductions required to be paid or withheld from any payment made to any person) by Canada or any province thereof, the United States of America or any political subdivision or taxing authority thereof or therein, or by any other country or any political subdivision or taxing authority thereof or therein;

“**Tax Act**” means the *Income Tax Act* (Canada), as amended;

“**Tax Returns**” means all returns, declarations, reports, information returns and statements filed or required to be filed by any taxing authority relating to Taxes;

“**Termination Date**” has the meaning set out in Section 8.02(v);

“**Transaction Resolutions**” means, collectively, the Spin-Out Transaction Resolution, Continuance Resolution, Consolidation Resolution, Name Change Resolution, TSXV Delisting Resolution, New Option Plan Resolution, New Auditors Resolution, Board Change Resolution, and such other resolutions as Mindfull may reasonably request;

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

“**TSXV Delisting**” has the meaning set out in Section 6.04(ii);

“**TSXV Delisting Resolution**” means the resolution of the EnerSpar Shareholders authorizing the TSXV Delisting, as set out in Schedule “F” to this Agreement;

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

“**U.S. Person**” means a “U.S. person” as defined in Regulation S under the U.S. Securities Act; and

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended from time to time and the rules and regulations of the SEC promulgated thereunder.

1.02 **Headings**

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Schedules are to Articles and Sections of and Schedules to this Agreement.

1.03 **Extended Meanings**

In this Agreement words importing the singular number only include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing”.

1.04 **Statutory References**

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.05 **Accounting Principles**

Wherever in this Agreement reference is made to a calculation to be made or an action to be taken in accordance with generally accepted accounting principles, such reference will be deemed to be to the generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor institute, applicable as at the date on which such calculation or action is made or taken or required to be made or taken.

1.06 **Currency**

All references to currency herein are to lawful money of Canada.

1.07 **Schedules**

The following are the Schedules to this Agreement:

- Schedule “A” - Amalgamation Agreement
- Schedule “B” - Mindfull Disclosure Schedule
- Schedule “C” - EnerSpar Disclosure Schedule
- Schedule “D” - Steps of the Spin-Out Transaction
- Schedule “E” - Spin-Out Indemnity Agreement
- Schedule “F” - Resolutions

ARTICLE 2
BUSINESS COMBINATION

2.01 **Business Combination**

- (i) EnerSpar and Mindfull agree to effect the combination of their respective businesses and assets by way of a “three-cornered amalgamation” among EnerSpar, Subco and Mindfull.
- (ii) As soon as reasonably practicable following the execution and delivery of this Agreement:
 - (i) if necessary, Mindfull shall call and hold the Mindfull Meeting for the purpose of approving the Mindfull Amalgamation Resolution and shall prepare and mail the Mindfull Circular to the Mindfull Shareholders or otherwise take steps to get the unanimous consent of Mindfull Shareholders in respect of the approval of the Mindfull Amalgamation Resolution; and (ii) EnerSpar shall hold the EnerSpar Meeting for the purposes of approving:
 - (i) Spin-Out Transaction Resolution,
 - (ii) Continuance Resolution,
 - (iii) Consolidation Resolution,
 - (iv) Name Change Resolution,
 - (v) TSXV Delisting Resolution,
 - (vi) New Option Plan Resolution,
 - (vii) New Auditors Resolution,
 - (viii) Board Change Resolution, and
 - (ix) such other matters as Mindfull may reasonably request,

and EnerSpar shall prepare and mail the EnerSpar Circular to the EnerSpar Shareholders in connection therewith.

- (iii) As soon as reasonably practicable following the approval of the Mindfull Amalgamation Resolution at the Mindfull Meeting, or by unanimous consent resolution of the Mindfull Shareholders, EnerSpar shall approve the Subco Amalgamation Resolution.
- (iv) Subject to the approval of the Spin-Out Transaction Resolution, prior to the Effective Time, EnerSpar shall give effect to the Spin-Out Transaction subject to the terms of this Agreement.
- (v) Subject to the approval of the Continuance Resolution, prior to the Effective Time, EnerSpar shall complete and file Articles of Continuance in accordance with the ABCA and OBCA, as applicable, in the prescribed forms, giving effect to the Continuance subject to the terms of this Agreement.
- (vi) Subject to the approval of the Consolidation Resolution, prior to the Effective Time, EnerSpar shall complete and file Articles of Amendment in accordance with the OBCA, in the prescribed form, giving effect to the Consolidation subject to the terms of this Agreement.
- (vii) Subject to the approval of the Name Change Resolution, prior to the Effective Time, EnerSpar shall complete and file Articles of Amendment in accordance with the OBCA, in the prescribed form, giving effect to the Name Change subject to the terms of this Agreement.

- (viii) Subject to the approval of the Mindfull Amalgamation Resolution, Subco Amalgamation Resolution, and Transaction Resolutions, Mindfull, EnerSpar and Subco will enter into the Amalgamation Agreement and Mindfull and Subco will amalgamate, pursuant to the provisions of the CBCA, by jointly completing and filing Articles of Amalgamation with the Director, and shall continue as one corporation (“**Amalco**”) effective at the Effective Time, giving effect to the Amalgamation subject to the terms of the Amalgamation Agreement, the form of which is set forth in Schedule “A” attached hereto.
- (ix) At the Effective Time and as a result of the Amalgamation:
 - (i) each holder of Mindfull Common Shares (other than Mindfull Dissenting Shareholders described in Section 2.01(xi)) shall receive one fully paid and non-assessable New EnerSpar Share for each Mindfull Common Share held, following which all such Mindfull Common Shares shall be cancelled;
 - (ii) EnerSpar shall receive one fully paid and non-assessable Amalco Share for each one Subco Common Share held by EnerSpar, following which all such Subco Common Shares shall be cancelled;
 - (iii) in consideration of the issuance of New EnerSpar Shares pursuant to paragraph 2.01(ix)(i), Amalco shall issue to EnerSpar one Amalco Share for each New EnerSpar Share issued;
 - (iv) EnerSpar shall add to the stated capital maintained in respect of the New EnerSpar Shares an amount equal to the aggregate paid-up capital for purposes of the Tax Act of the Mindfull Common Shares immediately prior to the Effective Time (less the paid-up capital of any Mindfull Common Shares held by dissenting Mindfull Shareholders who do not exchange their Mindfull Common Shares for New EnerSpar Shares on the Amalgamation);
 - (v) Amalco shall add to the stated capital maintained in respect of the Amalco Shares an amount such that the stated capital of the Amalco Shares shall be equal to the aggregate paid-up capital for purposes of the Tax Act of the Subco Common Shares and Mindfull Common Shares immediately prior to the Effective Time;
 - (vi) no fractional New EnerSpar Shares shall be issued upon the exchange of Mindfull Common Shares; the number of New EnerSpar Shares to be received by a holder of Mindfull Common Shares will be rounded down to the nearest whole New EnerSpar Share;
 - (vii) EnerSpar shall be entitled to deduct and withhold from any consideration otherwise payable pursuant to the transactions contemplated by this Agreement to any holder of Mindfull Common Shares such amounts as it determines are required or permitted to be deducted and withheld with respect to such payment under the Tax Act or any provision of provincial, state, local or foreign tax law, in each case as amended; to the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Mindfull Common Shares in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority; and
 - (viii) Amalco will become a wholly-owned subsidiary of EnerSpar.

- (x) At the Effective Time:
- (i) subject to subsection 2.01(ix), the registered holders of Mindfull Common Shares shall become the registered holders of the New EnerSpar Shares to which they are entitled, calculated in accordance with the provisions hereof, and the holders of share certificates representing such Mindfull Common Shares may surrender such certificates to the Depositary and, upon such surrender, shall be entitled to receive and, as soon as reasonably practicable following the Effective Time, shall receive share certificates representing the number of New EnerSpar Shares to which they are so entitled;
 - (ii) EnerSpar shall become the registered holder of the Amalco Shares to which it is entitled, calculated in accordance with the provisions hereof, and shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled, calculated in accordance with the provisions hereof.
- (xi) At the Effective Time, each Mindfull Common Share held by a Mindfull Dissenting Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of any Encumbrance, to Amalco and Amalco shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Section 2.02(i) hereof, the name of such holder shall be removed from the central securities register as a holder of Mindfull Common Shares and such Mindfull Dissenting Shareholder will cease to have any rights as a Mindfull Shareholder other than the right to be paid the fair value of its Mindfull Common Shares in accordance with Section 2.02(i).
- (xii) If a Mindfull Dissenting Shareholder fails to perfect or effectively withdraws its claim under section 190 of the CBCA or forfeits its right to make a claim under section 190 of the CBCA or if its rights as a Mindfull Shareholder are otherwise reinstated, such holder's Mindfull Common Shares shall thereupon be deemed to have been exchanged as of the Effective Time as prescribed by paragraph 2.01(ix)(i).
- (xiii) New EnerSpar Shares will only be issued to persons in the U.S. or U.S. Persons that are Accredited Investors in compliance with the exemption provided by Rule 506 of Regulation D under the U.S. Securities Act, shall be "restricted securities" as defined in Rule 144(a)(3) of the U.S. Securities Act, and shall bear a legend in customary form restricting re-sale, offer, pledge, hypothecation and transfer without registration under the U.S. Securities Act unless pursuant to an available exemption from registration under the U.S. Securities Act and in accordance with applicable state securities laws; provided that if Mindfull determines that New EnerSpar Shares should be issued in the U.S. or to one or more U.S. Persons who are not Accredited Investors (not to exceed 35 such shareholders), then such shareholder in the U.S. or U.S. Person shall be issued such New EnerSpar Shares in accordance with the information requirements of and pursuant to Rule 506 of Regulation D under the U.S. Securities Act.

2.02 **Outstanding Options and Convertible Securities**

At the Effective Time:

- (i) the Mindfull Options, Mindfull Warrants, and Mindfull Convertible Notes and any other agreements or rights to acquire Mindfull Common Shares will, as a result of the Amalgamation, become rights to acquire Resulting Issuer Shares or other securities of the

Resulting Issuer, as applicable, as permitted by and in accordance with their terms. It is intended that the provisions of subsection 7(1.4) of the Tax Act apply to any such exchange of Mindfull Options. Therefore, in the event that the In-the-Money Amount in respect of a Mindfull Option to acquire Resulting Issuer Shares determined immediately after the Effective Time would otherwise exceed the In-the-Money Amount of the Mindfull Option to acquire Mindfull Class A Shares determined immediately before the Effective Time, then the number of Resulting Issuer Shares which may be acquired on exercise of the Mindfull Option at and after the Effective Time will be adjusted accordingly with effect at and from the Effective Time to ensure that the In-the-Money Amount in respect of the Mindfull Option to acquire Resulting Issuer Shares does not exceed the In-the-Money Amount in respect of the Mindfull Option to acquire Mindfull Class A Shares and the ratio to acquire such shares to value of such shares to be acquired shall be unchanged; and

- (ii) the Mindfull Options, Mindfull Warrants, and Mindfull Convertible Notes and any other agreements or rights to acquire Mindfull Common Shares are not and will not be exercisable or convertible in the United States or by or on behalf of a U.S. Person unless an exemption from registration, if any, is available under the U.S. Securities Act and applicable state securities laws, if any, and shall bear or be deemed to bear a legend in customary form to such effect.

2.03 Dissent Rights

Registered Mindfull Shareholders may exercise Dissent Rights from the Amalgamation pursuant to and in the manner set forth under section 190 of the CBCA, provided that holders who exercise such rights of dissent and who:

- (i) are ultimately entitled to be paid fair value for their Mindfull Common Shares, which fair value shall be the fair value of such shares as at the close of business on the day prior to the Mindfull Meeting, shall be paid an amount equal to such fair value by Amalco; and
- (ii) are ultimately not entitled, for any reason, to be paid fair value for their Mindfull Common Shares shall be deemed to have participated in the Amalgamation, as of the Effective Time, on the same basis as a non-dissenting holder of Mindfull Common Shares and shall be entitled to receive only the consideration contemplated in subsection 2.01(ix)(i) hereof that such holder would have received pursuant to the Amalgamation if such holder had not exercised Dissent Rights;

but in no case shall EnerSpar, Subco or Mindfull or any other Person be required to recognize holders of Mindfull Common Shares who exercise Dissent Rights as holders of Mindfull Common Shares after the time that is immediately prior to the Effective Time, and the names of such holders of Mindfull Common Shares who exercise Dissent Rights shall be deleted from the register of Mindfull Shareholders at the Effective Time. In no circumstances shall EnerSpar, Subco, Mindfull or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is a registered holder of Mindfull Common Shares in respect of which such Dissent Rights are sought to be exercised. A registered holder of Mindfull Common Shares is not entitled to exercise Dissent Rights with respect to Mindfull Common Shares if such holder votes (or instructs, or is deemed, by submission of any incomplete proxy, to have instructed his, her or its proxyholder to vote) in favour of the resolution approving the Amalgamation at the Mindfull Meeting.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF MINDFULL

Mindfull represents and warrants to EnerSpar as follows except as set forth in the Mindfull Disclosure Schedule and acknowledges and confirms that EnerSpar is relying on such representations and warranties in connection with its entering into this Agreement.

3.01 **Incorporation and Good Standing**

Mindfull is a corporation duly incorporated, validly existing, and in good standing under the Laws of its jurisdiction of incorporation and has all necessary corporate power, authority and capacity to own its property and assets and to carry on its business as currently conducted, except where the failure to have such power, authority and capacity would not reasonably be expected to have a Mindfull Material Adverse Effect. Neither the nature of its activities or the Mindfull Business nor the location or character of the Assets owned, operated or leased by Mindfull require Mindfull to be registered, licensed or otherwise qualified as a foreign corporation or to be in good standing in any jurisdiction other than the jurisdictions where it is so registered, licensed or qualified, except where the failure to be so registered, licensed or qualified or remain in good standing would not reasonably be expected to have a Mindfull Material Adverse Effect. No proceedings have been instituted or are pending for the dissolution or liquidation of Mindfull.

3.02 **Subsidiaries**

Except for its ownership of all of the outstanding shares of each of the Mindfull Subsidiaries, Mindfull does not have any interest in any body corporate, partnership, joint ventures or other entity or person. Neither Mindfull nor any of the Mindfull Subsidiaries is a party to any agreement, option or commitment to acquire any shares or securities of any body corporate, partnership, trust, joint venture or other entity or person other than in connection with the Business Combination. Mindfull is the sole registered holder and beneficial owner of 100% of the issued and outstanding shares in the capital of each of the Mindfull Subsidiaries, free and clear of all Encumbrances, claims or demands of any kind whatsoever. All of such shares and securities have been fully authorized and validly issued and in the case of shares are outstanding as fully paid and non-assessable shares. No other securities of the Mindfull Subsidiaries are issued and outstanding.

3.03 **Bankruptcy, etc.**

No bankruptcy, insolvency or receivership proceedings have been instituted by Mindfull or, to the knowledge of Mindfull, are pending against Mindfull.

3.04 **Binding Effect, Authorizations, Consents**

- (i) Subject to requisite shareholder approvals, (i) Mindfull has all necessary corporate power, capacity and authority to enter into this Agreement and to carry out its obligations under this Agreement and to undertake the Business Combination, and (ii) this Agreement has been duly authorized, executed and delivered by Mindfull and constitutes a valid and binding obligation of Mindfull enforceable against it in accordance with its terms, subject to limitations with respect to enforcement imposed by Law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunctions are in the discretion of the court from which they are sought;
- (ii) No Authorization or declaration or filing with any Governmental Authority on the part of Mindfull is required for the valid execution, delivery and performance of its obligations

under this Agreement or the completion of the Business Combination pursuant to this Agreement; and

- (iii) No consent, approval or waiver is required pursuant to the terms of any material Contract to which Mindfull is a party for the valid execution, delivery and performance of its obligations under this Agreement or the completion of the Business Combination pursuant to this Agreement.

3.05 **Absence of Conflict**

The entering into, and the performance by Mindfull of the transactions contemplated in, this Agreement:

- (i) do not and will not require any consent, permit, approval, Authorization or order of any Governmental Authority, except that which may be required under applicable securities legislation or the rules of the TSXV or the CSE and any approval or authorization under the CBCA for the Business Combination or the Amalgamation;
- (ii) do not and will not contravene any applicable Laws or any rule or regulation of any Governmental Authority which is binding on Mindfull, where such contravention would reasonably be expected to have a Mindfull Material Adverse Effect; and
- (iii) does not and will not violate, result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of (i) the Constatng Documents of Mindfull, or any resolution of the directors or shareholders of Mindfull, or (ii) any Contract to which Mindfull is a party or by which the Assets or the Mindfull Business is bound or affected, or (iii) any judgment, decree or order or any term or provision thereof applicable to Mindfull or any of the Assets or the Mindfull Business, which breach, conflict or default would reasonably be expected to have a Mindfull Material Adverse Effect or to result in the creation of any Encumbrance upon any of the Assets.

3.06 **Share Capital**

The authorized capital of Mindfull consists of: (i) an unlimited number of Mindfull Class A Common Shares, of which 29,250,000 Mindfull Class A Common Shares are issued and outstanding as at the date hereof; (ii) an unlimited number of Mindfull Class B Common Shares, of which 7,184,500 Mindfull Class B Common Shares are issued and outstanding as at the date hereof; and (iii) an unlimited number of Mindfull Class C Preferred Shares, of which nil Mindfull Class “C” Preferred Shares are issued and outstanding as at the date hereof. All of the issued Mindfull Common Shares have been duly and validly issued in compliance with applicable Law and are outstanding as fully paid and non-assessable shares in the capital of Mindfull.

3.07 **Options and Other Convertible Securities**

Except as disclosed in Section 3.07 of the Mindfull Disclosure Schedule, and other options that may be granted by Mindfull prior to the Effective Time, no person has or will have any right, agreement, warrant or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from Mindfull of any interest in any of the outstanding shares or securities of Mindfull, or for the issue or allotment of any unissued shares in the capital of Mindfull or any other security directly or indirectly convertible into or exchangeable for such shares in the capital of Mindfull.

3.08 **Voting Agreements**

Except for the unanimous shareholders' agreement dated July 10, 2018 and the voting agreement dated July 10, 2018, Mindfull is not a party to any agreement nor, to Mindfull's knowledge, is there any agreement, which in any manner affects the voting control of any of the securities of Mindfull.

3.09 **Absence of Changes**

Since December 31, 2018, there has not been any material adverse change in the Mindfull Business and the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow or business operations of Mindfull.

3.10 **Ordinary Course**

Since May 15, 2018, Mindfull has carried on no business other than the Mindfull Business, and has carried on its business in the Mindfull Ordinary Course.

3.11 **No Restrictions on Activities**

Except with respect to the Sequential Exclusive License Agreement between Sequential Brands Group, Inc. and Mindfull Inc. dated February 28, 2018, Mindfull is not party to or bound or affected by any commitment, Contract or document containing any covenant which in any way expressly limits the freedom of Mindfull to compete in any line of business, or to use, transfer or move any of its Assets or operations, or which materially or adversely affects the business practices, operations or condition of Mindfull.

3.12 **No Guarantees**

Mindfull is not bound by any Contract, assurance, bond, undertaking or guarantee under or pursuant to which it has guaranteed or endorsed the debts, obligations or Liabilities of any other person.

3.13 **Assets**

- (i) The Mindfull Business is the only business carried on by Mindfull. The Assets include all assets, rights, Authorizations and property necessary to conduct the Mindfull Business immediately after the Business Combination in the same manner it is currently conducted, except as would not reasonably be expected to have a Mindfull Material Adverse Effect;
- (ii) Mindfull has good and marketable title to all of the Assets, free and clear of any and all claims and Encumbrances whatsoever; and
- (iii) No person or other entity has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase or other acquisition from Mindfull of any of the Assets.

3.14 **Material Contracts**

Section 3.14 of the Mindfull Disclosure Schedule sets forth a true and complete list of all Contracts to which Mindfull is a party or by which Mindfull is bound which is material to Mindfull. Each such Contract is a valid and subsisting agreement, enforceable in accordance with the terms thereof and can be fulfilled and performed in all material respects by Mindfull in the Mindfull Ordinary Course. Each such

Contract is unamended, is in full force and effect, in good standing and no event of default has occurred and is continuing and no event has occurred which, with the giving of notice, the lapse of time or both, would constitute an event of default by Mindfull under any such Contract. To the knowledge of Mindfull, no event has occurred which, with the giving of notice, the passing of time or both, would constitute an event of default by any other party to any such Contract, Mindfull is not alleged to be in default of any of the provisions of such Contracts, and Mindfull is not aware of any disputes with respect thereto.

3.15 **Other Contracts**

Mindfull is not a party to any Contract, the termination, expiry or non-renewal of which would reasonably be expected to have a Mindfull Material Adverse Effect.

3.16 **Research and Development**

All product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by Mindfull in connection with the Mindfull Business is being conducted in compliance, in all material respects, with all industry, laboratory safety, management and training standards applicable to the Mindfull 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.

3.17 **Anti-Bribery**

Neither Mindfull, nor to the knowledge of Mindfull, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to Mindfull, including but not limited to the *U.S. Foreign Corrupt Practices Act* and 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 Mindfull 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 Mindfull, nor to the knowledge of Mindfull, any director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded Mindfull 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.

3.18 **Environmental**

Mindfull is currently in compliance, in all material respects, with all Environmental Laws, including all reporting and monitoring requirements thereunder, and there are no pending or, to the knowledge of Mindfull, 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.

Mindfull has never 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 Mindfull Business.

3.19 **Absence of Litigation**

There is not now in progress, pending or, to Mindfull's knowledge, threatened or contemplated against or affecting Mindfull, or any of their assets or properties, or any officer or director thereof in their capacity as an officer or director thereof, any litigation, action, suit, investigation, claim, complaint or other proceeding, including appeals and applications for review, by or before any Governmental Authority, which if determined adversely to Mindfull, individually or in the aggregate, would reasonably be expected to have a Mindfull Material Adverse Effect.

3.20 **Compliance with Laws**

The Mindfull Business has been, and is now being, conducted and all of the Assets have been, and are now being, used in compliance with all applicable Laws other than such non-compliance which would not reasonably be expected to have a Mindfull Material Adverse Effect, and no written notices have been received by Mindfull that the Mindfull Business is not being conducted or that any of such Assets are not being used in compliance with all applicable Laws other than any non-compliance that would not reasonably be expected to have a Mindfull Material Adverse Effect.

3.21 **Employment Matters and Employee Plans**

- (i) Except as provided to EnerSpar as part of the due diligence efforts in connection with this Agreement, Mindfull has not entered into any written employment agreements, or other agreements for the provision of employment or management services provided to Mindfull;
- (ii) Except as provided to EnerSpar as part of the due diligence efforts in connection with this Agreement, there are no Contracts, written or oral, between Mindfull and any other party on the other side, relating to payment, remuneration or compensation for work performed or services provided (other than professional advisors engaged by Mindfull to provide services in connection with the Business Combination) or that would require any payment to be made as a result of the completion of the transactions contemplated in this Agreement;
- (iii) Except for the Mindfull Option Plan and as provided to EnerSpar as part of the due diligence efforts in connection with this Agreement, Mindfull does not have any other material Employee Plans of any nature whatsoever nor has it ever had any such plans;
- (iv) Mindfull is operating in full compliance with all Laws relating to employees, including employment standards, human rights, occupational health and safety, all pay equity and employment equity legislation and there have been no employment-related complaints against Mindfull;
- (v) To the knowledge of Mindfull, there are no complaints or threatened complaints against Mindfull before any employment standards branch or tribunal or human rights commission or tribunal, nor, any occurrence which might lead to a complaint under any human rights legislation, employment standards legislation, health and safety legislation, workers' compensation legislation or pay equity legislation;

- (vi) There are no outstanding decisions or settlements or pending settlements under employment standards, human rights legislation, health and safety legislation, workers' compensation legislation, payment equity legislation or labour relations legislation which place any obligation upon Mindfull to do or refrain from doing any act or place a material financial obligation on Mindfull;
- (vii) There are no actions, suits or claims pending, threatened or reasonably anticipated (other than routine claims for benefits) against any Employee Plan or its assets, and there are no audits, inquiries or proceedings pending or, to the knowledge of Mindfull, threatened by any Governmental Authority with respect to any Employee Plan, which in either case reasonably could be expected to result in material Liability to Mindfull; and
- (viii) Neither the execution and delivery of this Agreement nor the performance of the obligations of Mindfull thereunder will entitle any current or former employee of Mindfull to any severance pay, bonus or other similar payment.

3.22 **No Powers of Attorney**

There are no outstanding powers of attorney or other authorizations granted by Mindfull to any third party to bind Mindfull to any Contract, Liability or obligation.

3.23 **Insurance**

Mindfull carries insurance against loss or damage with coverage of types and in amounts consistent with the types and amounts of insurance maintained by corporations and other entities of a size and carrying on business of a type carried on by Mindfull that covers all risks prudently and reasonably foreseeable in the course of business. All such policies shall remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated hereby.

3.24 **Authorizations**

Mindfull has all Authorizations necessary to conduct its business as presently conducted or for the ownership and use of its assets in compliance with applicable Laws. Mindfull is not in default under, nor has it received any notice of any claim or default with respect to, any such Authorization. No registrations, filings, applications, notices, transfers, consents, approvals, audits, qualifications, waivers or other action of any kind is required by virtue of the execution and delivery of this Agreement, or of the consummation of the transactions contemplated hereby: (a) to avoid the loss of any Authorization or any asset, property or right pursuant to the terms thereof, or the violation or breach of any Law applicable thereto, or (b) to enable Mindfull to hold and enjoy the same immediately after the Effective Date in the conduct of the Mindfull Business as conducted prior to the Effective Date.

3.25 **Books and Records**

The corporate records and minute books of Mindfull contain or, at or prior to the Business Combination will contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed.

3.26 **Reporting Issuer Status**

Mindfull is not a “reporting issuer” within the meaning of the *Securities Act* (Ontario) and does not have a similar status in any other province or territory of Canada. No securities commission or similar regulatory authority has issued any order which is currently outstanding preventing or suspending trading in any securities of Mindfull, no such proceeding is, to the knowledge of Mindfull, pending contemplated or threatened and Mindfull is not, to its knowledge, in default of any requirement of any securities laws, rules or policies applicable to Mindfull or its securities.

3.27 **Restrictions on Business Combination**

Other than the unanimous shareholders’ agreement dated July 10, 2018, Mindfull is not a party to or bound or affected by any commitment, agreement or document which would prohibit or restrict Mindfull from entering into and completing the Business Combination.

3.28 **Expenses and Obligations**

Mindfull has no obligations or commitments to incur any expenses of any sort whatsoever from the date hereof until completion of the Business Combination other than general administrative expenses consistent with past practice and expenses relating to the Mindfull Business, Mindfull Private Placements and the completion of the Business Combination.

3.29 **Fees and Commissions**

Except for the Sequential Exclusive License Agreement between Sequential Brands Group, Inc. and Mindfull dated February 28, 2018 or as provided to EnerSpar as part of the due diligence efforts in connection with this Agreement, Mindfull is not a party to or bound by any Contract to pay any royalty, license fee or management fee. No broker, finder or similar intermediary has acted for or on behalf of or is entitled to any broker’s, finder’s or similar fee or other commission from Mindfull or EnerSpar in connection with this Agreement, other than the issuance of any Mindfull Warrants or any fees or other arrangements that may be agreed to in connection with the Mindfull Private Placements.

3.30 **Information Supplied**

None of the information regarding Mindfull or its assets or the Mindfull Business that was supplied by Mindfull specifically for inclusion or incorporation by reference into the Listing Statement, will, at the time of initial submission of the Listing Statement to the CSE, or at the time of any amendment or supplement thereof, as amended or supplemented at such date or time, contain any misrepresentation or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they are made.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF ENERSPAR AND SUBCO

EnerSpar and Subco jointly and severally represent and warrant to Mindfull as follows and acknowledge and confirm that Mindfull is relying on such representations and warranties in connection with its entering into this Agreement:

4.01 **Incorporation and Good Standing**

Each of EnerSpar and Subco is a corporation duly incorporated, validly existing, and in good standing under the Laws of its jurisdiction of incorporation and has all necessary corporate power, authority and capacity to own its property and assets and to carry on its business as currently conducted. Neither the nature of its activities or business nor the location or character of the assets owned, operated or leased by EnerSpar require it to be registered, licensed or otherwise qualified as a foreign corporation or to be in good standing in any jurisdiction other than the jurisdictions where it is so registered, licensed or qualified. No proceedings have been instituted or are pending for the dissolution or liquidation of EnerSpar or Subco.

4.02 **Subsidiaries**

Except for its ownership of all of the outstanding shares of Subco, EnerSpar does not have any interest in any body corporate, partnership, joint ventures or other entity or person. None of EnerSpar or Subco is a party to any agreement, option or commitment to acquire any shares or securities of any body corporate, partnership, trust, joint venture or other entity or person other than in connection with the Business Combination. EnerSpar is the sole registered holder and beneficial owner of 100% of the issued and outstanding shares in the capital of Subco, free and clear of all Encumbrances, claims or demands of any kind whatsoever. All of such shares and securities have been fully authorized and validly issued and in the case of shares are outstanding as fully paid and non-assessable shares. No other securities of Subco are issued and outstanding.

4.03 **Bankruptcy, etc.**

No bankruptcy, insolvency or receivership proceedings have been instituted by EnerSpar or Subco or, to the knowledge of EnerSpar, are pending against EnerSpar or Subco.

4.04 **Binding Effect, Authorizations, Consents**

- (i) Subject to the requisite shareholder approvals, (i) each of EnerSpar and Subco has all necessary corporate power, capacity and authority to enter into this Agreement and to carry out its obligations under this Agreement and to undertake the Business Combination, and (ii) this Agreement has been duly authorized, executed and delivered by each of EnerSpar and Subco and constitutes a valid and binding obligation of each of EnerSpar and Subco enforceable against it in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by Law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunctions are in the discretion of the court from which they are sought;
- (ii) Except for the approval of the TSXV contemplated in Section 7.01(xi) and the CSE contemplated in Section 7.01(xii), no Authorization or declaration or filing with any Governmental Authority on the part of EnerSpar is required for the valid execution, delivery and performance of its obligations under this Agreement or the completion of the Business Combination pursuant to this Agreement; and
- (iii) No consent, approval or waiver is required pursuant to the terms of any material Contract to which EnerSpar is a party for the valid execution, delivery and performance of its obligations under this Agreement or the completion of the Business Combination pursuant to this Agreement.

4.05 **Absence of Conflict**

The entering into, and the performance by EnerSpar and Subco of the transactions contemplated in, this Agreement:

- (i) do not and will not require any consent, permit, approval, Authorization or order of any Governmental Authority, except that which may be required under applicable securities legislation or the rules of the TSXV or the CSE, and any approval or authorization under the ABCA, OBCA, or CBCA, as applicable, that may be required for the Spin-Out Transaction, Continuance, Consolidation, Name Change, Business Combination or the Amalgamation;
- (ii) do not and will not contravene any applicable Laws or any rule or regulation of any Governmental Authority which is binding on EnerSpar; and
- (iii) does not and will not violate, result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of (i) the Constatng Documents of EnerSpar or Subco, or any resolution of the directors or shareholders of EnerSpar or Subco, or (ii) any Contract to which EnerSpar or Subco is a party or by which the assets or the business of EnerSpar is bound or affected, or (iii) any judgment, decree or order or any term or provision thereof applicable to EnerSpar or Subco or any of the assets or the business of EnerSpar, which breach, conflict or default would reasonably be expected to have an EnerSpar Material Adverse Effect or to result in the creation of any Encumbrance upon any of the assets of EnerSpar.

4.06 **Share Capital**

The authorized share capital of EnerSpar consists of (i) an unlimited number of common shares without nominal or par value, of which 23,960,000 EnerSpar Shares are issued and outstanding as fully paid and non-assessable shares in the capital of EnerSpar as at the date hereof, and (ii) an unlimited number of preferred shares, of which nil preferred shares are issued and outstanding.

4.07 **Options and Other Convertible Securities**

Except as set out in Section 4.07 of the EnerSpar Disclosure Schedule, no person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option or right or privilege, for the purchase, subscription, allotment or issuance of any of the unissued shares in the capital of EnerSpar or Subco or for the issue of any other securities of any nature or kind of EnerSpar or Subco.

4.08 **Voting Agreements**

EnerSpar is not a party to any agreement nor, to EnerSpar's knowledge, is there any agreement, which in any manner affects the voting control of any of the securities of EnerSpar, except for the EnerSpar Voting Agreements.

4.09 **Financial Statements**

The EnerSpar Financial Statements have been prepared in accordance with IFRS applied on a basis consistent with that of preceding periods, and:

- (i) the balance sheets included in such EnerSpar Financial Statements fairly present, in all material respects, the financial condition of EnerSpar on the respective dates thereof; and
- (ii) the statements of operations and deficit included in the EnerSpar Financial Statements fairly present, in all material respects, the financial performance and its cash flows of EnerSpar for the fiscal periods then ended.

4.10 **Absence of Changes**

Since September 30, 2018, there has not been any material adverse change in the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow or business operations of EnerSpar.

4.11 **Internal Controls Over Financial Reporting**

To the knowledge of EnerSpar, prior to the date of this Agreement there is no fraud, whether or not material, that involves management or other employees who have a significant role in EnerSpar's, internal control over financial reporting and EnerSpar has received no: (i) material complaints from any source regarding accounting, internal accounting controls or auditing matters; or (ii) expressions of concern from employees of EnerSpar regarding questionable accounting or auditing matters.

4.12 **Ordinary Course**

Since March 30, 2017, EnerSpar has carried on no business other than the exploration of mineral assets currently owned by EnerSpar, and has carried on its business in the EnerSpar Ordinary Course and EnerSpar has not carried on any business or entered into any material contract, commitment or agreement of any sort whatsoever other than as disclosed in the Public Record.

4.13 **No Restrictions on Activities**

EnerSpar is not a party to or bound or affected by any commitment, Contract or document containing any covenant which in any way expressly limits the freedom of EnerSpar to compete in any line of business, or to use, transfer or move any of its assets or operations, or which materially or adversely affects the business practices, operations or condition of EnerSpar, respectively, and taken as a whole.

4.14 **No Undisclosed Liabilities**

Other than expenses incurred in connection with the Business Combination and in the EnerSpar Ordinary Course, has no outstanding Liabilities (direct or indirect, matured or unmatured, accrued, absolute, contingent or otherwise), except as disclosed in the EnerSpar Financial Statements.

4.15 **Non-Arm's Length Transactions**

- (i) EnerSpar has not engaged in any transaction with, made any payment or loan to, or borrowed any monies from or is otherwise indebted to, any director, officer, employee or shareholder of EnerSpar or any other person with whom EnerSpar is not dealing at arm's length (within the meaning of the Tax Act or any affiliate of any of the foregoing, except for amounts due as normal compensation or reimbursement of ordinary business expenses; and
- (ii) EnerSpar is not a party to any contract or agreement with any director, officer, employee, or shareholder of EnerSpar or any other person with whom EnerSpar is not dealing at arm's

length (within the meaning of the Tax Act or any affiliate of any of the foregoing, other than employment agreements entered into in the EnerSpar Ordinary Course and agreements evidencing the EnerSpar Options granted pursuant to the EnerSpar Option Plan.

4.16 **No Guarantees**

EnerSpar is not bound by any Contract, assurance, bond, undertaking or guarantee under or pursuant to which it has guaranteed or endorsed the debts, obligations or Liabilities of any other person.

4.17 **Material Contracts**

Section 4.17 of the EnerSpar Disclosure Schedule sets forth a true and complete list of all Contracts to which EnerSpar is a party or by which EnerSpar is bound which is material to EnerSpar. Each such Contract is a valid and subsisting agreement, enforceable in accordance with the terms thereof and can be fulfilled and performed in all material respects by EnerSpar in the EnerSpar Ordinary Course. Each such Contract is unamended, is in full force and effect, in good standing and no event of default has occurred and is continuing and no event has occurred which, with the giving of notice, the lapse of time or both, would constitute an event of default by EnerSpar under any such Contract. To the knowledge of EnerSpar, no event has occurred which, with the giving of notice, the passing of time or both, would constitute an event of default by any other party to any such Contract, EnerSpar is not alleged to be in default of any of the provisions of such Contracts, and EnerSpar is not aware of any disputes with respect thereto.

4.18 **Other Contracts**

EnerSpar is not a party to any Contract, the termination, expiry or non-renewal of which would reasonably be expected to have an EnerSpar Material Adverse Effect.

4.19 **Mineral Properties**

EnerSpar and Subco have no material property, assets mineral tenures, claims or leases other than as set out in Section 4.19 of the EnerSpar Disclosure Schedule (the “**EnerSpar Properties**”). As of the date of this Agreement, except as disclosed in Section 4.19 of the EnerSpar Disclosure Schedule:

- (i) the EnerSpar Properties are in good standing and EnerSpar has not been notified by any applicable government authority or optioner of a EnerSpar Property that any rights to the EnerSpar Property will be terminated or extinguished;
- (ii) EnerSpar and Subco are in compliance with, all licences, permits, certificates, orders, grants and other authorizations of or from any Governmental Authority necessary to conduct its business as currently conducted, in accordance with applicable Laws;
- (iii) the EnerSpar Properties have been properly located and recorded in compliance with applicable Laws and comprise valid and subsisting mineral claims or equivalent rights;
- (iv) there are no earn-in rights, rights of first refusal, royalty rights or similar provisions, which would materially affect the EnerSpar Properties;
- (v) there are no restrictions on the ability of EnerSpar or Subco to use, transfer or exploit the EnerSpar Properties except pursuant to applicable Laws in the normal course; and

- (vi) all work required to be performed on the EnerSpar Properties has been performed and all taxes, rentals, fees, expenditures and other payments in respect thereof have been paid or incurred and all filings in respect thereof have been made.

4.20 **Title to Property and Assets**

Neither EnerSpar nor Subco have any material property or assets other than the EnerSpar Properties. EnerSpar is the absolute legal and beneficial owner of, and has good and marketable title to, all of the EnerSpar Properties (real and Personal, tangible and intangible, including leasehold interests) including all the properties and assets reflected in the balance sheet forming part of the EnerSpar Financial Statements.

4.21 **Anti-Bribery**

Neither EnerSpar nor to the knowledge of EnerSpar, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to EnerSpar, including but not limited to the *U.S. Foreign Corrupt Practices Act* and 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 EnerSpar 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 EnerSpar, nor to the knowledge of EnerSpar, any director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded EnerSpar 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.

4.22 **Environmental Matters**

Each of EnerSpar and Subco is in compliance, in all material respects, with all applicable Environmental Laws and has not violated any then current Environmental Laws as applied at that time. Neither EnerSpar nor Subco is the subject of: (i) any proceeding, application, order or directive which relates to any environmental, health or safety matter; or (ii) any demand or notice with respect to any Environmental Laws. Each of EnerSpar and Subco has made adequate reserves for all reclamation obligations and has made appropriate arrangements, through obtaining reclamation bonds or otherwise to discharge such reclamation obligations, to the extent applicable. There is no material Environmental Liability nor factors likely to give rise to any material Environmental Liability (i) affecting any of the EnerSpar Properties; or (ii) retained in any manner by EnerSpar or Subco in connection with EnerSpar Properties disposed of by EnerSpar or Subco.

4.23

Taxes and Governmental Charges

- (i) As of the date of this Agreement, EnerSpar has:
 - (i) duly and in a timely manner filed all Tax Returns and reports required by Law to have been filed by it, and all such Tax Returns and reports are true, correct, and complete in all material respects,
 - (ii) duly kept all records which it is required to keep for Tax purposes or which would be needed to substantiate any claim made or position taken in relation to Tax by it, as applicable, and such records available for inspection at the head office of EnerSpar,
 - (iii) duly and correctly reported all income and other amounts required to be reported,
 - (iv) paid all Taxes to the extent that such Taxes have been assessed by the relevant taxation authority, and
 - (v) duly and in a timely manner paid, deducted, withheld, collected and remitted all Governmental Charges (other than Governmental Charges that are not yet due) and has made full provision for (including properly accruing and reflecting on its books and records) all Governmental Charges that are not yet due, that relate to periods (or portions thereof) ending prior to the date of this Agreement;
- (ii) The EnerSpar Financial Statements contain adequate provision for all Taxes, assessments and levies imposed on EnerSpar, or its property or rights, arising out of operations on or before September 30, 2018, regardless of whether such amounts are payable before or after the Effective Date;
- (iii) No deficiency in payment of any Taxes for any period has been asserted against EnerSpar by any Governmental Authority and remains unsettled at the date hereof;
- (iv) No Tax Return of EnerSpar is being audited by the relevant taxing authority. There are no outstanding waivers, objections, extensions, or comparable consents regarding the application of the statute of limitations or period of reassessment with respect to any Taxes or Tax Returns that have been given or made by EnerSpar (including the time for filing of Tax Returns or paying Taxes). To the knowledge of EnerSpar there are no pending requests for any such waivers, extensions, or comparable consents. EnerSpar has not received a ruling from any Governmental Authority or signed an agreement with any Governmental Authority.
- (v) There are no actions, suits, examinations, proceedings, investigations, audits or claims now pending or threatened or, to the knowledge of EnerSpar, contemplated against EnerSpar in respect of any Taxes and there are no matters under discussion with any Governmental Authority relating to any Taxes; and
- (vi) EnerSpar has not been subject to nor is it currently subject to any investigation, audit or visit by any Governmental Authority relating to Tax which has been notified to EnerSpar, and EnerSpar is not aware of any such investigation, audit or visit planned for the next twelve months.

4.24 **Absence of Litigation**

There is not now in progress, pending or, to EnerSpar's knowledge, threatened or contemplated against or affecting EnerSpar, or any of its assets or properties, or any officer or director thereof in their capacity as an officer or director thereof, any litigation, action, suit, investigation, claim, complaint or other proceeding, including appeals and applications for review, by or before any Governmental Authority.

4.25 **Compliance with Laws**

The business of EnerSpar has been, and is now being, conducted and all of its assets have been, and are now being, used in compliance with all applicable Laws other than such non-compliance which would not reasonably be expected to have an EnerSpar Material Adverse Effect, and no written notices have been received by EnerSpar that the business of EnerSpar is not being conducted or that any of such assets are not being used in compliance with all applicable Laws.

4.26 **Employment Matters and Employee Plans**

- (i) Except as provided to Mindfull as part of the due diligence efforts in connection with this Agreement, EnerSpar has not entered into any written employment agreements, or other agreements for the provision of employment or management services provided to EnerSpar;
- (ii) There are no Contracts, written or oral, between EnerSpar and any other party on the other side, relating to payment, remuneration or compensation for work performed or services provided (other than professional advisors engaged by EnerSpar to provide services in connection with the Business Combination) or that would require any payment to be made as a result of the completion of the transactions contemplated in this Agreement;
- (iii) Except for the EnerSpar Option Plan, EnerSpar does not have any Employee Plans of any nature whatsoever nor has it ever had any such plans;
- (iv) EnerSpar is operating in full compliance with all Laws relating to employees, including employment standards, human rights, occupational health and safety, all pay equity and employment equity legislation and there have been no employment-related complaints against EnerSpar;
- (v) To the knowledge of EnerSpar, there are no complaints or threatened complaints against EnerSpar before any employment standards branch or tribunal or human rights commission or tribunal, nor, any occurrence which might lead to a complaint under any human rights legislation, employment standards legislation, health and safety legislation, workers' compensation legislation or pay equity legislation;
- (vi) There are no outstanding decisions or settlements or pending settlements under employment standards, human rights legislation, health and safety legislation, workers' compensation legislation, payment equity legislation or labour relations legislation which place any obligation upon EnerSpar to do or refrain from doing any act or place a material financial obligation on EnerSpar;
- (vii) There are no actions, suits or claims pending, threatened or reasonably anticipated (other than routine claims for benefits) against any Employee Plan or its assets, and there are no audits, inquiries or proceedings pending or, to the knowledge of EnerSpar, threatened by any

Governmental Authority with respect to any Employee Plan, which in either case reasonably could be expected to result in material Liability to EnerSpar; and

- (viii) Neither the execution and delivery of this Agreement nor the performance of the obligations of EnerSpar thereunder will entitle any current or former employee of EnerSpar to any severance pay, bonus or other similar payment.

4.27 **No Powers of Attorney**

There are no outstanding powers of attorney or other authorizations granted by EnerSpar to any third party to bind EnerSpar to any Contract, Liability or obligation.

4.28 **Insurance**

EnerSpar does not carry any insurance.

4.29 **Authorizations**

EnerSpar has all Authorizations necessary to conduct its business as presently conducted or for the ownership and use of its assets in compliance with applicable Laws. EnerSpar is not in default under, nor has it received any notice of any claim or default with respect to, any such Authorization. No registrations, filings, applications, notices, transfers, consents, approvals, audits, qualifications, waivers or other action of any kind is required by virtue of the execution and delivery of this Agreement, or of the consummation of the transactions contemplated hereby: (a) to avoid the loss of any Authorization or any asset, property or right pursuant to the terms thereof, or the violation or breach of any Law applicable thereto, or (b) to enable EnerSpar to hold and enjoy the same immediately after the Effective Date in the conduct of its business as conducted prior to the Effective Date.

4.30 **Fees and Commissions**

EnerSpar is not a party to or bound by any Contract to pay any royalty, license fee or management fee. No broker, finder or similar intermediary has acted for or on behalf of or is entitled to any broker's, finder's or similar fee or other commission from EnerSpar in connection with this Agreement.

4.31 **Books and Records**

The corporate records and minute books of EnerSpar contain or, at or prior to the Business Combination will contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed.

4.32 **Restrictions on Business Combination**

EnerSpar is not a party to or bound or affected by any commitment, agreement or document which would prohibit or restrict EnerSpar from entering into and completing the Business Combination.

4.33 **Reporting Issuer Status**

EnerSpar is a "reporting issuer" in each of the Canadian Jurisdictions within the meaning of the Canadian Securities Laws, is in material compliance with its obligations as a reporting issuer, and none of the British Columbia Securities Commission, Alberta Securities Commission, Ontario Securities Commission,

the TSXV or other Governmental Authority has issued any order preventing the Business Combination or the trading of any securities of EnerSpar other than in connection with the Business Combination.

4.34 **TSXV**

The EnerSpar Shares are listed for trading on the TSXV under the trading symbol “ENER”. EnerSpar is in compliance with all policies and requirements of the TSXV and has not carried on any business or activities except as permitted thereby.

4.35 **Expenses and Obligations**

Except with respect to the Spin-Out Transaction, EnerSpar has no obligations or commitments to incur any expenses of any sort whatsoever from the date hereof until completion of the Business Combination other than general administrative expenses consistent with past practice and expenses relating to the completion of the Business Combination.

4.36 **Net Cash on Hand**

As at the date hereof, EnerSpar has Net Cash on Hand of approximately negative \$4,000.

4.37 **Public Disclosure Documents**

EnerSpar is current in the filing of all public disclosure documents required to be filed by EnerSpar under applicable Canadian Securities Laws and TSXV rules (including all Contracts required by Canadian Securities Laws to be filed by EnerSpar), there are no filings that have been made thereunder on a confidential basis and all of such filings comply with the requirements of all applicable Canadian Securities Laws.

4.38 **No Misrepresentation**

No portion of the Public Record contained a misrepresentation (as such term is defined in the *Securities Act* (Alberta)), any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make any statement therein, in light of the circumstances under which it was made, not misleading, as at its date of public dissemination or as at the date hereof.

4.39 **Information Supplied**

None of the information regarding EnerSpar or its assets or business that was supplied by EnerSpar specifically for inclusion or incorporation by reference into the Listing Statement, will, at the time of initial submission of the Listing Statement to the CSE, or at the time of any amendment or supplement thereof, as amended or supplemented at such date or time, contain any misrepresentation or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances under which they are made.

4.40 **Cost Amount**

The “cost amount” (as defined in the Tax Act) of the EnerSpar Properties is, as at the date hereof, and will be, immediately prior to the time of the Distribution, not less than the fair market value of the EnerSpar Properties.

ARTICLE 5
SURVIVAL OF COVENANTS, REPRESENTATIONS AND WARRANTIES

5.01 **Survival of Covenants, Representations and Warranties**

No investigation by or on behalf of any party prior to the execution of this Agreement will mitigate, diminish or affect the representations and warranties made by the other parties. The representations and warranties of the parties contained in this Agreement will not survive the completion of the Business Combination and will expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms. This Section 5.01 will not limit any covenant or agreement of any of the parties, which, by its terms, contemplates performance after the Effective Time or the date on which this Agreement is terminated, as the case may be.

ARTICLE 6
COVENANTS

6.01 **Access to Mindfull**

Mindfull will forthwith make available to EnerSpar and its authorized representatives and, if requested by EnerSpar, provide a copy to EnerSpar of, all title documents, Contracts, financial statements, Constatng Documents, minute books, share registers, plans, reports, licences, orders, permits, books of account, accounting records and all other documents, information or data relating to Mindfull and the Mindfull Business. Mindfull will afford EnerSpar and its authorized representatives every reasonable opportunity to have access during normal business hours to the Mindfull Business and the property, assets, undertaking, records and documents of Mindfull. At the request of EnerSpar, Mindfull will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of the Mindfull Business and any property of Mindfull or to enable EnerSpar or its authorized representatives to obtain full access to all files and records relating to Mindfull and any of the assets of Mindfull maintained by Governmental Authorities. At EnerSpar's request, Mindfull will co-operate with EnerSpar in arranging any such meetings as EnerSpar should reasonably request with:

- (i) officers and directors of Mindfull; and
- (ii) auditors, solicitors or any other persons engaged or previously engaged to provide services to Mindfull who have knowledge of matters relating to Mindfull and the Mindfull Business.

6.02 **Access to EnerSpar**

EnerSpar will forthwith make available to Mindfull and its authorized representatives and, if requested by Mindfull, provide a copy to Mindfull of, all title documents, Contracts, financial statements, Constatng Documents, minute books, share certificate books, share registers, plans, reports, licences, orders, permits, books of account, accounting records and all other documents, information or data relating to EnerSpar and its business. EnerSpar will afford Mindfull and its authorized representatives every reasonable opportunity to have access, during normal business hours, to its business and the property, assets, undertaking, records and documents of EnerSpar. At the request of Mindfull, EnerSpar will execute or cause to be executed such consents, authorizations and directions as may be necessary to permit any inspection of its business and any property of EnerSpar or any of its subsidiaries or to enable Mindfull or its authorized representatives to obtain full access to all files and records relating to EnerSpar or any of its subsidiaries and any of the assets of EnerSpar or any of its subsidiaries maintained by Governmental Authorities. At Mindfull's request, EnerSpar will co-operate with Mindfull in arranging any such meetings as Mindfull should reasonably request with:

- (i) officers and directors of EnerSpar; and
- (ii) auditors, solicitors or any other persons engaged or previously engaged to provide services to EnerSpar who have knowledge of matters relating to EnerSpar and its business.

6.03 **Confidentiality**

- (i) Each party hereto agrees that it shall keep strictly confidential and shall not disclose, copy, reproduce or distribute, or cause or permit to be disclosed, copied, reproduced or distributed any information concerning another party hereto (the “**Disclosing Party**”), its business, operations, assets and liabilities, that was obtained from another party hereto (or such party’s Representatives) including pursuant to Sections 6.01 and 6.02 hereof, respectively (the “**Confidential Information**”) to anyone except (i) the receiving party’s (the “**Recipient**”) directors, officers, employees, affiliates and advisors (the “**Representatives**”) to whom disclosure is reasonably necessary for the purposes of or in connection with the transactions contemplated herein, and who have agreed to be bound by the terms of this Agreement, or (ii) as otherwise consented to in writing by Disclosing Party. Each Recipient shall use its best efforts to ensure that the Confidential Information remains strictly confidential and is not disclosed to or seen, used or obtained by any person or entity except in accordance with the terms of this Agreement.
- (ii) Prior to the Effective Date, each Recipient and its Representatives shall not use or cause to be used any Confidential Information for any purpose other than in connection with evaluating, negotiating or advising in connection with the transactions contemplated herein, and at no time shall a Recipient or its Representatives otherwise use or cause to be used any Confidential Information for the benefit of itself or any other third party or in any manner adverse to, or to the detriment of, the Disclosing Party or its shareholders.
- (iii) Each Recipient shall instruct its Representatives to whom it makes disclosure that the disclosure is made in confidence and shall be kept in confidence and used only in accordance with this Agreement. The Recipient is liable for any breach of the obligations under this Agreement committed by its Representatives.
- (iv) Notwithstanding the foregoing,
 - (i) the obligations of the Recipient under this section 6.03 shall not apply to any information that (A) is publicly available or becomes publicly available through no action or fault of the Recipient, (B) was already in the Recipient’s possession or known to Recipient prior to being disclosed or provided to the Recipient by or on behalf of the Disclosing Party, provided that the source of such information or material was not bound by a contractual, legal or fiduciary obligation of confidentiality to the Disclosing Party or any other party with respect thereto, (C) is obtained by the Recipient from a third party, provided, that, such third party has the lawful right to disclose the Confidential Information, or (D) is independently developed by the Recipient without reference to the Confidential Information; and
 - (ii) a Recipient may disclose Confidential Information if and to the extent legally required or compelled to do so by applicable law or in any governmental, administrative or judicial process (the “**Compelled Disclosure**”). The Recipient shall provide the Disclosing Party with prompt written notice of any request or requirement for Compelled Disclosure and shall co-operate with the Disclosing

Party as the latter may reasonably and lawfully request with respect to the form, timing and nature of any Compelled Disclosure or seeking a protective order or other appropriate remedy. The Recipient may disclose only such Confidential Information as is specifically required or compelled to be disclosed and shall continue to use his or its best efforts to preserve the confidentiality of the Confidential Information.

- (v) Upon the termination or rescission of this Agreement, each Recipient will promptly, if requested to do so by the Disclosing Party, return to the Disclosing Party or destroy all Confidential Information (including notes, writings and other material developed therefrom by Recipient) and all copies thereof and retain none for its files. The requirements of confidentiality set forth herein shall survive the return or destruction of such Confidential Information.
- (vi) Each Recipient hereby agrees that its failure or threat of failure to perform any obligation or duty which it has agreed to perform under this Agreement may cause irreparable harm to the Disclosing Party, which harm cannot be adequately compensated for by monetary damages. It is further agreed by each Recipient that an order of specific performance, injunctive relief or other equitable relief (or any combination thereof) against the Recipient in the event of a breach or default, or the threat of a breach or default, under the terms of this Agreement would be equitable and would not work a hardship on the Recipient and accordingly, in such event the Disclosing Party, without any bond or other security being required and in addition to whatever other remedies are or might be available at law or in equity, shall have the right to commence an action against the Recipient either to compel specific performance by, or to obtain injunctive relief or other equitable relief (or any combination thereof) against, the Recipient, with respect to any such event.
- (vii) Each Recipient acknowledges that the Recipient is aware, and shall advise his or its Representatives, that Canadian Securities Laws prohibit any person who has received material non-public information from an issuer from purchasing or selling securities of such issuer or from communicating such information to any other person.

6.04

Filings

- (i) EnerSpar and Mindfull shall prepare and file, or cause to be filed, any filings required under any applicable Laws, or the rules and policies of the TSXV or CSE or other Governmental Authorities relating to the Business Combination and the Amalgamation, and shall provide on a timely basis such information to each other as is necessary to complete such filings.
- (ii) EnerSpar covenants and agrees to take, in a timely manner, all commercially reasonable actions and steps necessary in order that effective as at the Effective Date: (i) the EnerSpar Shares, including for greater certainty, the EnerSpar Shares issuable pursuant to the Business Combination, be delisted from the TSXV (the “**TSXV Delisting**”); (ii) when received, EnerSpar shall provide Mindfull with copies of the final approval of the TSXV respecting the TSXV Delisting; and (iii) the distribution of EnerSpar Shares to the Mindfull Shareholders upon the Business Combination is exempt from the prospectus and registration requirements of the Canadian Securities Laws.
- (iii) Mindfull covenants and agrees to take, in a timely manner, all commercially reasonable actions and steps necessary in order that effective as at the Effective Date: (i) the Resulting Issuer Shares, including for greater certainty, the EnerSpar Shares issuable pursuant to the

Business Combination, be listed and posted for trading on the CSE (the “**CSE Listing**”); and (ii) when received, Mindfull shall provide EnerSpar with copies of the conditional approval of the CSE respecting the CSE Listing.

6.05

Circulars and Meetings

- (i) As soon as reasonably practicable after the date hereof: (i) if necessary, Mindfull shall call and hold the Mindfull Meeting for the purpose of approving the Mindfull Amalgamation Resolution and shall prepare and mail the Mindfull Circular (together with any other documents required under Canadian Securities Laws in connection with the Mindfull Meeting) to the Mindfull Shareholders or otherwise take steps to get the unanimous consent of Mindfull Shareholders in respect of the approval of the Mindfull Amalgamation Resolution; and (ii) EnerSpar shall call and hold the EnerSpar Meeting for the purposes of approving the Transaction Resolutions and EnerSpar shall prepare and mail the EnerSpar Circular (together with any other documents required under Canadian Securities Laws in connection with the EnerSpar Meeting) to the EnerSpar Shareholders in connection therewith. The Mindfull Meeting (if required) and EnerSpar Meeting shall be held at the earliest practicable date following the mailing of the Mindfull Circular (if required) and EnerSpar Circular.
- (ii) Each of Mindfull and EnerSpar shall co-operate with each other in the preparation and of their respective circulars and in connection therewith provide the other party with such information and material concerning its affairs as such other party shall reasonably request.
- (iii) The Mindfull Circular (if required) and EnerSpar Circular shall include, *inter alia*, the unanimous recommendation of the directors of Mindfull and EnerSpar that their respective shareholders vote in favour of approval of the Mindfull Amalgamation Resolution and the Transaction Resolutions, as applicable.
- (iv) Mindfull covenants that the Mindfull Circular (if required) will comply as to form in all material respects with Canadian Securities Law and that none of the information to be supplied by Mindfull for inclusion or incorporation by reference in the EnerSpar Circular will at the time of the mailing of the EnerSpar Circular contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. If at any time prior to the Effective Time any event with respect to Mindfull, its officers and directors shall occur that is required to be described in the EnerSpar Circular, Mindfull shall give prompt notice to EnerSpar of such event and shall cooperate in the preparation of a supplement or amendment to the EnerSpar Circular if such supplement or amendment, as applicable, is required.
- (v) EnerSpar covenants that the EnerSpar Circular will comply as to form in all material respects with Canadian Securities Law and that none of the information to be supplied by EnerSpar for inclusion or incorporation by reference in the Mindfull Circular (if required) will at the time of the mailing of the Mindfull Circular (if required) contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. If at any time prior to the Effective Time any event with respect to EnerSpar, its officers and directors shall occur that is required to be described in the Mindfull Circular, EnerSpar shall give prompt notice to Mindfull of such event and shall cooperate in

the preparation of a supplement or amendment to the Mindfull Circular if such supplement or amendment, as applicable, is required.

6.06 **Conduct of Mindfull Prior to the Effective Date**

Without in any way limiting any other obligations of Mindfull hereunder, during the period from the date hereof until the earlier of the Effective Date or the date this Agreement is terminated in accordance with its terms, Mindfull will use its commercially reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable (i) to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement, (ii) to comply with all provisions of this Agreement, and (iii) to cooperate with EnerSpar in connection with the foregoing, including, without limitation, the following actions:

- (i) *Conduct Business in the Ordinary Course.* Mindfull shall conduct the Mindfull Business and its operations and affairs only in the Mindfull Ordinary Course, and Mindfull shall not, without the prior written consent of EnerSpar, take any action or enter into any transaction that, if effected before the date of this Agreement, would constitute a breach of any representation, warranty, covenant or other obligation of Mindfull contained herein, or which may interfere with or be inconsistent with the successful completion of the transactions contemplated herein;
- (ii) *Material Adverse Effects.* Mindfull shall notify EnerSpar of any Mindfull Material Adverse Effect;
- (iii) *Corporate Action.* Mindfull shall take all necessary corporate action, steps and proceedings to approve or authorize, validly and effectively, the execution, delivery and performance of this Agreement and the other agreements and documents contemplated hereby and to complete the Business Combination and the transactions contemplated hereby, and to cause all necessary meetings of directors and Mindfull Shareholders to be held for such purpose. In particular, Mindfull will obtain the approval of the Mindfull Shareholders for the Mindfull Amalgamation Resolution (the “**Mindfull Shareholder Approval**”) on or before June 15, 2019. Mindfull will not, in connection with the Mindfull Shareholder Approval, mail or otherwise transmit any information circular or form of proxy or other solicitation material to any person in the United States except to: (i) Mindfull Shareholders; and (ii) although not permitted to vote as part of the Mindfull Shareholder Approval, holders of Mindfull Options, holders of Mindfull Warrants, and holders of Mindfull Convertible Notes, in each case of (i) and (ii) that are U.S. Persons or resident in the United States as at the record date of the meeting of Mindfull Shareholders where Mindfull Shareholder Approval may be sought;
- (iv) *Restrictive Covenants.* Mindfull shall not, directly or indirectly:
 - (i) issue, sell, pledge, hypothecate, lease, dispose of or encumber any of its shares or other securities, or any right, option or warrant with respect thereto, except for: (x) in connection with the Mindfull Private Placements; or (y) upon the exercise of Mindfull Options, Mindfull Warrants, Mindfull Convertible Notes, or other convertible securities existing as of the date hereof;
 - (ii) incur or commit to incur any debt, except in the Mindfull Ordinary Course;

- (iii) make any expenditures except in the Mindfull Ordinary Course, other than in connection with the Business Combination, Mindfull Private Placements, and the transactions contemplated in this Agreement;
 - (iv) declare, pay or make any dividend or other distribution on its shares, or distribute any of its properties or assets to Mindfull Shareholders;
 - (v) enter into any material Contract, except in the Mindfull Ordinary Course and in connection with the Business Combination, the Mindfull Private Placements, and the transaction contemplated in this Agreement;
 - (vi) alter or amend the Constatng Documents of Mindfull, except as necessary to carry out the Business Combination and other transactions contemplated in this Agreement;
 - (vii) engage in any business or other activity except in the Mindfull Ordinary Course;
 - (viii) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of the assets of Mindfull or to finance the working capital requirements of Mindfull;
 - (ix) redeem, purchase or offer to purchase any shares or other securities of Mindfull, except with respect to the Mindfull Convertible Notes (including the adjustment to the exercise price of the Mindfull Convertible Notes such that holders shall be able to elect to convert such Mindfull Convertible Notes at a price of \$0.3375 per Mindfull Class B Common Share);
 - (x) acquire, directly or indirectly, any assets, including but not limited to securities of other companies, except in the Mindfull Ordinary Course; or
 - (xi) enter into any agreement or understanding to do any of the foregoing;
- (v) *Regulatory Consents.* Mindfull shall obtain, prior to the completion of the Business Combination, from all appropriate Governmental Authorities, all Authorizations required as a condition of the lawful consummation of the Business Combination and the Amalgamation, including the provision of reasonable assistance to EnerSpar to obtain the approval of the TSXV for the TSXV Delisting and the CSE for the CSE Listing, and will effect all necessary registrations and other filings and submissions of information requested by Governmental Authorities in connection with the same; and
- (vi) *Contractual Consents.* Mindfull shall give all notices and obtain all waivers, consents and approvals required under any Contract to which Mindfull is a party or by which it is bound to consummate the transactions contemplated in this Agreement.

6.07

Conduct of EnerSpar Prior to the Effective Date

Without in any way limiting any other obligations of EnerSpar hereunder, during the period from the date hereof until the earlier of the Effective Date or the date this Agreement is terminated in accordance with its terms, EnerSpar will use its commercially reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable (i) to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement, (ii) to comply with all

provisions of this Agreement, and (iii) to cooperate with Mindfull in connection with the foregoing, including, without limitation, the following actions:

- (i) *Conduct Business in the Ordinary Course.* EnerSpar shall not carry on any business other than to pursue the Business Combination and the transactions contemplated herein, including but not limited to the Spin-Out Transaction and EnerSpar will not, without the prior written consent of Mindfull, take any action, enter into any transaction that, if effected before the date of this Agreement, would constitute a breach of any representation, warranty, covenant or other obligation of EnerSpar contained herein, or which may interfere with or be inconsistent with the successful completion of the transactions contemplated herein;
- (ii) *Material Adverse Effects.* EnerSpar shall notify Mindfull of any EnerSpar Material Adverse Effect;
- (iii) *Corporate Action.* EnerSpar shall take all necessary corporate action, steps and proceedings to approve or authorize, validly and effectively, the execution, delivery and performance of this Agreement and the other agreements and documents contemplated hereby and to complete the Business Combination and the transactions contemplated hereby, and to cause all necessary meetings of directors and shareholders of EnerSpar and Subco to be held for such purpose. In particular, EnerSpar will obtain the approval of the Transaction Resolutions (the “**EnerSpar Shareholder Approval**”) and approve the Subco Amalgamation, each on or before June 15, 2019. EnerSpar will not, in connection with the EnerSpar Shareholder Approval, mail or otherwise transmit any information circular or form of proxy or other solicitation material to any person in the United States except to EnerSpar Shareholders resident in the United States as at the record date of the meeting of EnerSpar Shareholders where EnerSpar Shareholder Approval may be sought;
- (iv) *Spin-Out Transaction.* EnerSpar shall complete the Spin-Out Transaction, as set out in Schedule “D” in this Agreement, and enter into the Spin-Out Indemnity Agreement, as set out in Schedule “E” in this Agreement, both in a manner satisfactory to Mindfull, acting reasonably, prior to the Effective Time;
- (v) *New Option Plan.* EnerSpar shall approve and adopt the New Option Plan prior to the Effective Time;
- (vi) *New Auditors.* EnerSpar shall appoint the New Auditors prior to the Effective Time;
- (vii) *TSXV Delisting and CSE Listing.* EnerSpar shall obtain all necessary approvals, including but not limited to the approval of the EnerSpar Shareholders, TSXV and CSE, for the TSXV Delisting and the CSE Listing, prior to the Effective Time;
- (viii) *Continuance.* EnerSpar shall complete and file Articles of Continuance, in the prescribed form, to effect the Continuance immediately prior to the Effective Time;
- (ix) *Consolidation.* EnerSpar shall complete and file Articles of Amendment, in the prescribed form, to effect the Consolidation immediately prior to the Effective Time;
- (x) *Name Change.* EnerSpar shall complete and file Articles of Amendment, in the prescribed form, to effect the Name Change immediately prior to the Effective Time;

- (xi) *Board Change.* EnerSpar shall complete and file, or cause to be completed and filed, such documents to give effect to the Board Change at the Effective Time;
- (xii) *Management Change.* EnerSpar shall complete and file, or cause to be completed and filed, such documents to give effect to the Management Change at the Effective Time;
- (xiii) *EnerSpar Voting Agreements.* EnerSpar shall obtain signed copies of the EnerSpar Voting Agreements from the EnerSpar Supporting Shareholders concurrently with the execution of this Agreement, and following such execution until the date of the EnerSpar Meeting;
- (xiv) *Restrictive Covenants.* EnerSpar shall not, directly or indirectly:
 - (i) issue, sell, pledge, hypothecate, lease, dispose of or encumber any of its shares or other securities, or any right, option or warrant with respect thereto, except for: (x) the issuance of New EnerSpar Shares pursuant to the transactions contemplated in this Agreement; (y) upon the exercise of EnerSpar Options; or (z) with the consent of Mindfull, such consent to not be unreasonably withheld, in connection with a working capital financing of up to \$100,000;
 - (ii) incur or commit to incur any debt, except in the EnerSpar Ordinary Course, and not to exceed \$100,000;
 - (iii) make any expenditures except in the EnerSpar Ordinary Course, other than in connection with the Business Combination and the transactions contemplated in this Agreement, including but not limited to the Spin-Out Transaction;
 - (iv) declare, pay or make any dividend or other distribution on its shares, or distribute any of its properties or assets to any person, other than in connection with the Spin-Out Transaction;
 - (v) enter into any material Contract, except in the EnerSpar Ordinary Course and in connection with the Business Combination and the transaction contemplated in this Agreement;
 - (vi) alter or amend the Constatting Documents of EnerSpar or Subco, except as necessary to carry out the Business Combination, Spin-Out Transaction, and other transactions contemplated in this Agreement;
 - (vii) engage in any business or other activity except in the EnerSpar Ordinary Course;
 - (viii) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of the assets of EnerSpar, other than in connection with the Spin-Out Transaction;
 - (ix) redeem, purchase or offer to purchase any shares or other securities of EnerSpar;
 - (x) acquire, directly or indirectly, any assets, including but not limited to securities of other companies, except in the EnerSpar Ordinary Course; or
 - (xi) enter into any agreement or understanding to do any of the foregoing.

- (xv) *Subco Restrictive Covenant.* Subco shall not, directly or indirectly, enter into any Contract whatsoever or issue any Subco Common Shares following the date of this Agreement, except in accordance with the provisions of this Agreement;
- (xvi) *Regulatory Consents.* EnerSpar shall obtain, prior to the Business Combination, from all appropriate Governmental Authorities, the Authorizations required as a condition of the lawful consummation of the transactions contemplated by this Agreement including the approval of the TSXV for the TSXV Delisting and assist Mindfull with obtaining the approval of the CSE for the CSE Listing, and will effect all necessary registrations and other filings and submissions of information requested by Governmental Authorities in connection with the same;
- (xvii) *Contractual Consents.* EnerSpar shall give any notices and obtain any consents and approvals required under any Contract to which EnerSpar is a party or by which it is bound to consummate the transactions contemplated hereby; and
- (xviii) *Contracts.* EnerSpar shall not, without the prior written consent of Mindfull (such consent not to be unreasonably withheld or delayed), enter into any new Contract or amend the terms of any existing Contract to which it is a party except for the Contracts necessary to carry out the transactions contemplated in this Agreement.

6.08 **Standstill of Mindfull**

Unless and until this Agreement is terminated pursuant to the terms hereof, Mindfull agrees not to solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any Confidential Information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Business Combination, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any offer, shareholder proposal, “business combination” or “takeover bid,” exempt or otherwise, within the meaning of the Canadian Securities Laws, for securities or assets of Mindfull (other than pursuant to the Mindfull Private Placements), nor to undertake any transaction or negotiate any transaction which would be or potentially could reasonably be in conflict with the Business Combination, including, without limitation, allowing access to any third party to conduct due diligence, nor to permit any of its officers, directors, employees, agents or Affiliates to do so, except as required by statutory obligations. In the event Mindfull, including any of its officers, directors, employees, agents or Affiliates, receives any form of offer or inquiry, Mindfull shall forthwith (and in any event within one Business Day following receipt) notify EnerSpar of such offer or inquiry and provide EnerSpar with such details as it may request. Notwithstanding the foregoing, this section does not restrict, limit or prohibit the board of directors of Mindfull from exercising its fiduciary duties under applicable Law where in the good faith judgment of the board of directors of Mindfull, after consultation with outside legal counsel, failure to take such action would be inconsistent with the exercise of its fiduciary duties. For greater certainty, such fiduciary duty shall not relieve Mindfull of its obligations under this Agreement or limit the remedies (including specific performance and injunctive relief) available to EnerSpar or Subco, as applicable.

6.09 **Standstill of EnerSpar**

Unless and until this Agreement is terminated pursuant to the terms hereof, EnerSpar agrees not to solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any Confidential Information or entering into any form of agreement, arrangement or understanding) the

submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Business Combination, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any offer, shareholder proposal, “business combination”, “takeover bid,” or “qualifying transaction”, exempt or otherwise, within the meaning of the Canadian Securities Laws or the TSXV Corporate Finance Manual, as applicable, for securities or assets of EnerSpar (other than pursuant to the Spin-Out Transaction), nor to undertake any transaction or negotiate any transaction which would be or potentially could reasonably be in conflict with the Business Combination, including, without limitation, allowing access to any third party to conduct due diligence, nor to permit any of its officers, directors, employees, agents or Affiliates to do so, except as required by statutory obligations. In the event EnerSpar, including any of its officers, directors, employees, agents or Affiliates, receives any form of offer or inquiry, EnerSpar shall forthwith (and in any event within one Business Day following receipt) notify Mindfull of such offer or inquiry and provide Mindfull with such details as it may request. Notwithstanding the foregoing, this section does not restrict, limit or prohibit the board of directors of EnerSpar from exercising its fiduciary duties under applicable Law where in the good faith judgment of the board of directors of EnerSpar, after consultation with outside legal counsel, failure to take such action would be inconsistent with the exercise of its fiduciary duties. For greater certainty, such fiduciary duty shall not relieve EnerSpar of its obligations under this Agreement or limit the remedies (including specific performance and injunctive relief) available to Mindfull.

6.10 **Refrain from Certain Action**

No party shall take any action, refrain from taking any action (subject to commercially reasonable efforts) or permit any action to be taken or not taken, inconsistent with the provisions of this Agreement or which would or could reasonably be expected to materially impede the completion of the transactions contemplated hereby or which would or could reasonably be expected to have a Mindfull Material Adverse Effect or EnerSpar Material Adverse Effect.

6.11 **Directors and Officers of the Resulting Issuer**

At the Effective Time:

- (i) the directors of EnerSpar shall resign and there shall be appointed and/or elected in their place as directors of the Resulting Issuer the following four (4) persons or such other persons as designated by Mindfull (the “**Board Change**”):

Matthew Jimenez	Director
Nicholas Reichenbach	Director
Joseph Jackman	Director
Mary Dalimonte	Director

- (ii) the officers, employees and consultants of EnerSpar shall resign and there shall be appointed in their place as officers of the Resulting Issuer the following persons or such other persons as designated by Mindfull (the “**Management Change**”):

Matthew Jimenez	Chief Executive Officer
Sam Majic	Chief Financial Officer and Secretary

Grant Burgess	President
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- (iii) no “change of control”, termination fees or other severance payments shall be owed or paid to any directors, officers, employees or consultants that resign from EnerSpar as contemplated by this Agreement, including James Richardson shall have provided a waiver of any fees (or all, or any part of, such amounts shall have been assigned to Spinco) or notice period owed to him pursuant to his consulting agreement dated March 30, 2017.

6.12 **[Intentionally Deleted]**

6.13 **Press Release**

During the period commencing on the date hereof and until the closing of the Business Combination, the parties agree that any press release issued in connection with the Business Combination is to include the following or substantially similar legend: “NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN THE UNITED STATES.” and as applicable, “The securities offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful”

6.14 **U.S. Exemption from Registration**

Each party hereto agrees that it will take all steps necessary, and shall ensure that its employees, officers, directors, representatives and agents will take all steps necessary, to ensure that the New EnerSpar Shares will only be issued in the U.S. or to U.S. Persons pursuant to the Business Combination and Amalgamation in a transaction that shall be exempt from the registration requirements of the U.S. Securities Act pursuant to the availability of the exemption provided by Rule 506 of Regulation D under the U.S. Securities Act (and shall be a condition to close) and in accordance with applicable state securities laws.

ARTICLE 7
CONDITIONS OF CLOSING

7.01 **Conditions in Favour of EnerSpar**

The consummation of the Business Combination and the transactions contemplated in this Agreement are subject to the following terms and conditions for the exclusive benefit of EnerSpar, to be fulfilled or performed at or prior to the Effective Time:

- (i) *Constituting Documents and Certificate of Corporate Existence.* EnerSpar shall have received from Mindfull: (i) a copy of the Constituting Documents of Mindfull, certified by a duly authorized officer of Mindfull, to be true and complete as of the Effective Date; and (ii) a certificate or the equivalent, dated not more than three days prior to the Effective Date, of the jurisdiction of incorporation of Mindfull as to the corporate good standing thereof;
- (ii) *Required Approvals.* The board of directors of Mindfull shall have adopted all necessary resolutions and taken all other necessary corporate action to permit the Business

Combination and the other transaction contemplated hereby and the Mindfull Shareholders shall have approved the Mindfull Amalgamation Resolution;

- (iii) *Proof of Corporate Action.* EnerSpar shall have received from Mindfull a copy, certified by a duly authorized officer thereof to be true and complete as of the Effective Date, of the records of all corporate action taken to authorize the execution, delivery and performance of this Agreement and the transactions contemplated hereby, including a copy of the Mindfull Amalgamation Resolution as passed by the Mindfull Shareholders;
- (iv) *Representations and Warranties.* Other than the representations and warranties of Mindfull set out in Sections 3.06 and 3.07 herein (which may change as a result of the issuance of additional securities), the representations and warranties of Mindfull contained in this Agreement shall be true and correct at the Effective Time, with the same force and effect as if such representations and warranties were made at and as of such date (except to the extent such representations and warranties speak as of an earlier date, in which event they shall be true as of such earlier date, or except as affected by transactions specifically permitted or contemplated by this Agreement, or except for any failures or breaches of representations and warranties which, individually or in the aggregate, would not reasonably be expected to result in a Mindfull Material Adverse Effect or prevent or delay the completion of the Business Combination or other transactions contemplated herein), and a certificate of the Chief Executive Officer of Mindfull dated the Effective Date shall have been delivered to EnerSpar confirming the foregoing;
- (v) *Covenants.* All of the terms, covenants and conditions of this Agreement to be complied with or performed by Mindfull at or before the Effective Time shall have been complied with or performed and a certificate of the Chief Executive Officer of Mindfull dated the Effective Date shall have been delivered to EnerSpar confirming the foregoing;
- (vi) *Regulatory Consents.* There shall have been obtained, from all relevant Governmental Authorities, such Authorizations as are required to be obtained by Mindfull and EnerSpar to consummate the Business Combination and the other transactions contemplated hereby;
- (vii) *Contractual Consents.* Mindfull shall have given or obtained the notices, consents and approvals referred to in Section 6.06(vi), as applicable, in each case in form and substance satisfactory to EnerSpar, acting reasonably;
- (viii) *No Action or Proceeding.* No *bona fide* legal or regulatory action or proceeding will be pending or threatened by any person to enjoin, restrict or prohibit the Business Combination (including but not limited to any cease trade order or similar restraining order) or any other of the transactions contemplated hereby, or the right of EnerSpar, Subco or Mindfull, to conduct, expand, and develop their business;
- (ix) *No Mindfull Material Adverse Effect.* There will have been no Mindfull Material Adverse Effect since the date hereof and a certificate of the Chief Executive Officer of Mindfull dated the Effective Date to that effect shall have been delivered to EnerSpar;
- (x) *No Change of Control Payments.* There shall be no amount owed or payable to directors, officers, employees or consultants of Mindfull (or any nature whatsoever) arising from a “change of control” of Mindfull in connection with the Business Combination and the transactions contemplated hereby;

- (xi) *TSXV Delisting.* The TSXV shall have approved the TSXV Delisting, and all conditions shall have been satisfied or are capable of being satisfied or waived in connection therewith; and
- (xii) *CSE Listing.* The CSE shall have conditionally approved the CSE Listing and all conditions necessary for final approval of the CSE for the CSE Listing, except for the TSXV Delisting and the completion of the Business Combination, shall have been satisfied or waived by the CSE in connection therewith.

If any of the conditions contained in this Section 7.01 have not been performed or fulfilled at or prior to the Effective Time to the satisfaction of EnerSpar, acting reasonably, EnerSpar may, by notice to Mindfull, terminate this Agreement and the obligations of Mindfull and EnerSpar under this Agreement. Any such condition may be waived in whole or in part by EnerSpar without prejudice to any claims it may have for breach of covenant, representation or warranty or otherwise.

7.02 **Conditions in Favour of Mindfull**

The consummation of the Business Combination and the Amalgamation are subject to the following terms and conditions for the exclusive benefit of Mindfull, to be fulfilled or performed at or prior to the Effective Time:

- (i) *Constating Documents, Certificate of Corporate Existence and Certificate of Outstanding Securities of EnerSpar and Subco.* Mindfull shall have received: (i) a copy of the Constating Documents of each of EnerSpar and Subco, certified by a duly authorized officer of EnerSpar and Subco, as the case may be, to be true and complete as of the Effective Date; (ii) a certificate or the equivalent, dated not more than three days prior to the Effective Date, of the jurisdiction of incorporation of each of EnerSpar and Subco as to the corporate good standing thereof; and (iii) a certificate of each of EnerSpar and Subco, certified by a duly authorized officer of EnerSpar and Subco, as the case may be, to be true and complete list of all of the issued and outstanding securities of EnerSpar and Subco as at the Effective Time;
- (ii) *Required Approvals.* Each of the board of directors of EnerSpar and Subco shall have adopted all necessary resolutions and taken all other necessary corporate action to permit the Business Combination and the other transaction contemplated hereby, the EnerSpar Shareholders shall have approved the Transactions Resolutions, and EnerSpar shall have approved the Subco Amalgamation Resolution;
- (iii) *Proof of Corporate Action.* Mindfull shall have received from each of EnerSpar and Subco a copy, certified by a duly authorized officer thereof to be true and complete as of the Effective Date, of the records of all corporate action taken to authorize the execution, delivery and performance of this Agreement and the transactions contemplated hereby, including a copy of the Transaction Resolutions as passed by the EnerSpar Shareholders and the Subco Amalgamation Resolution pass by EnerSpar;
- (iv) *Representations and Warranties.* The representations and warranties of EnerSpar and Subco contained in this Agreement shall be true and correct at the Effective Time, with the same force and effect as if such representations and warranties were made at and as of such date (except to the extent such representations and warranties speak as of an earlier date, in which event they shall be true as of such earlier date, or except as affected by transactions specifically permitted or contemplated by this Agreement, or except for any failures or breaches of representations and warranties which, individually or in the aggregate, would not reasonably be expected to result in an EnerSpar Material Adverse Effect or prevent or delay

the completion of the Business Combination or other transactions contemplated herein), and a certificate of the Chief Executive Officer and the Chief Financial Officer of EnerSpar dated the Effective Date shall have been delivered to Mindfull confirming the foregoing;

- (v) *Covenants*. All of the terms, covenants and conditions of this Agreement to be complied with or performed by EnerSpar at or before the Effective Time shall have been complied with or performed, and a certificate of the Chief Executive Officer and the Chief Financial Officer of EnerSpar dated the Effective Date shall have been delivered to Mindfull confirming the foregoing;
- (vi) *Regulatory Consents*. There shall have been obtained, from all relevant Governmental Authorities, such Authorizations as are required to be obtained by Mindfull and EnerSpar to consummate the Business Combination and the other transactions contemplated hereby;
- (vii) *Contractual Consents*. EnerSpar shall have given or obtained the notices, consents and approvals referred to in subsection 6.07(xvii), in each case in form and substance satisfactory to Mindfull, acting reasonably;
- (viii) *No Action or Proceeding*. No *bona fide* legal or regulatory action or proceeding will be pending or threatened by any person to enjoin, restrict or prohibit the Business Combination (including but not limited to any cease trade order or similar restraining order) or any other of the transactions contemplated hereby, or the right of EnerSpar, Subco, or Mindfull, to conduct, expand, and develop their business;
- (ix) *No EnerSpar Material Adverse Effect*. There will have been no EnerSpar Material Adverse Effect and a certificate of the Chief Executive Officer and the Chief Financial Officer of EnerSpar dated the Effective Date to that effect shall have been delivered to Mindfull;
- (x) *No Change of Control Payments*. There shall be no amount payable to directors, officers, employees or consultants of EnerSpar (of any nature whatsoever) arising from a “change of control” of EnerSpar in connection with the Business Combination and the transactions contemplated hereby, including no termination fees or other severance payments in connection with the Board Change and Management Change, as contemplated in this Agreement;
- (xi) *Release by Directors and Officers*. Each of the directors, officers, employees and consultants of EnerSpar that resigns as contemplated in Section 6.11 will have executed and delivered releases in favour of EnerSpar in form and substance satisfactory to Mindfull, acting reasonably;
- (xii) *Dissent Rights*. Dissent Rights shall not have been exercised: (i) by Mindfull Shareholders (with respect to the Amalgamation) in respect of a total number of Mindfull Common Shares which exceed 10% of the outstanding Mindfull Common Shares immediately prior to the Effective Time, and (ii) by EnerSpar Shareholders (with respect to the Continuance) in respect of a total number of EnerSpar Shares which exceed 10% of the outstanding EnerSpar Shares immediately prior to the Effective Time;
- (xiii) *Net Cash on Hand*. Immediately prior to the Effective Time, Mindfull shall be satisfied, acting reasonably, that EnerSpar has Net Cash on Hand of not less than \$nil, taking into consideration all costs and expenses required in connection with the completion of the Spin-Out Transaction;

- (xiv) *Spin-Out Transaction.* EnerSpar shall have completed the Spin-Out Transaction, as set out in Schedule “D” in this Agreement, and shall have entered into the Spin-Out Indemnity Agreement, as set out in Schedule “E” in this Agreement, both in a manner satisfactory to Mindfull, acting reasonably, prior to the Effective Time;
- (xv) *Board Change.* The Board Change shall have been made effective;
- (xvi) *Management Change.* The Management Change shall have been made effective;
- (xvii) *New Option Plan.* The New Option Plan shall have been approved and adopted;
- (xviii) *New Auditors.* The New Auditors shall have been appointed;
- (xix) *TSXV Delisting.* The TSXV shall have approved the TSXV Delisting, and all conditions shall have been satisfied or are capable of being satisfied or waived in connection therewith;
- (xx) *CSE Listing.* The CSE shall have conditionally approved the CSE Listing and all conditions necessary for final approval of the CSE for the CSE Listing, except for the TSXV Delisting and the completion of the Business Combination, shall have been satisfied or waived by the CSE in connection therewith;
- (xxi) *Continuance.* The Continuance shall have been made effective and completed;
- (xxii) *Consolidation.* The Consolidation shall have been made effective and completed;
- (xxiii) *Name Change.* The Name Change shall have been made effective and completed;
- (xxiv) *EnerSpar Voting Agreements.* Mindfull shall have received the EnerSpar Voting Agreements and such agreements shall not have been terminated or otherwise breached in any material manner by any of the EnerSpar Shareholders such that as a result of such termination or breach the Transaction Resolutions are not passed at the EnerSpar Meeting;
- (xxv) *Insurance.* Mindfull shall have obtained such directors’ and officers’ liability coverage for EnerSpar’s existing directors’ and officers’ in form and substance satisfactory to Mindfull, acting reasonably;
- (xxvi) *Debt.* EnerpSar shall have assigned not less than \$40,000 of the Spinco Assumed Liabilities (as that term is defined in the Spin-Out Indemnity Agreement) to Spinco; and
- (xxvii) *Other.* Mindfull shall have received such other documents and instruments as its legal counsel may reasonably require to ensure completion of the Business Combination.

If any of the conditions in this Section 7.02 have not been performed or fulfilled at or prior to the Effective Time to the satisfaction of Mindfull, acting reasonably, Mindfull may, by notice to EnerSpar, terminate this Agreement and the obligations of Mindfull and EnerSpar under this Agreement. Any such condition may be waived in whole or in part by Mindfull without prejudice to any claims it may have for breach of covenant, representation or warranty or otherwise.

7.03 **Filing Articles**

Mindfull shall file with the Director, Articles of Amalgamation and such other documents as may be required to complete the Business Combination as soon as practical and in any event within one Business Day after all conditions set out in Sections 7.01 and 7.02 have been satisfied or waived.

7.04 **Further Assurances**

Each party to this Agreement covenants and agrees that, from time to time prior to and subsequent to the Business Combination, it shall execute and deliver all such documents, including all such additional conveyances, transfers, consents and other assurances and do all such other acts and things as the other party hereto, acting reasonably, may from time to time request be executed or done in order to better evidence or perfect or effectuate any provision of this Agreement or of any agreement or other document executed pursuant to this Agreement or any of the respective obligations intended to be created hereby or thereby.

ARTICLE 8
CLOSING AND TERMINATION

8.01 **Closing**

The closing of the Business Combination shall take place at the offices of Cassels Brock & Blackwell LLP at 10:00 a.m. (Toronto time) on the Effective Date of on such other date as Mindfull and EnerSpar may agree.

8.02 **Termination**

This Agreement may be terminated at any time before the Effective Time:

- (i) by the mutual written agreement of EnerSpar, Subco and Mindfull;
- (ii) by either of EnerSpar or Mindfull by notice to the other if there has been a misrepresentation, breach or non-performance by the breaching party of any representation, warranty, covenant or obligation contained in this Agreement, which could reasonably be expected to have a Material Adverse Effect on the terminating party or the ability of either party to complete the Business Combination in accordance with the terms of this Agreement, provided the breaching party has been given notice of and ten (10) days to cure any such misrepresentation, breach or non-performance;
- (iii) by EnerSpar pursuant to: (i) a breach by Mindfull of Section 6.08, or (ii) Section 7.01, if a condition is not satisfied by the Termination Date (or any earlier date by which such condition is required to be satisfied), except when such failure is a result of a breach of this Agreement by EnerSpar;
- (iv) by Mindfull pursuant to: (i) a breach by EnerSpar of Section 6.09, or (ii) Section 7.02, if a condition is not satisfied by the Termination Date (or any earlier date by which such condition is required to be satisfied), except when such failure is a result of a breach of this Agreement by Mindfull; or
- (v) by either Mindfull or EnerSpar, if the Business Combination has not been completed on or before July 31, 2019 (the “**Termination Date**”), or such later date as may be mutually

agreed to by Mindfull and EnerSpar (provided, that the right to terminate this Agreement under this Section 8.02(v) shall not be available to any party whose failure to fulfill any of its obligations under this Agreement has been the cause of or resulted in the failure to consummate the transactions contemplated hereby by such date),

provided that the right to terminate this Agreement is not available to a party if it is in material breach of any representation, warranty or covenant hereof.

8.03 **Effect of Termination**

If this Agreement is terminated in accordance with Section 8.02:

- (i) this Agreement shall forthwith have no further force or effect and there shall be no obligation on the part of the parties hereunder except with respect to (i) Section 6.03 and Section 9.01 which will survive such termination, and (ii) a breach arising from the fraud or wilful misconduct of any party; and
- (ii) neither EnerSpar nor Mindfull will have any further liability to the other party except as expressly contemplated hereby, provided that the termination of this Agreement (i) will not relieve either EnerSpar or Mindfull from any liability for breach by it of this Agreement prior to such termination or (ii) preclude a party from seeking injunctive relief to restrain any breach or threatened breach of this Agreement or otherwise to obtain specific performance of any provision of this Agreement.

8.04 **Waivers and Extensions**

At any time prior to the earlier of the Effective Time or the termination of this Agreement in accordance with the provisions thereof, each of the parties hereto may (a) extend the time for the performance of any of the obligations or other acts of another party hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto or (c) waive compliance with any of the agreements or conditions contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party to be bound thereby.

ARTICLE 9
MISCELLANEOUS

9.01 **Transaction Costs**

- (i) Subject to Sections 9.01(ii) and 9.01(iii), each party hereto will pay its respective costs and expenses (including but not limited to its legal and accounting costs) incurred in connection with the preparation, execution, delivery and performance of this Agreement and all documents and instruments executed pursuant to this Agreement and all transactions contemplated by this Agreement, and any other costs and expenses whatsoever and howsoever incurred. The Resulting Issuer shall be responsible for expenses incurred by EnerSpar in connection with the completion of the Business Combination up to an aggregate of \$50,000, and to the extent such expenses were not paid by EnerSpar prior to completion of the Business Combination, Spinco shall be responsible for all other expenses incurred by EnerSpar prior to the completion of the Business Combination, including the Spin-Out Transaction.

- (ii) If this Agreement is terminated by EnerSpar because of (i) a breach by Mindfull of Section 6.08; (ii) the failure of the conditions in Section 7.01 ((ii), (iv), or (v)); or (iii) this Agreement is terminated by EnerSpar pursuant to Section 8.02(v) and at the time of such termination there is a state of facts or circumstances that would cause the conditions set forth in Section 7.01((ii), (iv), or (v) not to be satisfied, notwithstanding the availability of any cure period, Mindfull shall pay EnerSpar an amount equal to \$200,000 as reimbursement to EnerSpar for its out-of-pocket expenses incurred in connection with the Business Combination, provided that if EnerSpar is in material breach of its obligations hereunder at the time of the termination of the Agreement such amount will not be payable.
- (iii) If this Agreement is terminated by Mindfull because of (i) a breach by EnerSpar of Section 6.09; (ii) the failure of the conditions in Section 7.02((ii), (iv), (v), (xiii) or (xiv)); or (iii) this Agreement is terminated by Mindfull pursuant to Section 8.02(v) and at the time of such termination there is a state of facts or circumstances that would cause the conditions set forth in Section 7.02((ii), (iv), (v), (xiii) or (xiv) not to be satisfied, notwithstanding the availability of any cure period, EnerSpar shall pay Mindfull an amount equal to \$200,000 as reimbursement to Mindfull for its out-of-pocket expenses incurred in connection with the Business Combination, provided that if MindFull is in material breach of its obligations hereunder at the time of the termination of the Agreement such amount will not be payable.

9.02 **Time of the Essence**

Time is of the essence of this Agreement.

9.03 **Public Announcements**

The parties hereto shall not make any public announcement or press release concerning this Agreement or the matters contemplated herein, their discussions or any other memoranda, letters or agreements between the parties relating to the matters contemplated herein without the prior consent of each other, which consent shall not be unreasonably withheld, provided that no party shall be prevented from making any disclosure which is required to be made by Law or any rules of a stock exchange or similar organization by which it is bound.

9.04 **Benefit of the Agreement**

This Agreement will enure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.

9.05 **Entire Agreement**

This Agreement (together with the Confidentiality Agreement) constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties hereto with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement and the Confidentiality Agreement.

9.06 **Amendments and Waivers**

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties hereto. No waiver of any provision of this Agreement will be effective or

binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific provision waived.

9.07 **Assignment**

This Agreement may not be assigned by a party hereto without the written consent of the other parties hereto, such consent not to be unreasonably withheld or delayed.

9.08 **Notices**

Any demand, notice or communication to be made or given under or pursuant to this Agreement is to be in writing, except as otherwise expressly permitted or required under this Agreement, and may be made or given by personal delivery, by registered mail or by transmittal by electronic mail addressed to the respective parties as follows:

- (i) If to EnerSpar, then to the following address:

EnerSpar Corp.
22 Coulson Ave.
Toronto, Ontario M4V 1Y5

Attention: Jay Richardson, Chief Executive Officer
Email : jrichardson@sinclairrange.com

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

Irwin Lowy LLP
365 Bay Street, Suite 400
Toronto, Ontario M5H 2V1

Attention: Chris Irwin
Email: cirwin@irwinlowy.com

- (ii) If to Mindfull, then to the following address:

Mindfull Capital Inc.
Suite 200, 283 Dalhousie Street
Ottawa, Ontario K1N 7E5

Attention: Matthew Jimenez, Chief Executive Officer
Email : [REDACTED]

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

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

Attention: Alexander Pizale
Email: apizale@casselsbrock.com

or to such other mailing or electronic mail address as any party may from time to time notify the others of in accordance with this paragraph. Any demand, notice or communication made or given by personal delivery is conclusively deemed to have been given on the day of actual delivery thereof, or, if made or given by registered mail, on the fifth (5th) business day following the deposit thereof in the mail or, if made or given by electronic mail, on the day of transmittal thereof if given during the normal business hours of the recipient and on the business day during which such normal business hours next occur if not given during such hours on any day. If the party making or giving such demand, notice or communication knows, or ought reasonably to know, of difficulties with the postal system which might affect the delivery of mail, any such demand, notice or communication is not to be mailed but is to be made or given by personal delivery or by electronic mail transmission.

9.09 **Remedies Cumulative**

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

9.10 **Governing Law**

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction.

9.11 **Attornment**

For the purpose of all legal proceedings, this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. Each party hereto hereby attorns to the jurisdiction of the courts of the Province of Ontario.

9.12 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this Agreement by either party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

[The remainder of this page has been left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

ENERSPAR CORP.

By: "Jay Richardson"
Name: Jay Richardson
Title: CEO

11273396 CANADA INC.

By: "Jay Richardson"
Name: Jay Richardson
Title: Director

MINDFULL CAPITAL INC.

By: "Matthew Jimenez"
Name: Matthew Jimenez
Title: CEO

**SCHEDULE “A”
AMALGAMATION AGREEMENT**

THIS AGREEMENT is made as of [●], 2019

AMONG:

ENERSPAR CORP., a corporation existing under the *Business Corporations Act* (Alberta),

(hereinafter called “**EnerSpar**”),

- and -

11273396 CANADA INC., a corporation incorporated under the *Canada Business Corporations Act*,

(hereinafter called “**Subco**”),

- and –

MINDFULL CAPITAL INC., a corporation incorporated under the *Canada Business Corporations Act*,

(hereinafter called “**Mindfull**”),

WHEREAS:

1. The parties hereto have entered into a business combination agreement dated as of April 16, 2019 pursuant to which the parties thereto have agreed that the business and assets of Mindfull will be combined with those of Subco (the “**Business Combination Agreement**”).
2. The authorized capital of Subco consists of an unlimited number of common shares of which 100 are issued and outstanding as fully paid and non-assessable.
3. The authorized capital of Mindfull consists of: (i) an unlimited number of Mindfull Class A Common Shares (as defined herein), of which [●] Mindfull Class A Common Shares are issued and outstanding as at the date hereof; (ii) an unlimited number of Mindfull Class B Common Shares (as defined herein), of which [●] Mindfull Class B Common Shares are issued and outstanding as at the date hereof; and (iii) an unlimited number of Mindfull Class C Preferred Shares, of which nil Mindfull Class C Preferred Shares are issued and outstanding as at the date hereof.
4. Subco and Mindfull have agreed to amalgamate under the CBCA (as defined herein) upon the terms and conditions hereinafter set out;
5. Effective upon the Amalgamation (as defined herein), EnerSpar shall issue to each Mindfull Shareholder (as defined herein) one common share in its capital for each one Mindfull Common Share (as defined herein);

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties hereto do hereby agree as follows:

1. Interpretation

In this Agreement including the recitals:

“**Accredited Investor**” means an “accredited investor” within the meaning of Rule 501(a) of Regulation D under the U.S. Securities Act;

“**Agreement**” means this amalgamation agreement, at it may be amended or supplemented at any time and from time to time after the date hereof;

“**Amalco**” means the corporation resulting from the amalgamation of Subco and Mindfull pursuant to the Amalgamation;

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

“**Amalgamating Corporation**” means each of Subco and Mindfull and “**Amalgamating Corporations**” means both of them;

“**Amalgamation**” means the amalgamation of the Amalgamating Corporations under Section 181 of the CBCA on the terms and subject to the conditions set out in this Agreement;

“**Business Combination**” means the business combination among EnerSpar, Subco and Mindfull pursuant to which Mindfull Shareholders will receive EnerSpar Shares on the basis of one EnerSpar Share for each one Mindfull Common Share held and EnerSpar will become the parent company of Amalco and Amalco will be a wholly-owned subsidiary of EnerSpar;

“**Business Combination Agreement**” has the meaning ascribed thereto in the preamble to this Agreement;

“**CSE**” means the Canadian Securities Exchange;

“**CBCA**” means the *Canada Business Corporations Act*, as amended from time to time;

“**Certificate of Amalgamation**” means the certificate of amalgamation to be issued by the Director in respect of the Amalgamation;

“**Director**” means the director appointed under Section 260 of the CBCA;

“**Effective Date**” means the date shown on the Certificate of Amalgamation;

“**Effective Time**” has the meaning ascribed to it in Section 9;

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

“**Governmental Authority**” means and includes, without limitation, any foreign, national, provincial, local or state government, or political subdivision of any government, judicial, public or statutory instrumentality, court, tribunal, commission, board, agency (including those pertaining to health, safety or the environment), authority, body or entity, or other regulatory bureau, authority, body or entity having legal jurisdiction over the activity or Person in question and, for greater certainty, includes the TSXV and the CSE;

“**ITA**” means the *Income Tax Act* (Canada), as amended, and all regulations thereunder;

“**Mindfull Class A Common Shares**” means the class “A” common shares in the capital of Mindfull;

“**Mindfull Class B Common Shares**” means the class “B” common shares in the capital of Mindfull;

“**Mindfull Class C Preferred Shares**” means the class “C” preferred shares in the capital of Mindfull;

“**Mindfull Common Shares**” means, collectively, the Mindfull Class A Common Shares and Mindfull Class B Common Shares;

“**Mindfull Shareholder**” means a registered holder of Mindfull Common Shares, from time to time, and

“**Mindfull Shareholders**” means all of such holders;

“**Parties**” means Subco and Mindfull;

“**Person**” includes any individual, sole proprietorship, firm, partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, union, Governmental Authority, syndicate or other entity, whether or not having legal status;

“**Regulation D**” means Regulation D adopted by the SEC under the U.S. Securities Act;

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

“**Transfer Agent**” means the registrar and transfer agent of EnerSpar;

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

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

“**U.S. Person**” means a “U.S. person” as defined in Regulation S under the U.S. Securities Act; and

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

2. Paramountcy

In the event of any conflict between the provisions of this Agreement and the provisions of the Business Combination Agreement, the provisions of the Business Combination shall prevail.

3. Agreement to Amalgamate

Each of the Parties hereby agrees to the Amalgamation. The Amalgamating Corporations shall amalgamate to create Amalco on the terms and conditions set out in this Agreement.

4. Amalgamation

The Parties shall cause the Articles of Amalgamation to be filed pursuant to the CBCA to effect the Amalgamation. Under the Amalgamation at the Effective Time:

- (a) Subco and Mindfull will amalgamate and continue as Amalco with the name “ Mindfull Capital Inc.”;
- (b) each holder of Mindfull Common Shares (other than dissenting Mindfull Shareholders who do not cancel their Mindfull Common Shares in consideration of obtaining EnerSpar Shares

on the Amalgamation) shall receive one fully paid and non-assessable EnerSpar Share for each Mindfull Common Share held (the “**Exchange Ratio**”), following which all such Mindfull Common Shares shall be cancelled;

- (c) EnerSpar shall receive one fully paid and non-assessable Amalco Share for each one Subco Share held by EnerSpar, following which all such Subco Shares shall be cancelled;
- (d) in consideration of the issuance of EnerSpar Shares in Section 4(b), Amalco shall issue to EnerSpar one Amalco Share for each EnerSpar Share issued;
- (e) the EnerSpar Shares shall be issued fully paid in consideration of the cancellation of the Mindfull Common Shares immediately prior to the Effective Time, excluding any Mindfull Common Shares held by dissenting Mindfull Common Shareholders who do not cancel their Mindfull Common Shares in consideration of obtaining EnerSpar Shares in the Amalgamation;
- (f) Amalco shall add to the stated capital maintained in respect of the Amalco Shares an amount such that the stated capital of the Amalco Shares shall be equal to the aggregate paid-up capital for purposes of the ITA of the Subco Shares and Mindfull Common Shares immediately prior to the Effective Time;
- (g) EnerSpar shall be entitled to deduct and withhold from any consideration otherwise payable pursuant to the transactions contemplated by this Agreement to any holder of Mindfull Common Shares such amounts as it determines are required or permitted to be deducted and withheld with respect to such payment under the ITA or any provision of provincial, state, local or foreign tax law, in each case as amended; to the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Mindfull Common Shares in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority; and
- (h) Amalco will become a wholly-owned subsidiary of EnerSpar.

5. Delivery of Securities Following Amalgamation

In accordance with normal commercial practice, as soon as practicable following the Effective Date, EnerSpar, directly or through the Transfer Agent, shall issue Direct Registration Advices or certificates representing the appropriate number of EnerSpar Shares to the former holders of Mindfull Common Shares.

6. Effect of Amalgamation

- (a) The Amalgamating Corporations shall be amalgamated and continue as one corporation under the terms and conditions prescribed in this Agreement.
- (b) The Amalgamating Corporations shall cease to exist as entities separate from Amalco.
- (c) Amalco shall possess all the property, rights, privileges and franchises and shall be subject to all liabilities, including civil, criminal and quasi-criminal, and all contracts, disabilities and debts of each of the Amalgamating Corporations.

- (d) A conviction against, or ruling, order or judgment in favour or against an Amalgamating Corporation may be enforced by or against Amalco.
- (e) The articles of amalgamation shall be deemed to be the articles of incorporation of Amalco except for the purposes of section 104(1) of the CBCA, shall be deemed to be the certificate of incorporation of Amalco.
- (f) Amalco shall be deemed to be the party plaintiff or the party defendant, as the case may be, in any civil action commenced by or against an Amalgamating Corporation before the Amalgamation has become effective.
- (g) all rights of creditors against the property, rights and assets of the Amalgamating Corporations and all liens upon their property, rights and assets shall be unimpaired by such amalgamation and all debts, contracts, liabilities and duties of the Amalgamating Corporations shall attach to Amalco and may be enforced against it.

7. Share Exchange

EnerSpar hereby agrees to issue the EnerSpar Shares in consideration for the issuance by Amalco of the Amalco Shares to EnerSpar pursuant to Section 4(e).

8. Fractional Shares

No fractional EnerSpar Shares shall be issued to holders of Mindfull Common Shares; in lieu of any fractional entitlement, the number of EnerSpar Shares issued to each former holder of Mindfull Common Shares shall be rounded down to the nearest whole EnerSpar Share.

9. U.S. Shareholder Matters

EnerSpar Shares will only be issued to persons in the U.S. or U.S. Persons that are Accredited Investors in compliance with the exemption provided by Rule 506 of Regulation D under the U.S. Securities Act, shall be “restricted securities” as defined in Rule 144(a)(3) of the U.S. Securities Act, and shall bear a legend in customary form restricting re-sale, offer, pledge, hypothecation and transfer without registration under the U.S. Securities Act unless pursuant to an available exemption from registration under the U.S. Securities Act and in accordance with applicable state securities laws; provided that if Mindfull determines that EnerSpar Shares should be issued in the U.S. or to one or more U.S. Persons who are not Accredited Investors (not to exceed 35 such shareholders), then such shareholder in the U.S. or U.S. Person shall be issued such EnerSpar Shares in accordance with the information requirements of and pursuant to Rule 506 of Regulation D under the U.S. Securities Act.

Mindfull Options, Mindfull Warrants and Mindfull Convertible Notes and any other agreements or rights to acquire Mindfull Common Shares will, as a result of the Amalgamation, become rights to acquire EnerSpar Shares or other securities of EnerSpar, as applicable, as permitted by and in accordance with their terms. Mindfull Options, Mindfull Warrants and Mindfull Convertible Notes and any other agreements or rights to acquire EnerSpar Shares will not be exercisable or convertible in the United States or by or on behalf of a U.S. Person unless an exemption from registration, if any, is available under the U.S. Securities Act and applicable state securities laws, if any, and shall bear or be deemed to bear a legend in customary form to such effect.

10. Filing of Articles of Amalgamation

If this Agreement is adopted by each of the Amalgamating Corporations as required by the CBCA, the Amalgamating Corporations agree that they will, jointly and together, file with the Director, agreed upon Articles of Amalgamation in the form prescribed under the CBCA.

11. Effective Time

The Amalgamation shall take effect and go into operation at 12:01 a.m. on the Effective Date, if this Agreement has been adopted as required by law and all necessary filings have been made with the Director before that time, or at such later time, or time and date, as may be determined by the directors or by special resolutions of the Amalgamating Corporations when this Agreement shall have been adopted as required by law; provided, however, that if this Agreement is terminated under Section 19, the Amalgamation shall not take place notwithstanding the fact that this Agreement may have been adopted by the shareholders of the Amalgamating Corporations.

12. Registered Office

The registered office of Amalco shall be in the City of [●] in the Province of Ontario. The address of the first registered office of Amalco shall be: [●].

13. Amalco Name

The name of Amalco shall be “Mindfull Capital Inc.”.

14. Articles and By-Laws

- (a) The articles of amalgamation are deemed to be the articles of incorporation of Amalco and, except for the purposes of section 104(1) of the CBCA, shall be deemed to be the certificate of incorporation of Amalco.
- (b) The by-laws of Amalco shall be the by-laws of Mindfull, a copy of which may be examined at the following address: [●]

15. Activities

There will be no limitations on the activities of Amalco. The directors of Amalco shall be authorized to borrow money on the credit of Amalco.

16. Authorized Capital

The authorized capital of Amalco shall consist of an unlimited number of common shares without nominal or par value.

17. Number of Directors

The board of directors of Amalco shall consist of not less than one and not more than 10 directors, the exact number of which shall be determined by the directors from time to time.

18. Initial Directors

The first directors of Amalco shall be the persons whose names and residential addresses appear below:

<u>Name</u>	<u>Prescribed Address</u>
[●]	[●]
[●]	[●]

The above directors will hold office from the Effective Date until the first annual meeting of shareholders of Amalco or until their successors are elected or appointed.

19. Transfer of Shares

The right to transfer of shares in the capital of Amalco shall be restricted in that no shareholder shall be entitled to transfer any share or shares unless its transfer complies with the restriction on the transfer of securities set out in section 18(b) hereof.

20. Special Provisions

Subject to the provisions of the CBCA, the following provisions shall apply to Amalco:

- (a) Without in any way restricting the powers conferred upon Amalco or its board of directors by the CBCA, as now enacted or as the same may from time to time be amended, re-enacted or replaced, the board of directors may from time to time, without authorization of the shareholders, in such amounts and on such terms as it deems expedient:
 - (i) borrow money upon the credit of Amalco;
 - (ii) issue, re-issue, sell, pledge, or hypothecate debt obligations of Amalco;
 - (iii) give a guarantee on behalf of Amalco to secure performance of an obligation of any person; and
 - (iv) mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of Amalco owned or subsequently acquired, to secure any obligation of Amalco.

The board of directors may from time to time delegate to a director, a committee of directors or an officer of Amalco any or all of the powers conferred on the board as set out above, to such extent and in such manner as the board shall determine at the time of such delegation.

- (b) No securities of Amalco, other than non-convertible debt securities, shall be transferred without either:
 - (i) the approval of the directors of Amalco expressed by a resolution passed at a meeting of the board of directors or by a resolution in writing signed by all of the directors entitled to vote on that resolution at a meeting of directors; or

- (ii) the approval of the holders of shares of Amalco carrying at least a majority of the votes entitled to be cast at a meeting of shareholders, expressed by a resolution passed at a meeting of the holders of such shares or by an instrument or instruments in writing signed by the holders of a majority of such shares.
- (c) Between annual and general meetings of Amalco, the directors of Amalco may appoint one or more additional directors to serve until the next annual and general meeting but the number of additional directors shall not at any time exceed one-third of the number of directors who held office at the expiration of the last annual and general meeting.

21. Termination

This Agreement may be terminated by the board of directors of each of the Amalgamating Corporations, notwithstanding the approval of this Agreement by the shareholders of the Amalgamating Corporations, at any time prior to the issuance of the Certificate of Amalgamation and following the termination of the Master Agreement, without, except as provided in the Master Agreement, any recourse by any Party hereto or any of their shareholders or other Persons.

22. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario in respect of all matters arising under or in relation to this Agreement.

23. Further Assurances

Each of the Parties agrees to execute and deliver such further instruments and to do such further reasonable acts and things as may be necessary or appropriate to carry out the intent of this Agreement.

24. Time of the Essence

Time shall be of the essence of this Agreement.

25. Amendments

This Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

26. Counterparts

This Agreement may be signed in counterparts (including counterparts by facsimile), and all such signed counterparts, when taken together, shall constitute one and the same agreement, effective on this date.

[The remainder of this page has been left intentionally blank. Signature page follows.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

ENERSPAR CORP.

By: _____
Name:
Title:

11273396 CANADA INC.

By: _____
Name:
Title:

MINDFULL CAPITAL INC.

By: _____
Name:
Title:

SCHEDULE "B"
MINDFULL DISCLOSURE SCHEDULE

SECTIONS 3.06 AND 3.07
MINDFULL SHARE CAPITAL, OPTIONS AND OTHER CONVERTIBLE SECURITIES

Mindful Common Shares

29,250,000 Mindful Class A Common Shares

7,184,500 Mindful Class B Common Shares

Mindful Convertible Notes

Amount of Notes⁽¹⁾	Exercise Price	Expiry Date
\$3,500,000	\$0.3375 ⁽²⁾	July 31, 2019

Notes:

- (1) Each Mindful Option is exercisable to acquire one (1) Mindful Class A Common Share.
- (2) Expected exercise price based on adjustment pursuant to the terms of Mindful Convertible Notes.

Mindful Options

Number of Options⁽¹⁾	Exercise Price	Expiry Date
4,000,000	\$0.01419	July 10, 2023
7,250,000	\$0.0129	July 10, 2028

Note:

- (1) Each Mindful Option is exercisable to acquire one (1) Mindful Class A Common Share.

Mindful Warrants

Number of Warrants⁽¹⁾	Exercise Price	Expiry Date
2,250,000	\$0.0129	February 1, 2020 ⁽²⁾

Notes:

- (1) Each Mindful Warrant is exercisable to acquire one (1) Mindful Class B Common Share.
- (2) Subject to earlier expiry in accordance with the terms.

SECTION 3.14
MINDFULL MATERIAL CONTRACTS

1. Sequential Exclusive License Agreement between Sequential Brands Group, Inc. and Mindfull Inc. dated February 28, 2018.
2. Manufacturing Agreement between Mindfull Capital Inc. and Flow Tater Inc. dated August 15, 2018.
3. Sales Management Agreement between Mindfull Inc. and Flow Beverages Inc. dated January 1, 2019.
4. Logistics Coordination Agreement between Flow Water Inc. and Mindfull Capital Inc. dated January 1, 2019.

SCHEDULE "C"
ENERSPAR DISCLOSURE SCHEDULE

SECTIONS 4.06 AND 4.07
ENERSPAR SHARE CAPITAL, OPTIONS AND OTHER CONVERTIBLE SECURITIES

EnerSpar Shares

23,960,000 EnerSpar Shares

EnerSpar Options

Number of Options⁽¹⁾	Exercise Price	Expiry Date
500,000	\$0.10	May 9, 2022
125,000	\$0.10	December 7, 2021
950,000	\$0.05	April 2, 2020
500,000	\$0.055	November 14, 2020
100,000	\$0.055	August 15, 2021

Note:

(1) Each EnerSpar Option is exercisable to acquire one (1) EnerSpar Share.

Subco Common Shares

The authorized share capital of Subco consists of an unlimited number of common shares without nominal or par value, of which 100 Subco Common Shares are issued and outstanding as fully paid and non-assessable shares in the capital of Subco. There are no other securities of Subco outstanding.

SECTION 4.17
ENERSPAR MATERIAL CONTRACTS

1. Purchase Agreement dated August 13, 2016, between Globex Mining Enterprises Inc. and EnerSpar;
and
2. Declaration of Trust dated March 28, 2019, between Globex Mining Enterprises Inc. and EnerSpar.

**SECTION 4.19
ENERSPAR PROPERTY AND ASSETS**

The Johan Beetz Feldspar Property comprised of eight mineral claims located in the Province of Quebec.

Registered Holder	Claim #	Range	Lot	Hectares	Expiry Date
Entreprises Minières Globex Inc	CDC 2432487*	5	28	52.06	August 20, 2021
Entreprises Minières Globex Inc	CDC 2432488*	6	28	29.5	August 20, 2021
Entreprises Minières Globex Inc	CDC 2461222*	5	29	54.98	September 5, 2022
Entreprises Minières Globex Inc	CDC 2461223*	6	27	43.17	September 5, 2022
Entreprises Minières Globex Inc	CDC 2499379	6	29	48.11	August 6, 2021
Entreprises Minières Globex Inc	CDC 2516207	6	30	45.94	April 9, 2022
Entreprises Minières Globex Inc	CDC 2516208	7	29	51.7	April 9, 2022
Entreprises Minières Globex Inc	CDC 2516209	7	30	53.88	April 9, 2022

*Subject to a 2.5% gross metal royalty as described in the Purchase Agreement dated August 13, 2016.

SCHEDULE “D”
STEPS OF THE SPIN-OUT TRANSACTION

1. EnerSpar will incorporate a wholly-owned Canadian subsidiary corporation pursuant to the *Business Corporations Act* (British Columbia) (“**Spinco**”). Spinco’s authorized share capital will consist of an unlimited number of common shares.
2. EnerSpar will capitalize Spinco with a nominal amount through a subscription for common shares.
3. EnerSpar will transfer the EnerSpar Properties to Spinco in exchange for the issuance of Spinco common shares. A joint election under section 85(1) of the Act will be made to defer the Canadian income tax, if any, arising from the transfer.
4. EnerSpar will resolve to reduce the paid-up capital of the EnerSpar Shares and, as payment for the reduction of the paid-up capital, will distribute the common shares of Spinco to the holders of the EnerSpar Shares (the “**Distribution**”). As a consequence of the Distribution, the amount of the reduction in the paid-up capital of the EnerSpar Shares will be an amount equal to the aggregate of the fair market value, on the date of the Distribution, of the distributed Spinco shares.

**SCHEDULE “E”
SPIN-OUT INDEMNITY AGREEMENT**

This Agreement is dated as of [●], 2019.

BETWEEN: [●] INC.
[address]

 (“Spinco”)

OF THE FIRST PART

AND: [ENERSPAR CORP.]
[address]

 (“Enerspar”)

OF THE SECOND PART

WHEREAS Enerspar, Mindfull Capital Inc. and 11273396 Canada Inc. entered into a business combination agreement dated April 16, 2019 providing for a business combination of the parties thereto (the “**Business Combination Agreement**”);

AND WHEREAS as a condition of the Business Combination Agreement Enerspar agreed to spin out its mining assets to Spinco (the “**Spin-out**”);

AND WHEREAS in connection with the Spin-out, Enerspar and Spinco (each a “**Party**”, together, the “**Parties**”) entered into a [purchase and sale agreement] dated [●], 2019 (the “**Purchase Agreement**”) which provides, inter alia, for the purchase and sale of certain mining claims, mining concessions and other assets as described in the Purchase Agreement;

AND WHEREAS pursuant to the Business Combination Agreement, Spinco is required to indemnify Enerspar as provided for in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency whereof is by Spinco hereby acknowledged, the parties agree as follows:

1. **Definitions**

1.1 **Definitions.** For the purposes of this Agreement the following words and phrases shall have the following meanings, namely:

“**Authority**” means any or all, as the context requires, of the government of Canada, the government of Quebec and any Quebec local government, including any ministry, department, office, division, agency, authority, branch, commission or board of any of those governments;

“**Claim**” means any actual or possible action, claim, demand, cause of action, lien or legal proceedings of any kind brought or instituted by anyone against the EnerSpar Properties or Enerspar, including without limitation by any Authority;

“**Contaminants**” means any radioactive materials, asbestos materials, urea formaldehyde, hydrocarbon contaminants, underground or above-ground tanks, pollutants, contaminants, deleterious substances, dangerous substances or goods, hazardous, corrosive, or toxic substances, special waste or waste of any kind, or any other substance, the storage, manufacture, disposal, treatment, generation, use, transport, remediation, or Release into the environment of which is prohibited, controlled, or regulated under Environmental Laws;

“**Contracts**” means any agreement, contract, licence, undertaking, option, engagement, or commitment of any nature, written or oral, including but not limited to any: (i) lease of personal property, (ii) unfilled purchase order, (iii) forward commitment for supplies or materials or other forward contract, and (iv) restrictive agreement or negative covenant agreement;

“**Defend**” includes to defend, dispute, counter-claim and appeal any Claim;

“**Effective Date**” means [●], 2019;

“**Effective Time**” means the earliest moment on the Effective Date;

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

“**EnerSpar Properties**” means the Johan Beetz Feldspar Property made up of mineral claims comprised of claim numbers CDC 2432487, CDC 2432488, CDC 2461222, CDC 2461223, CDC 2499379, CDC 2516207, CDC 2516208 and CDC 2516209, Johan Beetz/Iles de Mingan 03 township, Quebec, NTS 12L/07 Canada;

“**EnerSpar Shareholders**” means holders of EnerSpar Shares;

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

“**Environmental Laws**” means any federal, state, provincial, territorial or local law, statute, ordinance, rule, regulation, order, decree, judgment, injunction, permit, license, authorization or other binding requirement, or common law, relating to health, safety or the regulation, protection, cleanup or restoration of the environment or natural resources, including those relating to the distribution, processing, generation, treatment, control, storage, disposal, transportation, other handling or release or threatened release of Contaminants;

“**Environmental Liabilities**” means, with respect to any Person, all liabilities, remedial and removal costs, investigation costs, capital costs, operation and maintenance costs, losses, damages, (including punitive damages, property damages, consequential damages and treble damages), costs and expenses, fines, penalties and sanctions incurred as a result of, or related to, any claim, suit, action, administrative order, investigation, proceeding or demand by any person, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law arising under, or related to, any Environmental Laws or permits, or in connection with any Release or threatened Release whether on, at, in, under, from or about or in the vicinity of any real or personal property;

“**Losses**”, in respect of any matter, means all claims, demands, proceedings, losses, damages, liabilities, deficiencies, costs and expenses (including, without limitation, all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising directly or indirectly as a consequence of such matter;

“**Person**” means any corporation, partnership, limited liability company or partnership, joint venture, trust, unincorporated association or organization, business, enterprise or other entity; any individual; and any Authority;

“**Release**” includes any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, migration, disposal or dumping;

“**Resulting Issuer**” means EnerSpar at the Effective Time;

“**Spinco Assumed Liabilities**” means the accounts payable, and all other outstanding debts and amounts owing by EnerSpar in respect of the EnerSpar Properties on the day prior to the Effective Date;

“**Spinco Obligations**” means all obligations and liabilities of any type whatsoever (including contingent or absolute obligations, and future obligations) of EnerSpar, including but not limited to all Environmental Liabilities, related to the EnerSpar Properties, other than the Spinco Assumed Liabilities;

“**Spin-Out Transaction**” means an arrangement or other transaction to be completed by EnerSpar on the terms as set forth in Schedule “D” to the Business Combination Agreement;

“**Tax**” or “**Taxes**” means, in relation to any person, any and all taxes, whether or not referred to as taxes, (including any and all fines, interest and penalties in respect thereof) of any nature imposed, levied, withheld or assessed on or with respect to the income, profits, gross receipts, sales, capital, assets, real property, land transfer, personal property, production, employees, payroll, benefit payments, purchases, payments, receipts or gains of such person (including, without limitation, any federal, provincial or state income, franchise or sales taxes, corporation capital tax, customs or excise duties or municipal license fees, withholding tax and any taxes and other deductions required to be paid or withheld from any payment made to any person) by Canada or any province thereof, the United States of America or any political subdivision or taxing authority thereof or therein, or by any other country or any political subdivision or taxing authority thereof or therein.

2. **Indemnity by Spinco**

- (a) Spinco hereby agrees to indemnify and hold harmless Enerspar and its respective directors, officers, employees, agents and subsidiaries from and against any and all Losses, including relating to Taxes, arising before, on or after the Effective Date, in connection with or relating in any way to:
 - (i) the EnerSpar Properties, including the operations, activities and work, including exploration programs, in connection therewith;
 - (ii) the Spinco Assumed Liabilities and the Spinco Obligations;
 - (iii) carrying out or implementing the Spin-Out Transaction;
 - (iv) there being insufficient expenses or any failure to incur any expenses to discharge any flow-through financing obligation;
 - (v) the Contracts with respect to the EnerSpar Properties and all liabilities and obligations relating thereto;

(vi) any work, including exploration programs, conducted with respect to any of the EnerSpar Properties at any time;

(vii) the exercise of dissent rights exercised by Enerspar Shareholders, to the extent that Enerspar or the Resulting Issuer is required to pay any such amounts following the Effective Time; or

(b) For greater certainty, such indemnity of Spinco shall include, but not limited to, the burden and expense of Defending, and Spinco shall and hereby covenants to Defend, all Claims, demands, suits, actions and administrative proceedings even if such Claims, suits or proceedings are groundless, false or fraudulent and conducting all negotiations of any description and paying and discharging, when and as the same become due, any and all judgments, penalties or other sums due against such indemnified persons.

(c) The obligations of Spinco under this Indemnity Agreement shall survive the discharge of all other obligations owed by the parties to each other under the [purchase and sale agreement].

3. **Enurement** It is expressly agreed between the parties hereto that all grants, covenants, provisos and agreements, rights, powers, privileges and liabilities contained in this Agreement shall be read and held as made by and with, granted to and imposed upon the respective parties hereto and their respective successors and assigns, the same as if the words successors and assigns had been inscribed in all proper and necessary places.

4. **Laws** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein (without regard to its laws relating to any conflicts of laws).

5. **General** Each of the Parties represents and warrants to each of the other Parties that it has taken all necessary action to authorize the creation, execution, delivery and performance of this Agreement, and this Agreement has been duly executed by such Party, as required, and when delivered, will be a legal, valid and binding obligation of such Party, enforceable in accordance with its terms.

6. **Miscellaneous** This Agreement may be executed in counterparts, each of which shall constitute an original and all of which when taken together shall constitute one and the same instrument. Delivery of an executed signature page by facsimile or other electronic means of transmission shall be as effective as delivery of a manually executed counterpart of this Agreement. No waiver, amendment or other modification of this Agreement shall be effective unless in writing and signed by each of the parties hereto. Any notice or other communication required or permitted to be given under this Agreement shall be so given in accordance with the provisions of the [purchase and sale agreement]. Time shall in all respects be of the essence of this Agreement and no extension or variation of this Agreement or any obligation hereunder shall operate as a waiver of this provision.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on with effect as of the date first above written.

[●] INC.

Per: _____
Name:
Title:

ENERSPAR CORP.

Per: _____
Name:
Title:

SCHEDULE “F” RESOLUTIONS

Continuance Resolution

“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

(1) The continuance of EnerSpar, a corporation existing under the laws of the Province of Alberta, to the Province of Ontario, all as more particularly described and set forth in the management information circular (the “**Circular**”) of EnerSpar accompanying the notice of this meeting, is hereby authorized and approved and EnerSpar is hereby authorized to apply to the Registrar of Corporations (Alberta) for authorization to be continued as if it had been constituted under the *Business Corporations Act* (Ontario) (the “**OBCA**”), and to continue its existence under the OBCA (the “**Continuance**”).

(2) [The form of articles of continuance[, the full text of which is attached as Schedule ● to the Circular] is hereby approved, and] Following receipt of authorization to continue pursuant to the *Business Corporations Act* (Alberta), EnerSpar is hereby authorized to file the articles of continuance with the Director together with any notices and other documents prescribed by the OBCA necessary to continue EnerSpar as if it had been incorporated under the laws of Ontario.

(3) Subject to the Continuance becoming effective, and without affecting the validity of any act of EnerSpar under its existing by-laws (the “**Existing By-Laws**”), the Existing By-Laws are hereby repealed and replaced with the new By-Law No. 1 of EnerSpar [, the full text of which is attached as Schedule ● to the Circular /, the full text of which is available under EnerSpar’s profile on www.sedar.com and incorporated by reference into the Circular] (the “**New By-Laws**”), together with such changes or amendments thereto as any director or officer of EnerSpar determines appropriate, the conclusive evidence of such determination being the execution of the New By-Laws by a director or officer of EnerSpar.

(4) Notwithstanding that this resolution has been passed (and the Continuance approved) by the shareholders of EnerSpar, the directors of EnerSpar are hereby authorized and empowered without further notice to or approval of the shareholders of EnerSpar: (i) to amend the articles of continuance to the extent permitted by law, and (ii) not to proceed with the Continuance.

(5) Any one director or officer of EnerSpar be and is hereby authorized and directed for and on behalf of EnerSpar to execute or cause to be executed, under the corporate seal of EnerSpar or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person’s opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.”

Consolidation Resolution

“BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

(1) The consolidation of the issued and outstanding common shares of EnerSpar (the “**Consolidation**”) on the basis of one (1) post-Consolidation common share (each, a “**New EnerSpar Share**”) for every eight (8) pre-Consolidation common shares, is hereby authorized and approved and EnerSpar is hereby authorized to file articles of amendment, if necessary, with the Director, to effect the Consolidation.

(2) No fractional New EnerSpar Shares shall be issued in connection with the Consolidation and, any resulting fractional shares shall be rounded down to the nearest whole New EnerSpar Share.

(3) EnerSpar is hereby authorized to file articles of amendment with the Director together with any notices and other documents prescribed by the OBCA to effect the Consolidation.

(4) Notwithstanding that this resolution has been passed (and the Consolidation approved) by the shareholders of EnerSpar, the directors of EnerSpar are hereby authorized and empowered without further notice to or approval of the shareholders of EnerSpar (i) to amend the articles of amendment to the extent permitted by law, and (ii) not to proceed with the Consolidation.

(5) Any one director or officer of EnerSpar be and is hereby authorized and directed for and on behalf of EnerSpar to execute or cause to be executed, under the corporate seal of EnerSpar or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

Name Change Resolution

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

(1) the change of the name of EnerSpar to "Mindfull Corp." or such other name as the board of directors of EnerSpar, in its sole discretion, deems appropriate and the Director appointed under the *Business Corporations Act* (Ontario) may permit (the "**Name Change**"), is hereby authorized and approved.

(2) EnerSpar is hereby authorized to file articles of amendment with the Director together with any notices and other documents prescribed by the OBCA to effect the Name Change Resolution.

(3) Notwithstanding that this resolution has been passed (and the Name Change approved) by the shareholders of EnerSpar, the directors of EnerSpar are hereby authorized and empowered without further notice to or approval of the shareholders of EnerSpar: (i) to amend the articles of amendment, if necessary, to the extent permitted by law, and (ii) not to proceed with the Name Change.

(4) Any one director or officer of EnerSpar be and is hereby authorized and directed for and on behalf of EnerSpar to execute or cause to be executed, under the corporate seal of EnerSpar or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

New Auditors Resolution

"BE IT RESOLVED THAT:

(1) The appointment of Deloitte LLP as auditor of EnerSpar to hold office following the Effective Time of the Business Combination (the "**New Auditor Appointment**") and until the close of the next annual meeting of the shareholders of EnerSpar is hereby authorized and approved, and the board of directors of EnerSpar is hereby authorized to fix the remuneration of Deloitte LLP.

(2) Notwithstanding that this resolution has been passed (and the New Auditor Appointment approved) by the shareholders of EnerSpar, the directors of EnerSpar are hereby authorized and empowered without further notice to or approval of the shareholders of EnerSpar to not proceed with the New Auditor Appointment.

(3) Any one director or officer of EnerSpar be and is hereby authorized and directed for and on behalf of EnerSpar to execute or cause to be executed, under the corporate seal of EnerSpar or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

New Option Plan Resolution

“BE IT RESOLVED THAT:

(1) The new 10% rolling stock option plan (the “**New Option Plan**”), the full text of which is attached as Schedule [●] to the Circular, is hereby approved, including the reservation for issuance under the New Option Plan at any time of a maximum of 10% of the then issued and outstanding common shares of EnerSpar.

(2) Any one director or officer of EnerSpar be and is hereby authorized and directed for and on behalf of EnerSpar to make any and all additions, deletions and modifications to the New Option Plan as may be necessary or advisable to give effect to this resolution or as may be required by applicable regulatory authorities or stock exchanges.

(3) Any one director or officer of EnerSpar be and is hereby authorized and directed for and on behalf of EnerSpar to execute or cause to be executed, under the corporate seal of EnerSpar or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

TSXV Delisting Resolution

“BE IT RESOLVED THAT:

(1) The application to the TSX Venture Exchange (the “**TSXV**”) for the voluntary delisting of the EnerSpar Shares from the TSX Venture Exchange (the “**TSXV Delisting**”) is hereby authorized and approved.

(2) Notwithstanding that this resolution has been passed (and the TSXV Delisting approved) by the shareholders of EnerSpar, the directors of EnerSpar are hereby authorized and empowered without further notice to or approval of the shareholders of EnerSpar to not proceed with the TSXV Delisting.

(3) Any one director or officer of EnerSpar be and is hereby authorized and directed for and on behalf of EnerSpar to execute or cause to be executed, under the corporate seal of EnerSpar or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be

performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

Mindfull Amalgamation Resolution

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

(1) The entering into by Mindfull of, and the performance by Mindfull of its obligations under, an amalgamation agreement (the "**Amalgamation Agreement**"), substantially in the form presented to the shareholders of Mindfull, among Mindfull, EnerSpar Corp. and 11273396 Canada Inc. ("**Subco**") providing for and prescribing the terms and conditions of the amalgamation of Mindfull and Subco under the provisions of the *Canada Business Corporations Act* (the "**Amalgamation**"), is hereby authorized and approved, and for greater certainty, such Amalgamation contemplated in the Amalgamation Agreement is also hereby authorized and approved.

(2) Notwithstanding that this resolution has been passed (and the Amalgamation Agreement and Amalgamation approved) by the shareholders of Mindfull, the directors of Mindfull are hereby authorized and empowered without further notice to or approval of the shareholders of Mindfull to not proceed with the Amalgamation.

(3) Any one director or officer of Mindfull be and is hereby authorized and directed for and on behalf of Mindfull to execute or cause to be executed, under the corporate seal of Mindfull or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

Subco Amalgamation Resolution

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

(1) The entering into by Subco of, and the performance by Subco of its obligations under, an amalgamation agreement (the "**Amalgamation Agreement**"), substantially in the form presented to the sole shareholder of Subco, among Mindfull Capital Inc., EnerSpar Corp. and Subco providing for and prescribing the terms and conditions of the amalgamation of Mindfull and Subco under the provisions of the *Canada Business Corporations Act* (the "**Amalgamation**"), is hereby authorized and approved, and for greater certainty, such Amalgamation contemplated in the Amalgamation Agreement is also hereby authorized and approved.

(2) Any one director or officer of Subco be and is hereby authorized and directed for and on behalf of Subco to execute or cause to be executed, under the corporate seal of Subco or otherwise, and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."