UNDERWRITING AGREEMENT

November 2, 2018

Patriot One Technologies Inc.
750-1095 West Pender Street
Vancouver, British Columbia V6E 2M6

Attention: Mr. Martin Cronin, Chief Executive Officer

Dear Mesdames/Sirs:

Canaccord Genuity Corp. ("**Canaccord**"), as lead underwriter, and GMP Securities L.P. (collectively, the "**Underwriters**" and each individually, an "**Underwriter**") hereby severally, and not jointly, nor jointly and severally, in their respective percentages set out in Section 19 below, offer to purchase from Patriot One Technologies Inc. (the "**Corporation**") and the Corporation hereby agrees to issue and sell to the Underwriters, 16,000,000 Units of the Corporation (the "**Initial Units**"), on an underwritten basis, at the purchase price of $2.50 per Initial Unit (the "**Offering Price**"), for aggregate gross proceeds of $40,000,000.

Each Unit shall consist of one Common Share (as defined herein) (each, an "**Underlying Share**") and one Common Share purchase warrant (an "**Underlying Warrant**"). Each Underlying Warrant will entitle the holder thereof, on exercise, to purchase one Common Share at a price of $3.25 per Common Share at any time until 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date (as defined herein).

The Underwriters may arrange for substituted purchasers (the "**Substituted Purchasers**") for the Offered Securities (as defined herein) resident in the Selling Jurisdictions (as defined herein) outside the United States. Each Substituted Purchaser shall purchase the Offered Securities at the Offering Price or the Over-Allotment Warrants (as defined herein) at a price of $0.22 per Over-Allotment Warrant, as applicable, and to the extent that Substituted Purchasers purchase Offered Securities, the obligations of the Underwriters to do so will be reduced by the number of Offered Securities purchased by the Substituted Purchasers from the Corporation.

The Corporation and the Underwriters agree that any sales or purchases of Offered Securities in the United States will be made by the Underwriters through U.S. Affiliates (as defined below) to Qualified Institutional Buyers (as defined below) pursuant to Rule 144A (as defined herein), and in accordance with the U.S. Private Placement Memorandum (as defined herein) and Schedule "A" hereto. Subject to applicable law, including applicable Securities Laws (as defined herein) and the terms of this Agreement, the Offered Securities may also be distributed outside of Canada and the United States, in each jurisdiction where they may be lawfully sold by the Underwriters without: (i) giving rise to any requirement under the laws of such jurisdiction to prepare and/or file a prospectus or document having similar effect; or (ii) creating any ongoing compliance or continuous disclosure obligations for the Corporation pursuant to the laws of such jurisdiction.

The Corporation hereby grants to the Underwriters an option (the "**Over-Allotment Option**") to purchase severally, and not jointly, nor jointly and severally, either: (i) up to an additional 2,400,000 Units (the "**Over-Allotment Units**") at the Offering Price for additional gross proceeds of up to $6,000,000; or (ii) up to an additional 2,400,000 Warrants (the "**Over-Allotment Warrants**") at a price of $0.22 per

Over-Allotment Warrant for additional gross proceeds of up to $528,000, upon the terms and conditions set forth herein for the purpose of covering over-allotments made in connection with the Offering (as defined herein) and for market stabilization purposes. The Over-Allotment Option shall be exercisable, in whole or in part, and from time to time, by Canaccord on behalf of the Underwriters, by giving written notice to the Corporation not later than 30 days following the Closing Date. Any such election to purchase Over-Allotment Securities (as defined herein) may be exercised only by written notice from Canaccord on behalf of the Underwriters, to the Corporation by 8:00 a.m. (Vancouver time) on or before the 30th day following the Closing Date, such notice to set forth: (i) whether the Over-Allotment Option will be exercised, in whole or in part, by purchasing Over-Allotment Units or Over-Allotment Warrants; (ii) the aggregate number of Over-Allotment Securities (as defined herein) to be purchased; and (iii) the closing date for the purchase of the Over-Allotment Securities, provided that such closing date shall not be less than two Business Days and no more than five Business Days following the date of such notice (the "**Over-Allotment Closing Date**"). Pursuant to such notice, the Underwriters shall severally, and not jointly, nor jointly and severally, purchase in their respective percentages set out in Section 19 below, and the Corporation shall deliver and sell, the number of Over-Allotment Securities indicated in such notice, in accordance with the provisions of this Agreement.

The Initial Units to be sold on an underwritten basis pursuant to this Agreement, the Over-Allotment Units, the Over-Allotment Warrants and the Broker Warrants (as defined herein) are collectively referred to herein as the "**Offered Securities**". The Initial Units to be sold on an underwritten basis pursuant to this Agreement and the Over-Allotment Units are collectively referred to herein as the "**Offered Units**". The Underlying Shares and the Underlying Warrants comprising the Initial Units and the Over-Allotment Units, the Warrant Shares (as defined herein) and the Underlying Broker Shares (as defined herein) are collectively referred to herein as the "**Underlying Securities**". The offering of the Offered Securities by the Corporation is hereinafter referred to as the "**Offering**". The price of any Offered Units sold under this Agreement shall be the Offering Price, and the price of any Over-Allotment Warrants sold under this Agreement shall be $0.22. The Corporation shall issue to the Underwriters, or as directed by the Underwriters, at the Time of Closing, the Broker Warrants in consideration for their services hereunder. The Underwriters shall be entitled to appoint a soliciting dealer group consisting of other dealers in accordance with applicable Securities Laws (as defined herein) for the purposes of arranging for purchases of the Offered Securities. The Underwriters shall ensure that any investment dealer who is a member of any soliciting dealer group formed by the Underwriters pursuant to the provisions of this Agreement or with whom any Underwriter has a contractual relationship with respect to the Offering, if any, agrees with such Underwriter to comply with the covenants and obligations given by the Underwriters herein.

The Underwriters may offer the Offered Units at a price less than the Offering Price as described in further detail in Section 19 below, in compliance with Canadian Securities Laws (as defined herein) and, specifically, the requirements of NI 44-101 (as defined herein) and the disclosure concerning the same contained in the Prospectus (as defined herein) and the U.S. Private Placement Memorandum (as defined herein).

Section 1 Definitions and Interpretation.

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

"**affiliate**" and "**person**" have the respective meanings given to them in the B.C. Act;

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

"**B.C. Act**" means the *Securities Act* (British Columbia);

"**Broker Warrant**" has the meaning ascribed thereto in Section 2(b);

"**Broker Warrant Certificate**" means the certificate representing the Broker Warrants;

"**Business Assets**" means all tangible and intangible assets owned (either directly or indirectly), leased, licensed or loaned, relating to, being developed or used by the Corporation and its subsidiaries including all hardware components and Intellectual Property owned or used by the Corporation or its subsidiaries, in connection with the testing, development and commercialization of a system to detect concealed weapons utilizing radar technology;

"**Business Day**" means a day, other than a Saturday, a Sunday or statutory or civic holiday in the cities of Toronto, Ontario and Vancouver, British Columbia;

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

"**CFPOA**" shall have the meaning ascribed thereto in Section 8(ss);

"**Closing**" means the completion of the sale of the Offered Securities and the purchase by the Underwriters of the Offered Securities pursuant to this Agreement;

"**Closing Date**" means November 20, 2018 or such earlier or later date as may be agreed to in writing by the Corporation and the Underwriters, each acting reasonably;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation**" has the meaning ascribed thereto in the first paragraph of this Agreement;

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

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

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

"**Due Diligence Session**" means one or more due diligence sessions to be held prior to Closing;

"**Due Diligence Session Responses**" means the written or oral responses of the Corporation, as given by any director or senior officer of the Corporation, at a Due Diligence Session;

"**Employee Plans**" shall have the meaning ascribed thereto in Section 8(bbb);

"**Environmental Laws**" shall have the meaning ascribed thereto in Section 8(cc);

"**FCPA**" shall have the meaning ascribed thereto in Section 8(ss);

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

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

"**Financial Statements**" means the financial statements of the Corporation included in the Documents Incorporated by Reference, including the notes to such statements, and the related auditors' report on such statements, where applicable;

"**Governmental Authority**" means and includes any national, federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"**Hazardous Materials**" shall have the meaning ascribed thereto in Section 8(cc);

"**IFRS**" means International Financial Reporting Standards;

"**including**" means including but not limited to;

"**Initial Units**" has the meaning ascribed thereto in the first paragraph of this Agreement;

"**Intellectual Property**" means, collectively, all intellectual property rights of whatsoever nature, kind or description, including all: (i) trademarks, service marks, trade-mark and service mark registrations, trade-mark and service mark applications, rights under registered user agreements, trade names and other trade-mark and service mark rights, including associated goodwill; (ii) copyrights and applications therefor, including all computer software and rights related thereto and any associated waivers of moral rights; (iii) all foreign and domestic patents and patent applications (including all provisional, divisional, substitution, continuation and continuation in-part applications, and all foreign counterparts thereof) and all foreign and domestic patents (including extensions, reissues, re-examinations, renewals, inventors certificates and foreign counterparts thereof); (iv) Trade Secrets and proprietary and confidential information; (v) industrial designs and registrations thereof and applications therefor; (vi) renewals, modifications, developments and extensions of any of the items listed in clauses (i) through (v) above; and (vii) patterns, plans, designs, research data, other proprietary know-how, processes, drawings, technology, inventions, formulae, specifications, performance data, quality control information, unpatented blue prints, flow sheets, equipment and parts lists, instructions, manuals, records and procedures, and all licenses, agreements and other contracts and commitments relating to any of the foregoing;

"**Leased Premises**" means the premises which are material to the Corporation and/or any of the subsidiaries and which the Corporation and/or any of the subsidiaries occupied as tenant;

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

"**Listed Securities**" shall have the meaning ascribed thereto in Section 5(1)(d);

"**Marketing Documents**" means, collectively, all marketing materials (including any template version, revised template version or limited use version thereof) provided to a potential investor in connection with the distribution of Offered Securities;

"**marketing materials**" has the meaning ascribed in NI 41-101;

"**Material Adverse Effect**" means any change, event, violation, inaccuracy, circumstance or effect that is materially adverse to the business, assets (including intangible assets), capitalization, financial condition or results of operations of the Corporation, whether or not arising in the ordinary course of business of such entity;

"**Material Agreements**" means this Agreement and the Warrant Indenture;

"**material change**", "**material fact**" and "**misrepresentation**" have the respective meanings ascribed thereto in the B.C. Act;

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

"**Money Laundering Laws**" has the meaning ascribed in Section 8(tt);

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

"**NI 44-101**" means National Instrument 44-101 - *Short Form Prospectus Distributions*;

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

"**NI 52-109**" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*;

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

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

"**Offered Securities**" has the meaning ascribed thereto in the sixth paragraph of this Agreement;

"**Offered Units**" has the meaning ascribed thereto in the sixth paragraph of this Agreement;

"**Offering**" has the meaning ascribed thereto in the sixth paragraph of this Agreement;

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

"**Over-Allotment Closing Date**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

"**Over-Allotment Option**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

"**Over-Allotment Securities**" means, as applicable, the Over-Allotment Units or the Over-Allotment Warrants, or both;

"**Over-Allotment Units**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

"**Over-Allotment Warrants**" has the meaning ascribed thereto in the fifth paragraph of this Agreement;

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

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

"**Preliminary Prospectus**" means the preliminary short form prospectus of the Corporation dated November 2, 2018, including all of the Documents Incorporated by Reference and any Supplementary Material thereto, prepared and filed by the Corporation in accordance with the Passport System and NI 44-101 in the Qualifying Jurisdictions in respect of the Offering and for which a Preliminary Receipt has been issued;

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

"**Principal Regulator**" means the British Columbia Securities Commission;

"**Prospectus**" means, collectively, the Preliminary Prospectus and the Final Prospectus (including any Supplementary Material thereto);

"**Purchasers**" means, collectively, each of the purchasers of Offered Securities arranged by the Underwriters, including the Substituted Purchasers, in connection with the Offering, including, if applicable, the Underwriters;

"**Qualified Institutional Buyer**" means a "qualified institutional buyer" as defined in Rule 144A;

"**Qualified Securities**" means, collectively, the Offered Securities and the Underlying Securities;

"**Qualifying Jurisdictions**" means, collectively, each of the provinces of Alberta, British Columbia, Saskatchewan, Manitoba and Ontario;

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

"**Regulation S**" means Regulation S adopted by the SEC under the U. S. Securities Act;

"**Rule 144A**" means Rule 144A under the U.S. Securities Act;

"**SEC**" means the United States Securities and Exchange Commission;

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

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

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

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators;

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

"**Software**" means any computer software programs, source code, object code, databases, data and documentation, including, without limitation, any computer software programs that incorporate and run pricing models, formula and algorithms;

"**Standard Term Sheet**" has the meaning ascribed in NI 41-101;

"**subsidiary**" means a subsidiary for purposes of the B.C. Act, as constituted at the date of this Agreement;

"**Substituted Purchasers**" has the meaning ascribed thereto in the third paragraph of this Agreement;

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

"**Swaps**" means any transaction which is a rate swap transaction, basis swap, forward rate transaction, commodity swap, commodity option, equity or equity index swap, equity or equity index option, bond option, interest rate option, foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option, forward sale, exchange traded futures contract or any other similar transaction (including any option with respect to any of these transactions or any combination of these transactions);

"**Time of Closing**" means 8:00 a.m. (Vancouver time) on the Closing Date or on the Over-Allotment Closing Date, as applicable, or any other time on the Closing Date or the Over-Allotment Closing Date, as applicable, as may be agreed to by the Corporation and the Underwriters;

"**Trade Secrets**" means any trade secrets, research records, processes, procedures, manufacturing formula, technical know-how, technology, blue prints, designs, plans, inventions (whether patentable and whether reduced to practice), invention disclosure and improvements thereto;

"**TSXV**" means the TSX Venture Exchange;

"**Underlying Broker Shares**" has the meaning ascribed thereto in Section 2(b);

"**Underlying Securities**" has the meaning ascribed in the sixth paragraph of this Agreement;

"**Underlying Share**" has the meaning ascribed in the second paragraph of this Agreement;

"**Underlying Warrant**" has the meaning ascribed in the second paragraph of this Agreement;

"**Underwriters**" has the meaning ascribed in the first paragraph of this Agreement;

"**Underwriting Fee**" has the meaning ascribed thereto in Section 2(a);

"**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. Affiliates**" means the United States broker-dealer affiliates of the Underwriters;

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

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

"**U.S. Purchasers**" means Qualified Institutional Buyers purchasing Offered Securities in the United States in accordance with Schedule "A" hereto;

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

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

"**Warrant Agent**" means TSX Trust Company, in its capacity as warrant agent under the Warrant Indenture;

"**Warrant Indenture**" means the warrant indenture, to be dated effective as of the Closing Date, and entered into between the Corporation and the Warrant Agent, respecting the terms and conditions of the Underlying Warrants, in the form and on terms satisfactory to the Corporation and the Underwriters, acting reasonably; and

"**Warrant Shares**" means the Common Shares to be issued upon the exercise of Underlying Warrants and Over-Allotment Warrants.

(2) Any reference in this Agreement to a section or subsection shall refer to a section or subsection of this Agreement.

(3) All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case required and the verb shall be construed as agreeing with the required word and/or pronoun.

(4) Any reference in this Agreement to $ or to "dollars" shall refer to the lawful currency of Canada, unless otherwise specified.

(5) The following are the schedules to this Agreement, which schedules are deemed to be a part hereof and are hereby incorporated by reference herein:

Schedule "A" – Terms and Conditions for United States Offers and Sales

Section 2 Commission.

In consideration for their services hereunder, the Corporation agrees to pay and issue to the Underwriters, or as directed by the Underwriters, at the Time of Closing:

(a) a fee equal to 7.0% of the aggregate gross proceeds (the "**Underwriting Fee**") received by the Corporation on the sale of the Offered Units pursuant to the Offering; and

(b) a number of non-transferable warrants of the Corporation ("**Broker Warrants**") equal to 7.0% of the Offered Units sold by the Underwriters pursuant to the Offering. Each Broker Warrant will entitle the holder thereof to acquire one Common Share (each, an "**Underlying Broker Share**"), at a price of $2.50 per Underlying Broker Share, subject to adjustment as provided for in the Broker Warrant Certificate, at any time from the Closing Date until 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date.

The Corporation also agrees to pay the Agents' expenses as set out in Section 16.

Section 3 Attributes of the Qualified Securities.

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

Section 4 Filing of Prospectus.

(1) The Corporation shall:

(a) not later than 3:00 p.m. (Vancouver time) on November 2, 2018, have filed the Preliminary Prospectus pursuant to the Passport System with the Securities Commissions;

(b) use commercially reasonable efforts to promptly resolve all comments made and deficiencies raised in respect of the Preliminary Prospectus by the Principal Regulator, and have filed the Final Prospectus and obtained a Final Receipt not later than 5:00 p.m. (Vancouver time) on November 9, 2018, and otherwise fulfilled all legal requirements to qualify the Qualified Securities for distribution and sale to the public in Canada through the Underwriters or any other investment dealer or broker registered to transact such business in the applicable Qualifying Jurisdictions contracting with the Underwriters, and to qualify the grant of the Over-Allotment Option; and

(c) until the date on which the distribution of the Offered Securities is completed, promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required under Canadian Securities Laws to continue to qualify the distribution of the Qualified Securities for sale to the public and the grant of the Over-Allotment Option to the Underwriters or, in the event that the Qualified Securities or the Over-Allotment Option have, for any reason, ceased to so qualify, to again so qualify them.

(2) Prior to the filing of the Offering Documents and thereafter, during the period of distribution of the Offered Securities, the Corporation shall have allowed the Underwriters to participate fully in the preparation of, and to approve the form and content of, such documents and shall have allowed the Underwriters to conduct all due diligence investigations (which shall include the attendance of management of the Corporation, the auditors and any technical or other consultants requested by the Underwriters at one or more due diligence sessions to be held) which they may reasonably require in order to fulfill their obligations as underwriters and in order to enable them to responsibly execute the certificate required to be executed by them at the end of the Prospectus.

(3) During the distribution of the Offered Securities, the Corporation and Canaccord, on behalf of the Underwriters, shall approve in writing, prior to such time that Marketing Documents are provided to potential investors, any Marketing Documents reasonably requested to be provided by the Underwriters to any potential investor, such Marketing Documents to comply with Canadian Securities Laws. The Corporation shall file a template version of such Marketing Documents with the Securities Commission as soon as reasonably practicable after such Marketing Documents are so approved in writing by the Corporation and Canaccord and in any event on or before the day the Marketing Documents are first provided to any potential investor, and such filing shall constitute the Underwriters' authority to use such Marketing Documents in connection with the Offering. Any comparables shall be redacted from the template version in accordance with NI 44-101 prior to filing such template version with the Securities Commissions and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Securities Commissions by the Corporation.

(4) The Corporation and the Underwriters, on a several basis, covenant and agree:

(a) not to provide any potential investor with any Marketing Documents unless a template version of such Marketing Documents has been filed by the Corporation with the Securities Commissions on or before the day such Marketing Documents are first provided to any potential investor;

(b) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Securities or the Corporation other than: (i) such Marketing Documents that have been approved and filed in accordance with Section 4(3); (ii) the Prospectus; and (iii) any standard term sheets approved in writing by the Corporation and Canaccord; and

(c) that only Marketing Documents approved and filed in accordance with Section 4(3) any and Standard Term Sheets approved in writing by the Corporation and Canaccord have been and shall be provided to potential investors.

Section 5 Deliveries on Filing and Related Matters.

(1) The Corporation shall deliver to each of the Underwriters:

(a) prior to the time of each filing thereof, a copy of the Preliminary Prospectus and the Final Prospectus each manually signed on behalf of the Corporation, by the persons and in the form signed and certified as required by Canadian Securities Laws;

(b) prior to the time of filing thereof, a copy of any Supplementary Material, or other document required to be filed with or delivered to, the Securities Commissions by the Corporation under Canadian Securities Laws in connection with the Offering, including any document incorporated by reference in the Final Prospectus (other than documents already filed publicly with a Securities Commission);

(c) concurrently with the filing of the Final Prospectus with the Securities Commissions, a "long-form" comfort letter of Davidson & Company LLP dated the date of the Final Prospectus (with the requisite procedures to be completed by such auditor within two Business Days of the date of such letter), in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters and the directors and officers of the Corporation, with respect to certain financial and accounting information relating to the Corporation in the Final Prospectus, including all Documents Incorporated by Reference, which letter shall be in addition to the auditors' report incorporated by reference in the Final Prospectus; and

(d) prior to the filing of the Final Prospectus with the Securities Commissions, a copy of the TSXV conditional approval letter indicating that the application for the listing and posting for trading on the TSXV of the Underlying Shares and the Underlying Warrants comprising the Initial Units and the Over-Allotment Units, the Warrant Shares issuable on exercise of the Underlying Warrants and the Over-Allotment Warrants and the Underlying Broker Shares issuable on exercise of the Broker Warrants (collectively, the "**Listed Securities**") has been approved, subject only to satisfaction by the Corporation of the customary conditions that may be satisfied post-closing as specified by the TSXV.

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

(2) The Corporation represents and warrants to the Underwriters with respect to the Offering Documents that as at their respective dates of delivery:

(a) all information and statements in such documents (including information and statements incorporated by reference to the extent they have not been superseded by the information and statements in the Offering Documents) (except information and statements relating solely to the Underwriters and furnished by them specifically for use in a Prospectus) are true and correct, in all material respects, and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation, the Offering and the Qualified Securities, as required by Canadian Securities Laws;

(b) no material fact or information in such documents (including information and statements incorporated by reference) (except information and statements relating solely to the Underwriters and furnished by them specifically for use in a Prospectus) has been omitted therefrom which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were made; and

(c) except with respect to information and statements relating solely to the Underwriters and furnished by them specifically for use in a Prospectus, the Prospectus and any Supplementary Material comply fully with the requirements of the Canadian Securities Laws.

(3) The Corporation shall cause commercial copies of the Preliminary Prospectus, the Final Prospectus and the applicable U.S. Private Placement Memorandum, as the case may be, to be delivered to the Underwriters without charge, in such quantities and in such cities as the Underwriters may reasonably request by written instructions to the printer of such documents as soon as possible after obtaining the Preliminary Receipt or the Final Receipt, as the case may be, with the Securities Commissions, but, in any event on or before noon (Vancouver time) on the second Business Day after obtaining the receipt therefor, as applicable. Such deliveries shall constitute the consent of the Corporation to the Underwriters' use of the Preliminary Prospectus and the Final Prospectus for the distribution of the Offered Securities in the Qualifying Jurisdictions in compliance with the provisions of this Agreement and Canadian Securities Laws and of the U.S. Private Placement Memorandum for the offer and sale of the Offered Securities in the United States in compliance with the provisions of this Agreement and U.S. Securities Laws. The Corporation shall similarly cause to be delivered commercial copies of any Supplementary Material and hereby similarly consents to the Underwriters' use thereof. The Corporation shall cause to be provided to the Underwriters, without cost, such number of copies of any Documents Incorporated by Reference as the Underwriters may reasonably request for use in connection with the distribution of the Offered Securities.

(4) Subject to compliance with Canadian Securities Laws, during the period commencing on the date hereof and until completion of the distribution of the Offered Securities, the Corporation will promptly provide to the Underwriters drafts of any press releases of the Corporation for review by the Underwriters prior to issuance and shall obtain the prior approval of the Underwriters as to the content and form of any press release relating to the Offering prior to issuance, such approval not to be unreasonably withheld. Any press release announcing or otherwise referring to the Offering disseminated in the United States shall comply with the requirements of Rule 135c under the U.S. Securities Act and any press release announcing or otherwise referring to the Offering disseminated outside the United States shall include an appropriate notation on each page as follows: "*Not for distribution to the U.S. news wire services, or dissemination in the United States*".

Section 6 Material Change.

(1) During the period from the date of this Agreement to the completion of the distribution of the Offered Securities, the Corporation covenants and agrees with the Underwriters that it shall promptly notify the Underwriters in writing with full particulars of:

(a) any material change (actual, anticipated, contemplated or threatened) in respect of the Corporation, considered on a consolidated basis;

(b) any material fact in respect of the Corporation which has arisen or has been discovered and would have been required to have been stated in any of the Offering Documents had the fact arisen or been discovered on, or prior to, the date of such documents; and

(c) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained in the Offering Documents which change is, or may be of such a nature as: (i) to render any statement in such Offering Document misleading or untrue in any material respect or which would result in a misrepresentation in the Offering Document; or (ii) which would result in any of the Offering Documents not complying (to the extent that such compliance is required) with Securities Laws.

The Corporation shall promptly, and in any event within any applicable time limitation, comply, to the satisfaction of the Underwriters, acting reasonably, with all applicable filings and other requirements under the Canadian Securities Laws as a result of such fact or change; provided that the Corporation shall not file any Supplementary Material or other document without first providing the Underwriters with a copy of such Supplementary Material or other document and consulting with the Underwriters with respect to the form and content thereof. The Corporation shall in good faith discuss with the Underwriters any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is or could be reasonable doubt whether written notice need be given under this Section 6.

(2) If during the period of distribution of the Offered Securities there shall be any change in Canadian Securities Laws which, in the opinion of the Underwriters and their legal counsel, acting reasonably, requires the filing of any Supplementary Material, upon written notice from the Underwriters, the Corporation covenants and agrees with the Underwriters that it shall, to the satisfaction of the Underwriters, acting reasonably, promptly prepare and file such Supplementary Material with the appropriate Securities Commissions where such filing is required.

(3) During the period from the date of this Agreement to the completion of the distribution of the Offered Securities, the Corporation will notify the Underwriters promptly:

(a) when any supplement to the Offering Documents or any Supplementary Material shall have been filed;

(b) of any request by any Securities Commission to amend or supplement the Prospectus or for additional information;

(c) of the suspension of the qualification of the Qualified Securities or the Over-Allotment Option for offering, sale, grant or issuance in any jurisdiction, or of any order suspending or preventing the use of the Offering Documents (or any Supplementary Material) or of the

institution or, to the knowledge of the Corporation, threatening of any proceedings for any such purpose; and

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

Section 7 Regulatory Approvals.

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

Section 8 Representations and Warranties of the Corporation.

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

(a) *Good Standing of the Corporation*. The Corporation: (i) is a corporation existing under the laws of British Columbia and is and will at the Time of Closing be current and up-to-date with all material filings required to be made and in good standing under the *Business Corporations Act* (British Columbia); (ii) has all requisite corporate power and capacity to own, lease and operate its properties and assets, including its Business Assets, and to conduct its business as now carried on by it as described in the Offering Documents; and (iii) has all requisite corporate power and authority to issue and sell the Offered Securities and to grant the Over-Allotment Option and to execute, deliver and perform its obligations under this Agreement;

(b) *No Proceedings for Dissolution*. No act or proceeding has been taken by or against the Corporation or its subsidiaries in connection with their liquidation, winding-up or bankruptcy, or, to their knowledge, are pending;

(c) *Share Capital of the Corporation*. The authorized and issued share capital of the Corporation described under the heading "Description of Securities being Distributed" in the Prospectus is true and correct. Neither the Corporation nor its subsidiaries are party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any securities of the Corporation or its subsidiaries;

(d) *Form of Share Certificates*. The form of certificate respecting the Common Shares has been approved and adopted by the board of directors of the Corporation and does not

conflict with any applicable laws and complies with the rules and regulations of the TSXV, and will not conflict with the articles or by-laws of the Corporation;

(e) *Form of Certificates*. At the Time of Closing, the form and terms of certificates representing the Underlying Warrants and the Broker Warrants will have been duly approved and adopted by the Corporation and, in the case of: (i) the certificates representing the Underlying Warrants will be in due and proper form under the Warrant Indenture and all other laws governing the Corporation; and (ii) the certificates representing the Broker Warrants will be in due and proper form under all laws governing the Corporation;

(f) *No Other Subsidiaries*. Other than Patriot One Detection Ltd., Patriot One Detection Technologies Inc. and Patriot One (UK) Limited, the Corporation does not have any subsidiaries, and the Corporation is not "affiliated" with, nor is it a "holding corporation" of, any other body corporate (within the meaning of those terms in the *Business Corporations Act* (British Columbia)); and the Corporation has no material shareholdings in any other corporation or business organization, nor is the Corporation a partner in any partnership;

(g) *Listed Securities.* The Common Shares are listed and posted for trading on the TSXV, and the Corporation has applied to list the Listed Securities on the TSXV and neither the Corporation nor its subsidiaries has taken any action which would be reasonably expected to result in the delisting or suspension of the Common Shares on or from the TSXV;

(h) *TSXV Compliance.* The Corporation is, and will at the Time of Closing be, in compliance in all material respects with the by-laws, rules and regulations of the TSXV;

(i) *No Cease Trade Orders*. No order ceasing or suspending trading in securities of the Corporation or prohibiting the sale of securities by the Corporation has been issued by an exchange or securities regulatory authority, and no proceedings for this purpose have been instituted, or are, to the Corporation's knowledge, pending, contemplated or threatened;

(j) *Reporting Issuer Status*. As at the date hereof, the Corporation is a "reporting issuer" in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario within the meaning of Canadian Securities Laws in such jurisdictions and is not currently in default of any requirement of the Canadian Securities Laws of such jurisdictions and the Corporation is not included on a list of defaulting reporting issuers maintained by any of the Securities Commissions of such jurisdictions;

(k) *Offered Securities Valid.* The Offered Securities have been, or prior to the Time of Closing will be, duly and validly authorized for issuance and sale pursuant to this Agreement and when issued and delivered by the Corporation pursuant to this Agreement, against payment of the consideration set forth herein, will be validly issued as fully paid and non-assessable securities. The Offered Securities, upon issuance, will not be issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Corporation;

(l) *Transfer Agent.* TSX Trust Company at its offices in Toronto, Ontario has been duly appointed as the transfer agent and registrar for the Common Shares;

(m) *Absence of Rights.* No person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the issue or allotment of any unissued shares of the Corporation or any other agreement or option, for the issue or allotment of any unissued shares of the Corporation or any other security convertible into or exchangeable for any such shares or to require the Corporation to purchase, redeem or otherwise acquire any of the issued and outstanding shares of the Corporation except as set out in the Financial Statements;

(n) *Corporate Actions.* The Corporation has taken, or will have taken prior to the Time of Closing, all necessary corporate action: (i) to authorize the execution, delivery and performance of this Agreement and the Offering Documents; (ii) to validly issue and sell the Common Shares comprising the Offered Securities as fully paid and non-assessable Common Shares, and (iii) to grant the Over-Allotment Option;

(o) *Valid and Binding Documents.* This Agreement has been duly authorized, executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of, and is enforceable against, the Corporation in accordance with its terms, provided that enforcement thereof may be limited by laws affecting creditors' rights generally and that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction;

(p) *No Consents, Approvals etc*. The execution and delivery of this Agreement and the fulfilment of the terms hereof and thereof by the Corporation and the issuance, sale and delivery of the Offered Securities to be issued and sold by the Corporation and the grant of the Over-Allotment Option do not and will not require the consent, approval, authorization, registration or qualification of or with any Governmental Authority, stock exchange or other third party, except: (i) those which have been obtained or those which may be required and shall be obtained prior to the Time of Closing under the Securities Laws or the rules of the TSXV, including in compliance with the Securities Laws regarding the distribution of the Offered Securities and the grant of the Over-Allotment Option in the Qualifying Jurisdictions; and (ii) such customary post-closing notices or filings required to be submitted within the applicable time frame pursuant to Securities Laws and any "blue sky laws" in the United States, as may be required in connection with the Offering;

(q) *Continuous Disclosure.* The Corporation is in compliance in all material respects with its timely disclosure obligations under Canadian Securities Laws and, without limiting the generality of the foregoing, there has not occurred an adverse material change, financial or otherwise, in the assets, liabilities (contingent or otherwise), business, financial condition or capital of the Corporation and its subsidiaries (taken as a whole) which has not been publicly disclosed and the information and statements in the Documents Incorporated by Reference were true and correct as of the respective dates of such information and statements and at the time such documents were filed on SEDAR, do not contain any misrepresentations and no material facts have been omitted therefrom which would make such information materially misleading, and the Corporation has not filed any confidential material change reports which remain confidential as at the date hereof. To the knowledge of the Corporation there are no circumstances presently existing under which liability is or could reasonably be expected to be incurred under Part 16.1 – Civil Liability for Secondary Market Disclosure of the B.C. Act and analogous provisions under Securities Laws in the other Qualifying Jurisdictions;

(r) *Due Diligence Sessions.* The Due Diligence Session Responses will be true and correct in all material respects where they relate to matters of fact, and as at the time such responses are given, the Due Diligence Session Responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given, and the Corporation and its directors and officers will have responded in a thorough and complete fashion. Where the Due Diligence Session Responses reflect the opinion or view of the Corporation or its directors or officers (including Due Diligence Session Responses or portions of such Due Diligence Session Responses which are forward looking or otherwise relate to projections, forecasts or estimates of future performance or results (operating, financial or otherwise)) such opinions or views are subject to the qualifications and provisions set forth in the Due Diligence Session Responses and will be honestly held and believed to be reasonable at the time they are given; except that it shall not constitute a breach of this paragraph solely if the actual results vary or differ from those contained in forward-looking statements;

(s) *Forward-Looking Information*. No forward-looking information within the meaning of Canadian Securities Laws included or incorporated by reference in the Prospectus has been made or reaffirmed by the Corporation without a reasonable basis in terms of the data and assumptions used, or has been disclosed other than in good faith;

(t) *Financial Statements.* The Financial Statements:

(i) present fairly, in all material respects, the financial position of the Corporation on a consolidated basis and the statements of operations, retained earnings, cash flow from operations and changes in financial information of the Corporation on a consolidated basis for the periods specified in such Financial Statements;

(ii) have been prepared in conformity with IFRS, applied on a consistent basis throughout the periods involved; and

(iii) do not contain any misrepresentations, with respect to the period covered by the Financial Statements;

(u) *Off-Balance Sheet Transactions*. There are no material off-balance sheet transactions, arrangements, obligations or liabilities of the Corporation or its subsidiaries whether direct, indirect, absolute, contingent or otherwise which are required to be disclosed and are not disclosed or reflected in the Financial Statements;

(v) *Accounting Policies.* There has been no material change in accounting policies or practices of the Corporation or its subsidiaries since April 30, 2018;

(w) *Liabilities.* Neither the Corporation, nor any of the subsidiaries has any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements or referred to or disclosed herein, other than liabilities, obligations, or indebtedness or commitments: (i) incurred in the normal course of business; or (ii) which would not have a Material Adverse Effect;

(x) *Independent Auditors.* Davidson & Company LLP are independent with respect to the Corporation within the meaning of Canadian Securities Laws and, to the best of the

Corporation's knowledge, there has never been a "reportable event" (within the meaning of NI 51-102) with the auditors of the Corporation during the last three years;

(y) *Accounting Controls*. The Corporation and its subsidiaries maintain, and will maintain, a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Corporation maintains disclosure controls and procedures and internal control over financial reporting as those terms are defined in NI 52-109 and as at April 30, 2018, such controls are effective. Since the end of the Corporation's most recent audited fiscal year, the Corporation is not aware of any material weakness in the Corporation's internal control over financial reporting (whether or not remediated) or any changes in the Corporation's internal control over financial reporting that has materially affected or is reasonably likely to materially affect the Corporation's internal control over financial reporting;

(z) *Audit Committee*. The Corporation's board of directors has validly appointed an audit committee whose composition satisfies the requirements of NI 52-110, and the audit committee of the Corporation operates in accordance with all material requirements of NI 52-110;

(aa) *Purchases and Sales*. Neither the Corporation nor any of its subsidiaries has approved, has entered into any agreement in respect of, or has any knowledge of:

(i) the purchase of any material Business Assets or any interest therein other than as disclosed in the Prospectus, or the sale, transfer or other disposition of any Business Assets or any interest therein currently owned, directly or indirectly, by the Corporation or its subsidiaries whether by asset sale, transfer of shares, or otherwise;

(ii) the change of control (by sale or transfer of Common Shares or sale of all or substantially all of the assets of the Corporation or its subsidiaries or otherwise) of the Corporation or its subsidiaries; or

(iii) a proposed or planned disposition of Common Shares by any shareholder who owns, directly or indirectly, 10.0% or more of the outstanding Common Shares or shares of its subsidiaries;

(bb) *Title to Business Assets.* Subject to Section 8(hh) titled "Intellectual Property", the Corporation and its subsidiaries have good, valid and marketable title to and have all necessary rights in respect of all of their Business Assets as owned, leased, licensed, loaned or used by them or over which they have rights, free and clear of Liens, other than as disclosed in the Prospectus, and no other rights or Business Assets are necessary for the conduct of the business of the Corporation or its subsidiaries as currently conducted or as proposed to be conducted, the Corporation knows of no claim or basis for any claim that might or could have a Material Adverse Effect on the rights of the Corporation or its subsidiaries to use, transfer, license, sell, operate or otherwise exploit such Business Assets

and neither the Corporation nor its subsidiaries have any obligation to pay any commission, license fee or similar payment to any person in respect thereof, other than as disclosed in the Offering Documents;

(cc) *Regulatory Approvals and Authorizations*. To the knowledge of the Corporation, the Corporation has conducted, and is conducting, its business in compliance in all material respects with all applicable laws, rules, regulations, legislation, regulations or by-laws or other lawful requirements of any governmental or regulatory bodies of each jurisdiction in which it carries on business or holds assets, including activities relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substance ("**Hazardous Substances**") or the licensing thereof ("**Environmental Laws**") and the Corporation holds all material licenses, registrations, permits, authorities and qualifications in all jurisdictions in which it carries on its business or holds assets which are necessary to carry on its business as now conducted and as presently proposed to be conducted, all such licenses, registrations, permits, authorities and qualifications of the Corporation are valid and existing and in good standing and none of such licenses, registrations, permits, authorities or qualifications contains any burdensome term, provision, condition or limitations which has or is likely to have any material adverse effect on the business of the Corporation as now conducted, or as proposed to be conducted, the Corporation has not received notice of non-compliance, or notice of any proceedings relating to the revocation or modification, of any such licenses, registrations, permits, authorities or qualifications which, if the subject of an unfavourable decision, ruling or finding, would materially adversely affect the business, operations, financial condition or prospects of the Corporation, the Corporation has not received any notice of, or been prosecuted for, an offence alleging non-compliance with any Environmental Laws, and the Corporation has not settled any allegation of non-compliance, and there are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Corporation nor has the Corporation received notice of any of the same;

(dd) *Operation of the Business*. Other than as described in the Offering Documents, all agreements with third party contractors for the provision of products or services in connection with the business of the Corporation and its subsidiaries have been entered into and are being performed by the Corporation and its subsidiaries and, to the knowledge of the Corporation, by all other third parties thereto, in compliance with their terms and all standard, mandatory or necessary industry standards.

(ee) *Real Property.* Neither the Corporation nor any of the subsidiaries owns or has any rights, title or interest whatsoever in any real property;

(ff) *Leased Premises.* With respect to any Leased Premises, the Corporation or any of its subsidiaries who occupy the Leased Premises have the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation or its subsidiaries occupy the Leased Premises is in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement, and the completion of the transactions described herein by the Corporation, will not afford any of the parties to such leases or any other person the right to terminate such lease or result in any additional or more onerous obligations under such leases;

(gg) *Environmental and Workplace Laws*. Each of the Corporation and its subsidiaries are currently in compliance with any and all applicable federal, provincial, state, local, municipal or foreign statute, law, rule, regulation, ordinance, code, policy or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to the environment or environmental issues, pollution or protection of human health and safety; and there are no pending or, to the knowledge of the Corporation, any threatened, administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any environmental laws. The facilities and operations of the Corporation and its subsidiaries are currently being conducted, and to the knowledge of the Corporation have been conducted, in all material respects in accordance with all applicable workers' compensation and health and safety and workplace laws, regulations and policies;

(hh) *Intellectual Property.*

(i) except as would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect on the condition of the Corporation: (i) the Corporation owns, or has the right to use, all right, title and interest in and to all Intellectual Property used by its business, and, except for recently identified inventions for which patents will be diligently pursued, and pending applications for patents which may be rejected by the relevant intellectual property office, or have their claims amended during prosecution, has the sole and exclusive right to use such Intellectual Property in its business; and (ii) except for pending applications for patents which may be rejected by the intellectual property office, or have their claims amended during prosecution, no event has occurred during the registration or filing of, or during any other proceeding relating to, such Intellectual Property that would make invalid or unenforceable, or negate the right to use, any Intellectual Property of the Corporation. To the knowledge of the Corporation, there are no facts or issues which currently exist with respect to pending applications for patents comprising the Intellectual Property that are likely to result in such applications being rejected by the relevant intellectual property office. To the knowledge of the Corporation, the conduct of the business of the Corporation and the use of its Intellectual Property does not infringe, and the Corporation has not received any notice, complaint, threat or claim alleging infringement of, any patent, trade mark, trade name, copyright, industrial design, trade secret or proprietary right of any other person, the infringement of which or the determination of any alleged infringement against the Corporation which would reasonably be expected to have a Material Adverse Effect on the condition of the Corporation;

(ii) except as would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect upon the condition of the Corporation, and to the knowledge of the Corporation, each of the current and former employees of the Corporation, including for greater certainty each of the officers of the Corporation, has entered into a proprietary rights agreement with its employer, being the Corporation: (i) assigning to such employer any Intellectual Property rights in any developments, works, inventions or improvements produced or designed by such person, during the term of and in the course of employment with the Corporation, and waiving any moral rights in the same, as the case may be; and (ii) which

contains customary confidentiality, non-competition and non-disclosure covenants; and

(iii) the Corporation is not currently pursuing any litigation against any person for any infringement, misappropriation or misuse of its Intellectual Property;

(ii) *Data Security*. Each of the Corporation and its subsidiaries has made backups of all material Software and databases used by it and maintain such backups at a secure off-site location. The Corporation and its subsidiaries have taken all reasonable steps: (i) to maintain the integrity and security of its systems and network infrastructure in connection with the collection, transmission and storage of electronic data, including video and imagery; (ii) to block the distribution of sensitive imagery which may be harmful to or breach the security interests of any country; and (ii) to protect the information technology and communication systems used in connection with their operations and business from contamination, corruption, computer viruses, firewall breaches, sabotage, hacking or other software routines or hardware components that would permit material unauthorized access or the unauthorized disablement, theft or erasure of its information technology systems, communication systems, imagery, products or Software. The Corporation and its subsidiaries have disaster recovery and security plans and procedures in place and there have been no material unauthorized intrusions or breaches of the security of the information technology or communication systems used in connection with their operations and business;

(jj) *Privacy Protection*. Each of the Corporation and its subsidiaries has security measures and safeguards in place to protect personal information it collects from customers and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties. The Corporation and its subsidiaries have complied with all applicable privacy and consumer protection legislation and neither has collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws, whether collected directly or from third parties, in an unlawful manner. The Corporation and its subsidiaries have taken all reasonable steps to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse;

(kk) *Insurance.* The Corporation and its subsidiaries maintain insurance against loss of, or damage to, the Business Assets on a basis consistent with reasonably prudent persons in comparable businesses, and all of the policies in respect of such insurance coverage are in good standing in all respects and not in default except in each case as could not reasonably be expected to have a Material Adverse Effect, and the Corporation has not failed to promptly give any notice of any material claim thereunder;

(ll) *Material Agreements.* Other than the Material Agreements and an agreement in principle with a major international Defence contractor, there are no material contracts or agreements which have or which might have or create any material obligation on the Corporation or from which it derives or could derive any material benefit or which are required by the Corporation to carry on its business. For the purposes of this representation and warranty, any contract or agreement is deemed to be material where such contract will, or may reasonably be expected to, result in expenditures by the Corporation of an aggregate of more than $100,000 or the Corporation receiving or being entitled to receive revenue of

more than $100,000 during any 12 month period and is out of the ordinary course of business of the Corporation;

(mm) *No Swaps.* The Corporation is not currently a party to any Swaps;

(nn) *No Material Changes.* Except as disclosed in the Offering Documents, since April 30, 2018: (i) there has been no material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise) business, condition (financial or otherwise), properties, capital or results of operations of the Corporation and its subsidiaries considered as one enterprise, and (ii) there have been no transactions entered into by the Corporation or its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Corporation and its subsidiaries considered as one enterprise;

(oo) *Absence of Proceedings.* There is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency, governmental instrumentality or body, domestic or foreign, now pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, the Business Assets or any subsidiary which is required to be disclosed in the Offering Documents, and which if not so disclosed, or which if determined adversely, would have a Material Adverse Effect, or would materially and adversely affect the consummation of the transactions contemplated in this Agreement or the performance by the Corporation of its obligations hereunder. The aggregate of all pending legal or governmental proceedings to which the Corporation or any subsidiary is a party or of which any of their respective property or assets is subject, which are not described in the Offering Documents include only ordinary routine litigation incidental to the business, properties and assets of the Corporation and the subsidiaries and would not reasonably be expected to result in a Material Adverse Effect;

(pp) *Absence of Defaults and Conflicts.* Neither the Corporation nor its subsidiaries is in violation, default or breach of, and the execution, delivery and performance of this Agreement, the Offering Documents and the consummation of the transactions and compliance by the Corporation with its obligations hereunder and thereunder, the sale of the Offered Securities and the grant of the Over-Allotment Option do not and will not, whether with or without the giving of notice or passage of time or both, result in a violation, default or breach of, or conflict with, or result in the creation or imposition of any Lien upon any property or assets of the Corporation, or its subsidiaries under the terms or provisions of: (i) any Material Agreements; (ii) the articles or by-laws or other constating documents or resolutions of the directors or shareholders of the Corporation or its subsidiaries; (iii) to the knowledge of the Corporation, any existing applicable law, statute, rule, regulation including applicable Securities Laws and the rules and regulations of the TSXV; (iv) any judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Corporation, or its subsidiaries or any of their assets, properties or operations.

(qq) *Labour.* No material labour dispute with the employees of the Corporation or its subsidiaries currently exists or, to the knowledge of the Corporation, is imminent. Neither the Corporation nor its subsidiaries is a party to any collective bargaining agreement and, to the knowledge of the Corporation, no action has been taken or is contemplated to organize any employees of the Corporation or its subsidiaries;

(rr) *Taxes.* Other than the Company being subject to a variety of normal course audits, none of which are expected to have a Material Adverse Effect, all tax returns, reports, elections, remittances and payments of the Corporation and its subsidiaries required by applicable law to have been filed or made in any applicable jurisdiction, have been timely filed or made (as the case may be) and are true, complete and correct except where the failure to make such filing, election, or remittance and payment would not constitute a Material Adverse Effect, and all taxes of the Corporation and of its subsidiaries (whether or not shown on such tax filings and whether or not assessed by any taxing authority) have been paid or accrued in the Financial Statements (except as any extension may have been requested or granted and in any case in which the failure to file, pay or accrue such taxes would not result in a Material Adverse Effect). Other than the Company being subject to a variety of normal course audits, none of which are expected to have a Material Adverse Effect, no examination of any tax return of the Corporation or its subsidiaries is currently in progress by any Governmental Authority and there are no issues or disputes outstanding with any Governmental Authority respecting any taxes that have been paid, or may be payable, by the Corporation or the subsidiaries;

(ss) *Foreign Corrupt Practices Act.* None of the Corporation, any of its subsidiaries or, to the knowledge of the Corporation, any director, officer, agent, employee, affiliate or other person acting on behalf of the Corporation or any of its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the *Foreign Corrupt Practices Act of 1977*, as amended, and the rules and regulations thereunder (the "**FCPA**") or the *Corruption of Foreign Public Officials Act* (Canada), as amended (the "**CFPOA**"), including making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA), or any "foreign public official" (as such term is defined in the CFPOA), or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and the CFPOA, and the Corporation and, to the knowledge of the Corporation, its subsidiaries have conducted their businesses in compliance with the FCPA and the CFPOA;

(tt) *Money Laundering Laws.* The operations of the Corporation and its subsidiaries are, and, to the knowledge of the Corporation, have been conducted at all times, in compliance with all material applicable financial recordkeeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar applicable rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and, to the knowledge of the Corporation, no action, suit or proceeding by or before any court or Governmental Authority or any arbitrator involving the Corporation or any of its subsidiaries with respect to the Money Laundering Laws is pending or threatened;

(uu) *Significant Acquisitions.* The Corporation has not completed any "significant acquisition" nor is it proposing any "probable acquisitions" (as such terms are defined in NI 51-102) that would require the inclusion or incorporation by reference of any additional financial statements or pro forma financial statements in the Prospectus or the filing of a Business Acquisition Report pursuant to Canadian Securities Laws;

(vv) *Corporation Short Form Eligible.* The Corporation is eligible to file a short form prospectus in each of the Qualifying Jurisdictions pursuant to applicable Canadian Securities Laws and on the date of and upon filing of the Final Prospectus there will be no documents required to be filed under the Canadian Securities Laws in connection with the distribution of the Offered Securities that will not have been filed as required;

(ww) *Status in the U.S.* The Corporation makes the representations, warranties and covenants applicable to it in Schedule "A" hereto and acknowledges that the terms and conditions of the representations, warranties and covenants of the parties contained in Schedule "A" form part of this Agreement;

(xx) *Compliance with Laws.* The Corporation has complied, or will have complied, in all material respects with all relevant statutory and regulatory requirements required to be complied with prior to the Time of Closing in connection with the Offering. Neither the Corporation nor its subsidiaries are aware of any legislation or proposed legislation, which they anticipate will have a Material Adverse Effect;

(yy) *No Loans.* Neither the Corporation nor its subsidiaries have made any material loans to or guaranteed the material obligations of any person, except as disclosed in the Prospectus;

(zz) *Directors and Officers.* None of the directors or officers of the Corporation are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange;

(aaa) *Minute Books and Records.* The minute books of the Corporation contain full, true and correct copies of the constating documents of the Corporation and contain copies of all minutes of all meetings and all consent resolutions of the directors, committees of directors and shareholders of the Corporation, and all such meetings were duly called and properly held and all such resolutions were properly adopted except to the extent that any such failure could not reasonably be expected to have a material adverse effect on the Corporation;

(bbb) *Employee Plans.* The Documents Incorporated by Reference disclose, to the extent required by applicable Canadian Securities Laws, each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by the Corporation for the benefit of any current or former director, officer, employee or consultant of the Corporation (the "**Employee Plans**"), each of which has been maintained in all material respects with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans;

(ccc) *No Dividends.* During the previous 12 months, the Corporation has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its Common Shares or securities or agreed to do any of the foregoing. There are no restrictions upon or impediment to, the declaration or payment of

dividends by the directors of the Corporation or the payment of dividends by the Corporation in the constating documents or in any Material Agreements;

(ddd) *Fees and Commissions*. Other than the Underwriters (and their selling group members) pursuant to this Agreement, there is no other person acting at the request of the Corporation, or to the knowledge of the Corporation, purporting to act who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or transactions contemplated herein;

(eee) *Entitlement to Proceeds*. Other than the Corporation, there is no person that is or will be entitled to demand the proceeds of the Offering;

(fff) *Related Parties*. Other than as set forth in the Documents Incorporated by Reference, none of the directors, officers or employees of the Corporation, any known holder of more than 10.0% of any class of securities of the Corporation or securities of any person exchangeable for more than 10.0% of any class of securities of the Corporation, or any known associate or affiliate of any of the foregoing persons or companies (as such terms are defined in the B.C. Act), has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction which, as the case may be, materially affected or is reasonably expected to materially affect the Corporation and its subsidiaries, on a consolidated basis. Except as set forth in the Financial Statements and Documents Incorporated by Reference, neither the Corporation nor its subsidiaries has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at "arm's length" (as such term is defined in the *Income Tax Act* (Canada)) with them; and

(ggg) *Full Disclosure*. The Corporation has not withheld and will not withhold from the Underwriters prior to the Time of Closing, any material facts relating to the Corporation, its subsidiaries or the Offering.

Section 9 Underlying Warrants and Broker Warrants

The Corporation agrees that the Underlying Warrants and the Broker Warrants will be duly and validly created and distributed pursuant to the terms of the Warrant Indenture and Broker Warrant Certificate, respectively.

Each Underlying Warrant will entitle the holder thereof to acquire, at a price of $3.25 per Underlying Warrant, subject to adjustment as provided for in the Warrant Indenture, one Underlying Broker Share at any time from the Closing Date until 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date.

Each Broker Warrant will entitle the holder thereof to acquire, at a price of $2.50 per Broker Warrant, subject to adjustment as provided for in the Broker Warrant Certificate, one Common Share at any time from the Closing Date until 5:00 p.m. (Vancouver time) on the date that is 24 months from the Closing Date.

Section 10 Covenants of the Corporation

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

(1) *Compliance with Material Contracts*. The Corporation will duly, punctually and faithfully perform all the obligations to be performed by it under this Agreement, the Warrant Indenture and the Broker Warrant Certificate;

(2) *Notification of Filings*. The Corporation will advise the Underwriters, promptly after receiving notice thereof, of the time when the Offering Documents have been filed and receipts, as applicable, therefor have been obtained and will provide evidence reasonably satisfactory to the Underwriters of each such filing and copies of such receipts;

(3) *Standstill*. The Corporation will not directly or indirectly, for a period commencing on the date of this Agreement and ending 90 days after the Closing Date, without the prior written consent of Canaccord, on behalf of the Underwriters, such consent not to be unreasonably withheld or delayed, authorize, sell or issue or announce its intention to authorize, sell or issue, or negotiate or enter into an agreement to sell or issue, any Common Shares of the Corporation (including those that are convertible or exchangeable into Common Shares of the Corporation) other than: (i) pursuant to the Offering; (ii) the grant or exercise of incentive securities pursuant to existing incentive plans; (iii) outstanding convertible securities; (iv) any transaction with an arm's length third party whereby the Corporation directly or indirectly acquires shares or assets of a business; (v) any stock option plan, restricted share unit plan and all other similar share based compensation arrangements; or (vi) the issuance of securities to a strategic investor in connection with a private placement.

(4) *Lock-Up Agreements*. The Corporation will use reasonable efforts to restrict each of the directors and officers of the Corporation from selling, or agreeing to sell, any securities of the Corporation for a period of 90 days after the Closing Date without the prior written consent of Canaccord;

(5) *Maintain Reporting Issuer Status*. The Corporation will use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Canadian Securities Laws in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario, to the date that is at least 12 months following the Closing Date, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation;

(6) *Maintain Stock Exchange Listing*. The Corporation will use its commercially reasonable efforts to maintain the listing of the Common Shares (including the Common Shares comprising part of the Underlying Securities and the Underlying Warrants) on the TSXV or such other recognized stock exchange or quotation system as Canaccord, on behalf of the Underwriters may approve, acting reasonably, for a period of at least 12 months following the Closing Date, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation;

(7) *Validly Issued Securities*. The Corporation will, provided it receives payment therefor, ensure that at the Time of Closing the Offered Securities have been duly and validly issued as fully paid and non-assessable.

(8) *Use of Proceeds*. The Corporation will use the net proceeds of the Offering in the manner specified in the Prospectus under the heading "Use of Proceeds", including circumstances where, for sound business reasons, a reallocation of the net proceeds may be necessary;

(9) *Consents and Approvals*. The Corporation will have made or obtained, as applicable, at or prior to the Closing time, all consents, approval, permits, authorizations or filings as may be required by the Corporation under Securities Laws necessary for the consummation of the transactions contemplated herein, other than customary post-closing filings required to be submitted within the applicable time frame pursuant to Securities Laws, "blue sky laws" in the United States and the rules of the TSXV; and

(10) *Closing Conditions*. The Corporation will have, at or prior to the Time of Closing, fulfilled or caused to be fulfilled, each of the conditions set out in Section 12 hereof.

Section 11 Representations, Warranties and Covenants of the Underwriters

(1) Each Underwriter hereby severally, and not jointly, nor jointly and severally, represents and warrants to the Corporation that:

(a) it is, and will remain so, until the completion of the Offering, appropriately registered under applicable Canadian Securities Laws so as to permit it to lawfully fulfill its obligations hereunder; and

(b) it has good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein.

(2) The Underwriters hereby severally, and not jointly, nor jointly and severally, covenant and agree with the Corporation, the following:

(a) *Jurisdictions and Offering Price.* During the period of distribution of the Offered Securities by or through the Underwriters, the Underwriters will offer and sell Offered Securities to the public only in the Selling Jurisdictions where they may lawfully be offered for sale upon the terms and conditions set forth in the Prospectus, the U.S. Private Placement Memorandum, as applicable, and this Agreement either directly or through other registered investment dealers and brokers. The Underwriters shall be entitled to assume that the Offered Securities are qualified for distribution in any Qualifying Jurisdiction where the Final Receipt shall have been obtained following the filing of the Prospectus.

(b) *Compliance with Securities Laws.* The Underwriters will comply with applicable Securities Laws in connection with the offer and sale and distribution of the Offered Securities.

(c) *U.S. Sales.* The Underwriters will not directly or indirectly, solicit offers to purchase or sell the Offered Securities or deliver any Offering Document to purchasers so as to require registration of the Offered Securities or filing of a prospectus or registration statement with respect to those Offered Securities under the laws of any jurisdiction other than the Qualifying Jurisdictions, including the United States. Any offer or sales of Offered Securities (including any unsold allotment of Offered Securities) in the United States will be made in accordance with the terms and conditions set out in this Agreement. The terms

and conditions and the representations and warranties and covenants of the parties contained in Schedule "A" form part of this Agreement.

(d) *Completion of Distribution.* Each of the Underwriters will use its commercially reasonable efforts to complete the distribution of the Offered Securities as promptly as possible after the Time of Closing. Canaccord will notify the Corporation when, in Canaccord's opinion, the Underwriters have ceased the distribution of the Offered Securities, and, within 30 calendar days after completion of the distribution, will provide the Corporation, in writing, with a breakdown of the total proceeds realized or number of Offered Securities sold: (i) in each of the Qualifying Jurisdictions; and (ii) in any other Selling Jurisdictions.

(e) *Liability on Default.* No Underwriter shall be liable to the Corporation under this section with respect to a breach or default by any of the other Underwriters.

Section 12 Conditions of Closing

The Underwriters' obligation to purchase the Offered Securities pursuant to this Agreement (including the obligation to complete the purchase of the Offered Securities and the Over-Allotment Securities, as the case may be) shall be subject to the following conditions:

(1) The Underwriters receiving at the Time of Closing, favourable legal opinions from Miller Thomson LLP, counsel to the Corporation (who may rely, to the extent appropriate in the circumstances, on the opinions of local counsel acceptable to counsel to the Underwriters as to the qualification of the Offered Securities for sale to the public and as to other matters governed by the laws of jurisdictions in Canada other than the provinces in which they are qualified to practice and may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of officers, public and exchange officials or of the auditor or transfer agent of the Corporation), to the effect set forth below:

(a) the Corporation is a corporation validly incorporated and existing under the *Business Corporations Act* (British Columbia) and has all requisite corporate power and capacity to carry on business, to own and lease its properties and assets;

(b) the Corporation has all necessary corporate power and authority to execute, deliver and perform its obligations under this Agreement and to issue and sell the Offered Securities, and grant the Over-Allotment Option;

(c) the authorized and issued capital of the Corporation;

(d) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificate and the performance of its obligations hereunder and thereunder and this Agreement, the Warrant Indenture and the Broker Warrant Certificate have each been duly executed and delivered by the Corporation and constitute a legal, valid and binding obligations of the Corporation enforceable against it in accordance with their respective terms, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to such other standard assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution set out in this Agreement may be limited by applicable law;

(e) the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificate and the fulfilment of the terms hereof and thereof by the Corporation and the issuance, sale and delivery of the Offered Securities and the grant of the Over-Allotment Option do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with the articles and by-laws of the Corporation, any resolutions of the shareholders or directors of the Corporation, or any applicable corporate law or Canadian Securities Laws;

(f) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of each of the Preliminary Prospectus and the Final Prospectus (and any Supplementary Material) and the filing thereof with the Securities Commissions in the Qualifying Jurisdictions;

(g) the Underlying Shares have been validly issued as fully paid and non-assessable shares in the capital of the Corporation;

(h) the Over-Allotment Securities have been duly and validly authorized, allotted and reserved for issuance and upon exercise of the Over-Allotment Option and receipt of payment of the consideration therefor, the applicable Over-Allotment Securities will be validly issued as fully paid and non-assessable shares in the capital of the Corporation;

(i) the Underlying Warrants have been duly and validly created and, when issued, will be fully paid and non-assessable Underlying Warrants in accordance with the provisions of the Warrant Indenture;

(j) the Warrant Shares issuable upon the exercise of the Warrants and the Over-Allotment Warrants have been reserved and allotted for issuance and when issued in accordance with the provisions of the Warrant Indenture will be validly issued as fully paid and non-assessable Common Shares;

(k) the Broker Warrants have been duly and validly created and, when issued, will be fully paid and non-assessable Broker Warrants in accordance with the provisions of the Broker Warrant Certificate;

(l) the Underlying Broker Shares issuable upon the exercise of the Broker Warrants have been reserved and allotted for issuance and when issued in accordance with the provisions of the Broker Warrant Certificate will be validly issued as fully paid and non-assessable Common Shares;

(m) the issuance and delivery of the Warrant Shares by the Corporation upon valid exercise of Underlying Warrants and Over-Allotment Warrants is exempt from the prospectus requirements of Canadian Securities Laws of the Qualifying Jurisdictions and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Corporation under Canadian Securities Laws of the Qualifying Jurisdictions to permit the issuance and delivery of the Warrant Shares to Subscribers in the Qualifying Jurisdictions;

(n) the issuance and delivery of the Underlying Broker Shares by the Corporation in the Qualifying Jurisdictions upon valid exercise of Broker Warrants is exempt from the

prospectus requirements of Canadian Securities Laws of the Qualifying Jurisdictions and no prospectus is required nor are other documents required to be filed, proceeding taken or approval, consent or authorization obtained by the Corporation under Canadian Securities Laws of the Qualifying Jurisdictions to permit the issuance and delivery of the Underlying Broker Shares to Subscribers in the Qualifying Jurisdictions;

(o) the first trade of the Underlying Securities is exempt from the prospectus requirements of Canadian Securities Laws, and no documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of regulatory authorities required to be obtained under the Canadian Securities Laws in connection with the first trade by the Underwriters or Substituted Purchasers, as applicable;

(p) the Corporation is a reporting issuer, or its equivalent, in each of the provinces of Alberta, British Columbia, Saskatchewan, Manitoba and Ontario and it is not noted on the list of defaulting reporting issuers maintained by the regulatory authorities in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba or Ontario;

(q) TSX Trust Company, at its principal office located in Toronto, Ontario, has been appointed as the registrar and transfer agent for the Common Shares;

(r) TSX Trust Company, at its principal office located in Toronto, Ontario has been appointed as the Warrant Agent under the Warrant Indenture;

(s) all necessary documents have been filed, all necessary proceedings have been taken and all necessary authorizations, approvals, permits, consents and orders have been obtained under Canadian Securities Laws to permit the Offered Securities to be offered, sold and delivered in the Qualifying Jurisdictions by or through investment dealers or brokers duly registered under the applicable Canadian Securities Laws who comply with the relevant provisions of such laws and the terms of such registration and to qualify the grant of the Over-Allotment Option to the Underwriters;

(t) the statements set forth in the Final Prospectus under the heading "Eligibility for Investment" are true, complete and accurate, subject to the limitations and qualifications set out therein;

(u) subject only to the standard listing conditions, the Listed Securities have been conditionally listed or approved for listing on the TSXV; and

(v) to such other matters as may reasonably be requested by the Underwriters no less than 48 hours prior to the Time of Closing;

in a form acceptable to counsel to the Underwriters and their counsel, acting reasonably;

(2) if applicable, the Underwriters receiving, at the Time of Closing, the favourable legal opinion dated the Closing Date from United States counsel for the Corporation, to the effect that registration of the Offered Securities offered and sold in the United States in accordance with this Agreement (including Schedule "A" hereto), if any, will not be required under the U.S. Securities Act, in form and substance satisfactory to the Underwriters and their counsel, acting reasonably;

(3) the Underwriters receiving, at the Time of Closing, favourable legal opinions from legal counsel to the Corporation acceptable to the Underwriters, regarding each of its subsidiaries in a form acceptable to the Underwriters and their counsel, acting reasonably, to the effect set out below:

(a) the subsidiary having been incorporated and existing under its jurisdiction of incorporation;

(b) the subsidiary having the corporate capacity and power to own and lease its properties and assets and to conduct its business as described in the Prospectus; and

(c) as to the authorized and issued share capital of the subsidiary and to the ownership thereof;

(4) the Underwriters receiving, at the Time of Closing, an auditors comfort letter dated the Closing Date from Davidson & Company LLP, in form and substance satisfactory to the Underwriters, acting reasonably, bringing forward to a date not more than two Business Days prior to the Closing Date the information contained in the comfort letter referred to in Section 5(1)(c) hereof;

(5) a certificate of the Corporation dated the Closing Date, addressed to the Underwriters and signed on the Corporation's behalf by its Chief Executive Officer and Chief Financial Officer or such other senior officers of the Corporation satisfactory to the Underwriters, acting reasonably, certifying that:

(a) the Corporation has complied with and satisfied, in all material respects, all terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Date;

(b) the representations and warranties of the Corporation set forth in this Agreement are true and correct at the Closing Date, as if made at such time;

(c) the Due Diligence Session Responses, subject to the qualifications and provisions contained therein, are true and correct in all material respects as at the Closing Date, as if made at such time;

(d) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Corporation, or prohibiting or restricting the distribution of any Securities has been made, or proceedings have been announced, commenced or threatened for the making of any such order, ruling or determination by any securities commission or similar regulatory authority or by any other competent authority, and has not been rescinded, revoked or withdrawn, and, to the knowledge of such officers, no proceedings for such purpose are pending, contemplated or threatened;

(e) the Corporation has made and/or obtained, at or prior to the Time of Closing, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which the Corporation is a party or by which it is bound in respect of the execution and delivery of this Agreement and the consummation of the other transactions contemplated hereby (subject to completion of filings with certain regulatory authorities following the Closing Date and other than in respect of the filing of the Preliminary Prospectus and the Final Prospectus); and

(f) such other matters as may be reasonably requested by the Underwriters or their legal counsel;

(6) the Underwriters receiving the executed lock-up agreements from each director and officer of the Corporation in favour of the Underwriters in a form satisfactory to the Underwriters as required pursuant to Section 10(4) of this Agreement;

(7) the Underwriters receiving, at the Time of Closing, a certificate from TSX Trust Company as to the number of Common Shares issued and outstanding as at the end of business day on the date prior to the Closing Date;

(8) at the Time of Closing, no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Corporation or prohibiting the sale of the Offered Securities or any of the Corporation's issued securities being issued and no proceeding for such purpose being pending or, to the knowledge of the Corporation, threatened by any securities regulatory authority or the TSXV;

(9) the Corporation having delivered to the Underwriters evidence of the approval (or conditional approval) of the listing and posting for trading of the Underlying Shares, Underlying Warrants, Warrant Shares and Underlying Broker Shares on the TSXV, subject only to satisfaction by the Corporation of standard listing conditions;

(10) the Corporation complying with all of its covenants and obligations under this Agreement required to be satisfied at or prior to the Time of Closing;

(11) the Warrant Indenture shall have been executed and delivered by the Corporation in form and substance satisfactory to the Underwriters, acting reasonably;

(12) the Underwriters not having exercised any rights of termination set forth herein; and

(13) the Underwriters having received at the Time of Closing such further certificates, opinions of counsel and other documentation from the Corporation contemplated herein, provided, however, that the Underwriters or their counsel shall reasonably request any such certificate or document within a reasonable period prior to the Time of Closing that is sufficient for the Corporation to obtain and deliver such certificate, opinion or document.

Section 13 Closing

(1) Location of Closing. The Offering will be completed at the offices of Miller Thomson LLP in Vancouver, British Columbia at the Time of Closing.

(2) *Securities.* At the Time of Closing, subject to the terms and conditions contained in this Agreement, the Corporation shall deliver to the Underwriters in Toronto, Ontario, the Offered Securities in electronic or certificated form, registered as directed by the Underwriters in writing not less than 24 hours prior to the Time of Closing, against payment to the Corporation by the Underwriters of the aggregate Offering Price for the Offered Securities being issued and sold hereunder by wire transfer or certified cheque, net of the Underwriting Fee and expenses of the Underwriters payable by the Corporation as set out in this Agreement.

Section 14 Closing of the Over-Allotment Option

(1) Closing. The purchase and sale of the Over-Allotment Securities, if required, shall be completed at such time and place as the Underwriters and the Corporation may agree, but in no event shall such

closing occur later than five Business Days after written notice to purchase Over-Allotment Securities under the Over-Allotment Option is given in the manner contemplated herein.

(2) *Securities.* At the closing of the Over-Allotment Option, subject to the terms and conditions contained in this Agreement, the Corporation shall deliver to the Underwriters the Over-Allotment Securities, in electronic or certificated form, registered as directed by the Underwriters (provided that any Offered Securities sold in the United States pursuant to this Agreement will be represented by definitive certificates), against payment to the Corporation by the Underwriters of the applicable price for the Over-Allotment Securities being issued and sold by wire transfer or certified cheque, net of the Underwriting Fee and any expenses of the Underwriters payable by the Corporation as set out in this Agreement.

(3) *Deliveries*. The applicable terms, conditions and provisions of this Agreement (including the provisions of Section 12 relating to closing deliveries) shall apply *mutatis mutandis* to the Closing of the issuance of any Over-Allotment Securities pursuant to any exercise of the Over-Allotment Option.

(4) *Adjustments*. In the event that the Corporation shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Over-Allotment Option is exercisable, appropriate adjustments will be made to the applicable price and to the number of Over-Allotment Securities issuable on exercise thereof such that the Underwriters are entitled to arrange for the sale of the same number and type of securities that the Underwriters would have otherwise arranged for had they exercised such Over-Allotment Option immediately prior to such subdivision, consolidation, reclassification or change.

Section 15 Indemnification and Contribution

(1) The Corporation and its subsidiaries or affiliated companies, as the case may be (collectively, the "**Indemnitor**") hereby agrees to indemnify and hold each of the Underwriters, and/or any of their respective affiliates and each of their respective directors, officers, employees, partners, agents, shareholders, each other person, if any, controlling the Underwriters or any of their subsidiaries (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**") harmless from and against any and all expenses, losses, claims, actions (including shareholder actions, derivative or otherwise), suits, proceedings, damages, liabilities or expenses of whatever nature or kind, whether joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims, and the reasonable fees and expenses of their counsel (collectively, the "**Losses**") that may be incurred in investigating or advising with respect to and/or defending or settling third party action, suit, proceeding, investigation or claim (collectively, the "**Claims**") that may be made or threatened against the Indemnified Parties or to which the Indemnified Parties may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such Losses and/or Claims arise out of or are based, directly or indirectly, upon:

(a) the performance of professional services rendered to the Corporation by the Indemnified Parties hereunder or otherwise in connection with the matters referred to in this Agreement;

(b) any breach or alleged breach or non-performance of any representation, warranty or covenant made by the Corporation contained herein or in any certificate or other document of the Corporation or of any officers thereof delivered hereunder or pursuant hereto or the failure of the Corporation to comply with any of their obligations hereunder;

(c) any statement or information contained in the Preliminary Prospectus, the Final Prospectus or any Supplementary Material (other than any statement relating solely to the Underwriters and provided by the Underwriters in writing for inclusion in such document) containing or being alleged to contain a misrepresentation (for the purposes of Canadian Securities Laws) or being alleged to be untrue, false or misleading;

(d) the non-compliance or alleged non-compliance by the Corporation with any requirement of Canadian Securities Laws; or

(e) any order made or inquiry, investigation or proceedings (formal or informal) commenced or threatened by any officer or official of any Governmental Authority based upon the circumstances described in Section 15(1)(c) above which operates to prevent or restrict trading in or distribution of the Offered Securities or any other securities of the Corporation in any of the Qualifying Jurisdictions,

provided that, this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that such Losses were solely caused by the gross negligence or wilful misconduct of the Indemnified Party.

(2) If for any reason (other than a determination as to any of the events referred to above) the foregoing indemnity is unavailable to an Indemnified Party, or is insufficient to hold them harmless, then the Indemnitor shall contribute to the Losses paid or payable by such Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor or its shareholders on the one hand and the Indemnified Party on the other hand but also the relative fault of the Indemnitor and the Indemnified Party as well as any relevant equitable considerations, provided that the Indemnitor shall in any event contribute to the Losses paid or payable by the Indemnified Party as a result of such Claim, in such amount that is in excess of the amount of the Underwriting Fee actually received by the Underwriters pursuant to this Agreement. In the case of liability arising out of the Offering Documents, the relative fault of the Corporation, on one hand, and of the Underwriters, on the other hand, shall be determined by reference, among other things, to whether the misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing referred to in Section 15 relates to information supplied or which ought to have been supplied by, or steps or actions taken or done on behalf of or which ought to have been taken or done on behalf of the Corporation or the Underwriters and the parties' relative intent knowledge, access to information and opportunity to correct or prevent such misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing referred to in Section 15. In no event, shall the Indemnified Parties be responsible to pay any amount in excess of the amount of the Underwriting Fee actually received by it and the Indemnitor agrees not to seek or claim any such excess amounts in any circumstances. In the event that the Indemnitor may be entitled to contribution from the Indemnified Parties under the provisions of any statute or law, the Indemnitor shall be limited to contribution in any amount not exceeding the lesser of the portion of the Losses giving rise to such contribution for which the Underwriters are responsible and the amount of the Underwriting Fee received by the Underwriters.

(3) Promptly after receipt of notice of the commencement of any legal proceeding against an Indemnified Party or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, the Underwriters will notify the Corporation in writing of the commencement thereof. The omission to so notify the Indemnitor shall not relieve the Indemnitor of any liability which the Indemnitor may have to an Indemnified Party except only to the extent that any such

delay in giving or failure to give notice as herein required results in the forfeiture by the Indemnitor of substantive rights or defences. The Indemnitor shall be entitled, at its own expense, to participate in and assume the defence of any Claim, provided such defence is conducted by counsel of good standing acceptable to the Indemnified Party and the Indemnitor shall throughout the course thereof provide copies of all relevant documentation to the Indemnified Party, will keep the Indemnified Party advised of all discussions and significant actions proposed in respect thereof. If such defence is not assumed by the Indemnitor, the Indemnified Parties shall throughout the course thereof provide copies of all relevant documentation to the Indemnitor, will keep the Indemnitor advised of all discussions and significant actions proposed in respect thereof.

(4) Notwithstanding the foregoing paragraph, any Indemnified Party shall also have the right to employ separate counsel in any such Claim and participate in the defence thereof, and the fees and expenses of such counsel shall be borne by the Indemnified Party unless:

(a) the Corporation has failed, within a reasonable period of time after receipt of notice, to assume the defense of such Claim;

(b) the employment of separate counsel has been specifically authorized in writing by the Corporation;

(c) the named parties to any such Claim include both the Indemnitor and the Indemnified Parties and the Indemnified Parties have been advised by their counsel that representation of both parties by the same counsel would be inappropriate due to an actual or a potential conflict of interest; or

(d) there are one or more defences available to the Indemnified Parties which are different from or in addition to those available to the Indemnitor such that there may be a conflict of interest between the parties;

in which case such fees and expenses of such counsel to the Indemnified Parties shall be for the Indemnitor's account.

(5) The Indemnitor agrees that in case any legal proceeding shall be brought against the Indemnitor and/or any Indemnified Party by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or any such authority shall investigate the Indemnitor and/or any Indemnified Party and the personnel of such Indemnified Party shall be required to testify in connection therewith or shall be required to participate or respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Corporation by the Indemnified Parties, the Indemnified Party shall have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Indemnified Party monthly for time spent by its personnel in connection therewith at their normal per diem rates together with such disbursements and reasonable out-of-pocket expenses incurred by the personnel of the Indemnified Party in connection therewith) shall be paid by the Indemnitor as they occur.

(6) A party hereunder shall not, without the other party's prior written consent, such consent not to be unreasonably withheld or delayed, settle, compromise or consent to the entry of any judgment or make an admission of liability with respect to any Claims or seek to terminate any Claims in respect of which indemnification may be sought hereunder. Neither party hereunder shall be liable for any

such settlement of any Claim unless it has consented in writing to such settlement, such consent not to be unreasonably withheld.

(7) The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.

(8) The Indemnitor agrees to waive any right the Indemnitor may have of first requiring the Indemnified Party to proceed against or enforce any right, power, remedy, security or claim payment from any other person before claiming under this indemnity. The Indemnitor hereby acknowledges that the Underwriters are acting as trustees for each of the other Indemnified Parties of the Indemnitor's covenants under this indemnity and the Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

(9) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Indemnified Parties who are not signatories hereto and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Corporation and the Indemnified Parties.

Section 16 Expenses and Commission

(1) Whether or not the Offering shall be completed, all costs and expenses of or incidental to the sale and delivery of the Offered Securities and of or incidental to all matters in connection with the transactions herein shall be borne by the Corporation, including all expenses of or incidental to the issue, sale or distribution of the Offered Securities, the fees and expenses of the Corporation's counsel, auditors and independent experts, all costs incurred in connection with the preparation of documents relating to the Offering, and the reasonable expenses and fees incurred by the Underwriters in entering into and performing their obligations under this Agreement, including travel and communication expenses, database service expenses, courier charges, the reasonable fees and disbursements of legal counsel (such amount (excluding applicable taxes and disbursements) not to exceed $80,000 without the written approval of the Corporation, such approval not to be unreasonably withheld) and any other advisors retained by the Underwriters with the prior written consent of the Corporation, such consent not to be unreasonably withheld or delayed. Such reimbursable expenses shall be payable on the Closing Date, except that if the Offering is not completed, then such expenses shall be paid within 30 days of receipt by the Corporation of invoices from the Underwriters, whether or not the Offering is completed. The Corporation shall not be required to pay the fees and disbursements of legal counsel to the Underwriters which engagement between such legal counsel and the Underwriters, or any one of them, was terminated prior to the date hereof. At the option of the Underwriters, such fees and expenses may be deducted from the gross proceeds of the Offering.

(2) It is anticipated that the services provided by the Underwriters in connection herewith will not be subject to the Goods and Services Tax assessed under Part IX of the *Excise Tax Act* (Canada) on the basis that any taxable supplies provided will be incidental to the exempt financial services provided. In the event, however, that the Canada Revenue Agency (or other taxing authority) assesses or propose to assess on the basis that the Goods and Services Tax, or any other value-added tax, is exigible on any or all of the Underwriting Fee, the value of the Broker Warrants, or the reimbursement of the expenses of the Underwriters, the Corporation agrees to forthwith pay the amount of such tax, together with any interest, penalties or other additions thereto, upon the request of the Underwriters, directly to the Underwriters or to the Canada Revenue Agency, as applicable.

Section 17 All Terms to be Conditions

The Corporation agrees that the conditions contained in this Agreement will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Corporation and each of the Corporation and the Underwriters will use its respective commercially reasonable efforts to cause all such conditions to be complied with. Any breach or failure to comply with any of the conditions set out in this Agreement that are in the control of the Corporation shall entitle the Underwriters to terminate their obligation to purchase the Offered Securities, by written notice to that effect given to the Corporation at or prior to the Time of Closing. It is understood that the Underwriters may waive, in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights of the Underwriters in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing.

Section 18 Termination by Underwriters in Certain Events

(1) If the Corporation has not received the Final Receipt by 5:00pm (Vancouver time) November 12, 2018 or at any time prior to the Closing:

(a) there shall have occurred any material change or change in any material fact, or there shall be discovered any previously undisclosed material change or material fact in relation to the Corporation which was required to be disclosed in the Preliminary Prospectus, the Final Prospectus (or any amendment thereto), or otherwise that could in the reasonable opinion of any Underwriter be expected to result in an adverse material change in relation to the Corporation and have a significant adverse effect on the market price or value of the Common Shares;

(b) any inquiry, investigation or other proceeding is made or any order is issued under or pursuant to any statute of Canada or any province thereof or any statute of the United States or any state thereof or any stock exchange in relation to the Corporation or any of its securities (except for any inquiry, investigation or other proceeding based upon activities of any Underwriter and not upon activities of the Corporation), which, in the opinion of any Underwriter, acting reasonably, prevents or restricts trading in or the distribution of the Offered Securities or materially adversely affects or might reasonably be expected to materially adversely affect the market price or value of the Offered Securities;

(c) there should develop, occur or come into effect or existence any event, action, state, calamity, emergency, or major occurrence of national or international consequence or any law or regulation which, in the opinion of Canaccord, on behalf of the Underwriters, acting reasonably, materially adversely affects or involves, or will materially adversely affect or involve, the financial markets (including the commodity markets) or the business, operations or affairs of the Corporation and its subsidiaries, taken as a whole; or

(d) the Corporation is in breach of any material term, condition or covenant of this Agreement or any representation or warranty given by the Corporation in this Agreement is or becomes false,

Canaccord, on behalf of the Underwriters, shall be entitled to terminate and cancel its obligations to the Corporation by written notice to that effect given to the Corporation prior to the Closing.

(2) If this Agreement is terminated by any of the Underwriters pursuant to Section 18(1), there shall be no further liability on the part of such Underwriter or of the Corporation to such Underwriter, except in respect of any liability which may have arisen or may thereafter arise under Sections 13 and 15.

(3) The right of the Underwriters or any of them to terminate their respective obligations under this Agreement is in addition to such other remedies as they may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement. A notice of termination given by one Underwriter under this Section 18 shall not be binding upon the other Underwriters.

Section 19 Obligations of the Underwriters to be Several

(1) Subject to the terms and conditions hereof, the obligation of the Underwriters to purchase the Initial Units shall be several and not joint nor joint and several. The percentage of the Initial Units (and any Over-Allotment Securities in the event the Over-Allotment Option is exercised) to be severally purchased and paid for by each of the Underwriters shall be as follows:

Canaccord Genuity Corp.	75.0%
GMP Securities L.P.	25.0%

(2) Without affecting the firm obligation of the Underwriters to purchase from the Corporation all of the Initial Units at the Offering Price in accordance with this Agreement, after the Underwriters have made reasonable effort to sell all of the Offered Securities at the Offering Price, the Offering Price may be decreased by the Underwriters and further changed from time to time to an amount not greater than the Offering Price specified herein. Such decrease in the Offering Price will not affect the Underwriting Fee to be paid by the Corporation to the Underwriters, and it will not decrease the amount of the net proceeds of the Offering to be paid by the Underwriters to the Corporation, before deducting expenses of the Offering. The Underwriters will inform the Corporation if the Offering Price is decreased.

Section 20 Notices

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

in the case of the Corporation, to:

Patriot One Technologies Inc.
750-1095 West Pender Street
Vancouver, BC V6E 2M6

Attention: Martin Cronin, Chief Executive Officer

with a copy of any such notice to:

Miller Thomson LLP
Suite 400, 725 Granville Street
Vancouver, British Columbia V7Y 1G5

Attention: Rory Godinho
Fax No.: (604) 643-1200

in the case of the Underwriters, to:

Canaccord Genuity Corp.
#2200, 609 Granville Street
Vancouver, British Columbia V7Y 1H2

Attention: Jamie Brown
Fax No.: (604) 643-7772

with a copy of any such notice to:

Bennett Jones LLP
1066 West Hastings Street, Suite 2600
Vancouver, BC V6E 3X1

Attention: Christian Gauthier
Fax: (604) 891-5100

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

Section 21 Miscellaneous

(a) *Action of the Lead Underwriter*. Except with respect to Section 15, Section 18 and Section 19, all transactions and notices on behalf of the Underwriters hereunder or contemplated hereby may be carried out or given on behalf of the Underwriters by Canaccord and Canaccord shall in good faith discuss with the other Underwriter the nature of any such transactions and notices prior to giving effect thereto or the delivery thereof, as the case may be.

(b) *Successors and Assigns*. This Agreement shall enure to the benefit of, and shall be binding upon, the Underwriters and the Corporation and their respective successors and legal representatives.

(c) *Governing Law*. This Agreement shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

(d) *Time of the Essence*. Time shall be of the essence hereof and, following any waiver or indulgence by any party, time shall again be of the essence hereof.

(e) *Interpretation*. The words, "hereunder", "hereof" and similar phrases mean and refer to the Agreement formed as a result of the acceptance by the Corporation of this offer by the Underwriters to purchase the Offered Securities.

(f) *Survival*. All representations, warranties, covenants and agreements of the Corporation and/or the Underwriters herein contained or contained in documents submitted pursuant to this Agreement and in connection with the transaction of purchase and sale herein contemplated shall survive for a period ending on the date that is two years following the Closing Date. Notwithstanding the preceding sentence, Section 15 shall survive the purchase and sale of the Offered Securities and the termination of this Agreement and shall continue in full force and effect for the benefit of the Underwriters or the Corporation, as the case may be, regardless of any subsequent disposition of the Offered Securities or any investigation by or on behalf of the Underwriters with respect thereto without limitation other than any limitation requirements of applicable law. The Underwriters and the Corporation shall be entitled to rely on the representations and warranties of the Corporation or the Underwriters, as the case may be, contained herein or delivered pursuant hereto notwithstanding any investigation which the Underwriters or the Corporation may undertake or which may be undertaken on their behalf.

(g) *Severability*. If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

(h) *Electronic Copies*. Each of the parties hereto shall be entitled to rely on delivery of a facsimile or PDF copy of this Agreement and acceptance by each such party of any such facsimile or PDF copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.

(i) *Counterparts*. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

(j) *Several and Joint*. In performing their respective obligations under this Agreement, the Underwriters shall be acting severally and not jointly and severally. Nothing in this Agreement is intended to create any relationship in the nature of a partnership, or joint venture between the Underwriters.

(k) *Market Stabilization Activities*. In connection with the distribution of the Offered Securities, the Underwriters (or any of them) may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which might otherwise prevail in the open market, but in each case as permitted by Canadian Securities Laws. Such stabilizing transactions, if any, may be discontinued by the Underwriters at any time.

(l) *Entire Agreement*. This Agreement constitutes the only agreement between the parties hereto with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings in respect of the Offering. This Agreement may be amended or modified in any respect by written instrument only.

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

[Remainder of page intentionally left blank.]

If this Agreement accurately reflects the terms of the transactions which we are to enter into and are agreed to by you, please communicate your acceptance by executing the enclosed copies of this Agreement where indicated and returning them to us.

Yours very truly,

CANACCORD GENUITY CORP.

By: *"Jamie Brown"*

Jamie Brown
Vice Chairman, Managing Director

GMP SECURITIES L.P.

By: *"Steve Ottaway"*

Steve Ottaway
Managing Director

The foregoing is hereby accepted and agreed to by the undersigned as of the date first written above.

PATRIOT ONE TECHNOLOGIES INC.

By: *"Martin Cronin"*

Martin Cronin
CEO

SCHEDULE "A"

TERMS AND CONDITIONS FOR UNITED STATES OFFERS AND SALES

As used in this Schedule "A", the following terms have the following meanings:

"**affiliate**" means "**affiliate**" as that term is defined in Rule 405 under the U.S. Securities Act;

"**Directed Selling Efforts**" means directed selling efforts as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "A", it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Securities and shall include, without limitation, the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of any of the Offered Securities;

"**Foreign Issuer**" means "foreign issuer" as that term is defined in Rule 902(e) of Regulation S;

"**General Solicitation**" and "**General Advertising**" means "general solicitation" and "general advertising", respectively, as used in Rule 502(c) of Regulation D, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over television, radio or the Internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"**Offshore Transactions**" means "offshore transactions" as that term is defined in Rule 902(h) of Regulation S.

"**QIB Certificate**" means the Qualified Institutional Buyer Letter in the form attached as Exhibit I to the U.S. Private Placement Memorandum.

"**Selling Group**" means the Underwriters and the U.S. Affiliates.

"**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as that term is defined in Rule 902(j) of Regulation S;

All other capitalized terms used but not otherwise defined in this Schedule "A" shall have the meanings assigned to them in the Agreement to which this Schedule "A" is attached.

1. Each Underwriter represents and warrants to the Corporation that:

    (a) it acknowledges that the Offered Securities have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States except by the Underwriters through U. S. Affiliates pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A. It has not offered or sold, and will not offer or sell, any of the Offered Securities except (A) in accordance with the foregoing exemption, or (B) in Offshore Transactions in compliance with Rule 903 of Regulation S. Accordingly, except in connection with offers and sales pursuant to Rule 144A, or as permitted by Rule 903 of Regulation S, neither it nor its affiliates nor any persons acting on its or their behalf has made or will make (i) any offer to sell Offered Securities to or solicitation of an offer to buy Offered Securities from a person in the United

States, or (ii) any sale of Offered Securities unless at the time the purchaser's buy order was or will be originated the purchaser was outside the United States or it, and its affiliates or any persons acting on its or their behalf reasonably believed that the purchaser was outside the United States;

(b) it has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Securities, except with its affiliates, any Selling Group members or with the prior written consent of the Corporation; and

(c) it shall require each Selling Group member to agree, for the benefit of the Corporation, to comply with, and shall use its commercially reasonable efforts to ensure that each Selling Group member complies with, the applicable provisions of this Schedule "A" as if such provisions applied to such Selling Group member.

2. Each Underwriter covenants to and agrees with the Corporation that:

(a) all offers and sales of the Offered Securities in the United States have been and will be effected through one or more of the U.S. Affiliates in accordance with all applicable U.S. broker-dealer requirements;

(b) each U.S. Affiliate offering Offered Securities to Qualified Institutional Buyers pursuant to Rule 144A is a Qualified Institutional Buyer, and each U.S. Affiliate is and on the date of each offer and sale of Offered Securities in the United States was and will be duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the laws of each state in which such offer or sale is made (unless exempted from the respective state's broker-dealer registration requirements), and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc.;

(c) it has not solicited, offered, or offered to sell, and will not solicit offers for, or offer to sell, either directly or through a U.S. Affiliate, the Offered Securities in the United States by means of any form of General Solicitation or General Advertising and neither it nor its affiliate(s), nor any persons acting on its or their behalf have engaged or will engage in any Directed Selling Efforts with respect to the Offered Securities offered and sold pursuant to Rule 903 of Regulation S;

(d) it will solicit, and will cause each U.S. Affiliate to solicit, offers for the Offered Securities in the United States only from, and will offer the Offered Securities only to, and it and they have offered and solicited only from and to, persons it reasonably believes, and immediately prior to making any such offer, it had reasonable grounds to believe and did believe, to be Qualified Institutional Buyers;

(e) it will inform, or cause each U. S. Affiliate to inform, all purchasers of the Offered Securities in the United States that the Offered Securities have not been and will not be registered under the U. S. Securities Act and are being sold to them without registration under the U. S. Securities Act in reliance upon Rule 144A;

(f) it has delivered or will deliver, through a U.S. Affiliate, a copy of either (i) the U.S. Private Placement Memorandum which shall include the Final Prospectus (together, the "**U.S. Offering Documents**") or (ii) the U.S. Private Placement Memorandum which shall include the Preliminary Prospectus, to each person in the United States to which it has

offered Offered Securities. Prior to any sale by it of Offered Securities in the United States, it will deliver, through a U.S. Affiliate, a copy of the U.S. Offering Documents to the purchaser of such Offered Securities and no other written material has been or will be used in connection with offers or sales of the Offered Securities in the United States;

(g) it shall cause each U.S. Affiliate to agree, for the benefit of the Corporation, to the same provisions as are contained in paragraphs 1, 2 and 3 of this Schedule 'A";

(h) at least one business day prior to each closing, it shall cause each U.S. Affiliate to provide the Corporation with (i) a list of all purchasers of the Offered Securities in the United States and (ii) a duly completed and executed QIB Certificate from each such purchaser;

(i) at each closing, it and its U.S. Affiliates will either (i) provide a certificate, substantially in the form of Annex 1 to this Schedule "A", or (ii) be deemed to have represented and warranted to the Corporation as of the closing time that neither it nor they offered or sold any Offered Securities in the United States; and

(j) none of it, any of its affiliates or any person acting on any of their behalf has taken or will take, directly or indirectly, any action in violation of Regulation M under the U. S. Exchange Act in connection with the offer and sale of the Offered Securities.

3. It is understood and agreed by the Underwriters that the sale of the Offered Securities in the United States will be made only by the Underwriters or their respective U.S. Affiliates, acting as agents, pursuant to Rule 144A to persons who are, or are reasonably believed by them to be, Qualified Institutional Buyers, in compliance with any applicable state securities laws of the United States, provided that prior to any such sale each purchaser shall have been provided with the U.S. Offering Documents and such purchaser shall have made the representations, warranties and agreements set forth in the QIB Certificate.

4. The Corporation represents, warrants, covenants and agrees to and with the Underwriters that:

(a) it is, and at each closing will be, a Foreign Issuer that reasonably believes that there is no Substantial U.S. Market Interest in its Common Shares;

(b) it is not, and after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the Final Prospectus, will not be registered or required to register as an "investment company" pursuant to the provisions of the United States Investment Company Act of 1940, as amended;

(c) at the Closing Date, the Offered Securities will not be (A) part of a class listed on a national securities exchange registered under Section 6 of the U.S. Exchange Act, (B) quoted in a U.S. automated inter-dealer system, or (C) convertible or exchangeable at an effective conversion premium (calculated as specified in paragraph (a)(6) of Rule 144A) of less than ten percent for securities so listed or quoted;

(d) for so long as any Offered Securities which have been sold in the United States in reliance upon Rule 144A are outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, and if the Corporation is not subject to and in compliance with the reporting requirements of Section 13 or 15(d) of, or exempt from reporting pursuant to Rule 12g3-2(b) under, the U.S. Exchange Act, the Corporation will

furnish to any holder of the Offered Securities in the United States and any prospective purchaser of the Offered Securities designated by such holder in the United States, upon request of such holder, the information required to be delivered pursuant to Rule 144A(d)(4) under the U. S. Securities Act (so long as such requirement is necessary in order to permit holders of the Offered Securities to effect resales under Rule 144A);

(e) none of the Corporation, its affiliates or any persons acting on its or their behalf (other than the Underwriters, their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) (i) has offered or sold or will offer or sell the Offered Securities except through the Underwriters and the U.S. Affiliates in compliance with this Schedule "A", or (ii) has taken or will take any action that would cause the exemptions or exclusions from registration provided by Rule 903 of Regulation S or Rule 144A to be unavailable with respect to offers and sales of the Offered Securities pursuant to this Schedule "A";

(f) the Corporation has not sold, offered for sale or solicited any offer to buy, and will not sell, offer for sale or solicit any offer to buy, any of its securities in the United States in a manner that would be integrated with the offer and sale of the Offered Securities and would cause the exemptions from registration set forth in Rule 144A to become unavailable with respect to offers and sales of the Offered Securities contemplated hereby;

(g) none of the Corporation, any of its affiliates or any person acting on any of their behalf (other than the Underwriters, their respective affiliates, or any person acting on any of their behalf, in respect of which no representation is made) (i) has engaged in or will engage in any form of General Solicitation or General Advertising with respect to offers or sales of the Offered Securities in the United States; (ii) has made or will make any Directed Selling Efforts; or (iii) has taken or will take, directly or indirectly, any action in violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Offered Securities; and

(h) for each tax year that the Corporation qualifies as a "passive foreign investment company" (a "**PFIC**"), the Corporation will make available to U.S. holders, upon their written request: (a) information, based on the Corporation's reasonable analysis, as to its status as a PFIC and the status as a PFIC of any subsidiary in which the Corporation owns more than 50.0% of such subsidiary's aggregate voting power, (b) a "PFIC Annual Information Statement" as described in U.S. Treasury Regulation Section 1.1295-1(g) (or any successor Treasury Regulation) and (c) all information and documentation that a U.S. shareholder is required to obtain for U.S. federal income tax purposes in making a qualifying electing fund (a "**QEF**") election with respect to the Corporation and any more than 50.0% owned subsidiary PFIC, as determined by aggregate voting power. The Corporation may elect to provide such information on its website.

ANNEX 1 TO SCHEDULE "A"

UNDERWRITERS' CERTIFICATE

In connection with the private placement of common shares (the "**Offered Securities**") of Patriot One Technologies Inc. (the "**Corporation**") in the United States, the undersigned, being one of the several Underwriters referred to in the underwriting agreement dated as of February 6, 2018 among the Corporation and the Underwriters (the "**Underwriting Agreement**"), and the placement agent in the United States for such Underwriter (the "**U.S. Affiliate**"), do hereby certify that:

(a) the U. S. Affiliate is, and was on the date of each offer and sale of Offered Securities in the United States, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the laws of each state in which such offer or sale was made (unless exempted from the respective state's broker-dealer registration requirements), and is a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc., and all offers and sales of the Offered Securities in the United States have been and will be effected by the U.S. Affiliate in accordance with all U.S. broker-dealer requirements;

(b) we acknowledge that the Offered Securities have not been registered under the U.S. Securities Act or any applicable state securities laws and may not be offered or sold within the United States except pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws;

(c) neither we nor our representatives have utilized, and neither we nor our representatives will utilize, any form of General Solicitation or General Advertising;

(d) each offeree was provided with the U.S. Offering Documents, and we have not used and will not use any written material other than the U.S. Offering Documents and the U.S. Private Placement Memorandum which included the Preliminary Prospectus;

(e) immediately prior to transmitting any of the foregoing materials to offerees, we had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer, and on the date hereof, we continue to believe that each offeree that purchases Offered Securities from us is a Qualified Institutional Buyer;

(f) each Qualified Institutional Buyer made, at the time of purchase, the representations, warranties, and covenants set forth in Exhibit I to the U.S. Private Placement Memorandum; and

(g) the offering of the Offered Securities has been conducted by us in accordance with the Underwriting Agreement.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement unless otherwise defined herein.

Dated this _____ day of _____, 2018.

[INSERT NAME OF UNDERWRITER]	**[INSERT NAME OF U.S. AFFILIATE]**
By: _____	By: _____
Name:	Name:
Title	Title