



365 Bay Street, Suite 400
Toronto, Ontario, Canada M5H 2V1
T: 416 361 2808 F: 416 361 2519 E: info@eurocontrol.ca

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular ("**Management Information Circular**") is furnished in connection with the solicitation of proxies by the management and the directors of Eurocontrol Technics Group Inc. (the "**Company**") for use at the special meeting of the shareholders of the Company (the "**Meeting**") to be held at the offices of Irwin Lowy LLP located at 365 Bay Street, Suite 400, Toronto, Ontario, Canada M5H 2V1 at 10:00 a.m. (Toronto time), on Wednesday, October 31, 2018, and at all adjournments thereof for the purposes set forth in the accompanying notice of the Meeting (the "**Notice of Meeting**"). The solicitation of proxies will be made primarily by mail and may be supplemented by telephone or other personal contact by the directors, officers and employees of the Company. Directors, officers and employees of the Company will not receive any extra compensation for such activities. The Company may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Company in favour of the matters set forth in the Notice of Meeting. The Company may pay brokers or other persons holding common shares of the Company ("**Common Shares**") in their own names, or in the names of nominees, for their reasonable expenses for sending proxies and this Management Information Circular to beneficial owners of Common Shares and obtaining proxies therefrom. The cost of the solicitation will be borne directly by the Company.

No person is authorized to give any information or to make any representation other than those contained in this Management Information Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Company. The delivery of this Management Information Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

This Management Information Circular is being sent to both registered and non-registered owners of the Common Shares. If you are a non-registered owner, and the Company or its agent has sent this Management Information Circular directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Non-Registered Shareholders

Only registered shareholders of the Company, or the persons they appoint as their proxies, are entitled to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Non-Registered Shareholder**") are registered either:

- (a) in the name of an intermediary (an "**Intermediary**") with whom the Non-Registered Shareholder deals in respect of the Common Shares (Intermediaries include, among others: banks, trust companies, securities dealers or brokers, trustees or administrators of a self-administered registered retirement savings plan, registered retirement income fund, registered education savings plan and similar plans);
or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited, in Canada, and the Depository Trust Company, in the United States) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Management Information Circular and its form of proxy (collectively the "**Meeting Materials**") to the Intermediaries and clearing agencies for onward distribution to Non-Registered Shareholders. Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless the Non-Registered Shareholders have waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Shareholder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "voting instruction form") which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada M5H 4H1.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons named in the form of proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the directions indicated on the form. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the voting instruction form or the proxy is to be delivered.**

Appointment and Revocation of Proxies

The persons named in the form of proxy accompanying this Management Information Circular are directors and/or officers of the Company. A shareholder of the Company has the right to appoint a person or company (who need not be a shareholder), other than the persons whose names appear in such form of proxy, to attend and act for and on behalf of such shareholder at the Meeting and at any adjournment thereof. Such right may be exercised by either striking out the names of the persons specified in the form of proxy and inserting the name of the person or company to be appointed in the blank space provided in the form of proxy, or by completing another TSX Trust Company proper form of proxy and, in either case, delivering the completed and executed proxy to in time for use at the Meeting in the manner specified in the Notice of Meeting.

A registered shareholder of the Company who has given a proxy may revoke the proxy at any time prior to use by: (a) depositing an instrument in writing, including another completed form of proxy, executed by such registered shareholder or by his or her attorney authorized in writing or by electronic signature or, if the registered shareholder is a corporation, by an officer or attorney thereof properly authorized, either: (i) at the principal office of the Company, located at 365 Bay Street, Suite 400, Toronto, Ontario, Canada M5H 2V1, at any time prior to 10:00 a.m. (Toronto time) on Monday, October 29, 2018, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting, (ii) with TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, Canada M5H 4H1, at any time prior to 10:00 a.m. (Toronto time) on Monday, October 29, 2018, or not less than 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the

Meeting, or (iii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; (b) transmitting, by telephone or electronic means, a revocation that complies with paragraphs (i), (ii) or (iii) above and that is signed by electronic signature, provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such shareholder or by or on behalf of his or her attorney, as the case may be; or (c) in any other manner permitted by law including attending the Meeting in person.

A Non-Registered Shareholder who has submitted a proxy may revoke it by contacting the Intermediary through which the Non-Registered Shareholder's Common Shares are held and following the instructions of the Intermediary respecting the revocation of proxies.

Exercise of Discretion by Proxies

The Common Shares represented by an appropriate form of proxy will be voted or withheld from voting on any ballot that may be conducted at the Meeting, or at any adjournment thereof, in accordance with the instructions of the shareholder thereon. **In the absence of instructions, such Common Shares will be voted for each of the matters referred to in the Notice of Meeting as specified thereon.**

The enclosed form of proxy, when properly completed and signed, confers discretionary authority upon the persons named therein to vote on any amendments to or variations of the matters identified in the Notice of Meeting and on other matters, if any, which may properly be brought before the Meeting or any adjournment thereof. At the date hereof, management of the Company knows of no such amendments or variations or other matters to be brought before the Meeting. However, if any other matters which are not now known to management of the Company should properly be brought before the Meeting, or any adjournment thereof, the Common Shares represented by such proxy will be voted on such matters in accordance with the judgment of the person named as proxy therein.

Signing of Proxy

The form of proxy must be signed by the shareholder of the Company or the duly appointed attorney of the shareholder of the Company authorized in writing or, if the shareholder of the Company is a corporation, by a duly authorized officer of such corporation. A form of proxy signed by the person acting as attorney of the shareholder of the Company or in some other representative capacity, including an officer of a Company which is a shareholder of the Company, should indicate the capacity in which such person is signing and should be accompanied by the appropriate instrument evidencing the qualification and authority to act of such person, unless such instrument has previously been filed with the Company. A shareholder of the Company or his or her attorney may sign the form of proxy or a power of attorney authorizing the creation of a proxy by electronic signature provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such shareholder or by or on behalf of his or her attorney, as the case may be.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Description of Share Capital

The Company is authorized to issue an unlimited number of Common Shares. Each Common Share entitles the holder of record thereof to one vote per Common Share at all meetings of the shareholders of the Company. As at the close of business on October 2, 2018, there were 90,750,238 Common Shares outstanding.

Record Date

The directors of the Company have fixed October 1, 2018 as the record date for the determination of the shareholders of the Company entitled to receive notice of the Meeting. Shareholders of the Company of record at the close of business on October 1, 2018, will be entitled to vote at the Meeting and at all adjournments thereof.

Ownership of Securities of the Company

As at October 2, 2018, to the knowledge of the directors and officers of the Company, as at the date of this Management Information Circular, other than SICPA Finance S.A. which owns 11,779,000 common shares representing 12.98% of the issued and outstanding shares of the Company on the date of this Management Information Circular, no other person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Company carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

Quorum

A quorum of shareholders shall be present at the Meeting if two shareholders of the Company who are entitled to vote at the meeting are present in person or represented by proxy.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, nor any proposed director of the Company, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed fiscal year or in any Sale Transaction which, in either case, has or will materially affect the Company, except as disclosed herein.

Mr. Doron Reinis is entitled to receive payment in the amount of NIS 1,158,240 (approximately C\$417,720) in connection with the termination of his services to the Company and a consulting services company controlled by Mr. Yoav Allon is entitled to receive an amount of US\$100,000 (approximately C\$130,265) in connection with the termination of Mr. Allon's consulting services.

MANAGEMENT CONTRACTS

Management functions of the Company and its subsidiaries are substantially performed by the directors and executive officers of the Company and not, to any substantial degree, by any other person.

PARTICULARS OF MATTERS TO BE ACTED UPON

ITEM 1 – PROPOSED SALE TRANSACTION

Overview

At the meeting, the shareholders will be asked to consider, and if thought appropriate, pass a special resolution approving the sale (the "**Sale Transaction**") by the Company of all of the issued and outstanding shares (the "**Sale Shares**") of the Company's three 100% owned subsidiaries (collectively, the "**Discontinued Subsidiaries**"), Xenemetrix Ltd. ("**Xenemetrix**"), Croptimal Ltd. ("**Croptimal**") and Xwinsys Technology Development Ltd. ("**Xwinsys**"), to DYG Holdings Ltd. (the "**Buyer**"), pursuant to the terms of a share purchase agreement (the "**Purchase Agreement**") dated September 13, 2018, between the Company, the Discontinued Subsidiaries and the Buyer. The full text of the resolution (the "**Sale Resolution**") is set out in this Management Information Circular. A copy of the Purchase Agreement is appended as Appendix 1.

In order to be effective, the Sale Resolution requires approval by (a) at least 66⅔% of the votes cast by the Company's shareholders attending the Meeting, in person or represented by proxy, voting together as a single class; and (b) a simple majority of the votes cast by the Company's shareholders attending the Meeting, in person or represented by proxy, excluding votes representing the common shares of the Company held by Doron Reinis and Yoav Allon pursuant to MI 61-101.

THE BOARD OF DIRECTORS OF THE COMPANY UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE "FOR" THE RESOLUTION TO APPROVE THE SALE OF ALL OF THE SHARES OF THE DISCONTINUED SUBSIDIARIES. IF NOT APPROVED, THE COMPANY EXPECTS TO CONTINUE WITH THE WIND-UP PROCESS OF THE DISCONTINUED SUBSIDIARIES.

Parties to the Transaction

The Company

The Company, through its three wholly owned subsidiaries, Xenemetrix, Croptimal and Xwinsys, was formerly engaged in the principal business involving the acquisition, development and commercialization of innovative test, measurement and authentication technologies for industry with applications in energy security, semiconductor and precision farming sectors, based on Xenemetrix's core technological platform of energy-dispersive x-ray fluorescence systems. In its news release issued on July 31, 2018, the Company first announced its plans to discontinue its Israeli operations and has since taken significant actions in furtherance of implementing this change. On August 29, 2018, the Company announced that the Discontinued Subsidiaries had effectively ceased all of their respective former operations (except, to the limited extent necessary to complete any remaining transitional items) and were no longer carrying on any active business. The Company's management is now focused on evaluating alternatives to maximize the value of its assets, which consist primarily of cash and amounts receivable.

The Buyer

The Buyer is a newly formed Israeli company owned by Doron Reinis, the Company's departing Chief Operating Officer and director and Chief Executive Officer of the Discontinued Subsidiaries, and Yoav Allon, currently the departing Chief Financial Officer of the Discontinued Subsidiaries. Both of these individuals are currently providing services pursuant to termination arrangements made by the Company with them prior to negotiating and agreeing to the transaction for the purchase and sale of the Discontinued Subsidiaries. As at the date of this Management Information Circular, Mr. Reinis owns 1,377,000 common shares of Eurocontrol and Mr. Allon owns 22,000 common shares of Eurocontrol, collectively, representing 1.54% of the outstanding common shares of the Company.

Background of the Proposed Sale Transaction

The following is a brief overview of the context, process and negotiations leading to the proposed sale of the Sale Shares to the Buyer.

On December 18, 2017, the Company's board of directors (the "**Board**") formed a special committee (the "**Special Committee**") of the Board comprised of three independent directors, in order to evaluate one or more potential transactions, or alternatives to such transactions, which may result in the sale of a subsidiary or subsidiaries of the Company, including a possible disposition of the Discontinued Subsidiaries. The Special Committee was given a broad mandate in this connection, which included the responsibility of supervising the process related to the evaluation and negotiation of any transaction and to make recommendations to the Board.

During the period commencing on February 14, 2018 and ending on July 11, 2018, the Company engaged in separate negotiations with two different parties regarding a sale of the Discontinued Subsidiaries (individually or together). The Company was in an advanced stage of negotiation with one such party before the Company terminated discussions. The terms of a proposed transaction last offered by such party were not acceptable to the Company, in part, because it would be subject to additional costs and potential post-closing liabilities. The terms of the Sale Transaction are superior to the terms offered by the potential purchaser.

On July 11, 2018, the Board, on the recommendation of the Special Committee determined that it was in the best interests of the Company to cease all further investment in the Discontinued Subsidiaries and to take action to wind up the respective business operations of the Discontinued Subsidiaries. Following such determination, on July 31, 2018, the Company announced its plan to discontinue its Israeli operations, notices were provided to employees in early August and other actions in furtherance of implementing this change were undertaken. On August 29, 2018, the Company announced that the Discontinued Subsidiaries had effectively ceased all of their respective former operations (except, to the limited extent necessary to complete any remaining transitional items) and were no longer carrying on any active business.

On August 29, 2018, the Company was approached by Doron Reinis and Yoav Allon to explore the possibility of Doron Reinis and Yoav Allon purchasing the Discontinued Subsidiaries. After receiving the proposal from the potential Buyers, Paul Wood, the Company's Interim Chief Executive Officer, engaged in a number of emails and

conference calls in order to further discuss and negotiate the terms of a potential transaction, and reported the outcome of these discussions and negotiations to the Board. On August 30, 2018, the Special Committee met to discuss the terms of a proposed transaction involving the sale of the Sale Shares to the Buyer. The Special Committee held formal and informal meetings with management to review, provide advice and, where necessary, provide approval on matters relating to any proposed transaction. The following day, on August 31, 2018, the Board met for the same purposes and discussed the Sale Transaction with the Company's management and its legal advisors. At the meeting, the Special Committee also reported to the Board and recommended that the Board approve the Sale Transaction. At the conclusion of the meeting, the Board unanimously approved, and authorized management to finalize the agreement outlining the terms of the Sale Transaction, substantially on the terms presented to the Board.

On September 7, 2018, the Board approved the terms of the Purchase Agreement, after extensive negotiation between the Company and Doron Reinis and Yoav Allon on behalf of the Buyer, and under the supervision and with the direct participation of the Special Committee. Following such approval, the Company and the Buyer entered into the Purchase Agreement on September 13, 2018 on substantially the same terms as were approved by the Board on September 7, 2018. The terms of the Sale Transaction as reflected in the Purchase Agreement were disclosed in the Company's news release dated September 14, 2018.

Overview of Sale Transaction

In accordance with the terms of the Purchase Agreement, the Company has agreed to sell the Sale Shares, representing 100% of the equity of the Discontinued Subsidiaries to the Buyer in exchange for nominal cash consideration and the possibility of receiving post-closing earn-out payments, only if the Buyer succeeds in re-establishing the business of the Discontinued Subsidiaries and realizing profits during the earn out period ending December 31, 2025. Any such earn-out payments would represent 20% of the net profit of the purchased companies, after various adjustments up to a maximum of \$4,000,000. The Agreement contains only basic representations and warranties and the sale is to be completed substantially on an "as is where is" basis. Closing is planned to occur on obtaining approval of the TSX Venture Exchange ("**TSXV**") which, among other things, will require disinterested shareholder approval, as required under Policy 5.3. No evidence of value has been provided to the TSXV.

Other key terms of the Purchase Agreement include that, during the period prior to closing (the "**Interim Period**"):

- the Discontinued Subsidiaries shall continue to operate for the primary purpose of disposing of existing inventory and fulfilling any existing sales contracts of their respective businesses;
- the Discontinued Subsidiaries shall not hire any employees or engage any service providers, and all of the former employees of the Discontinued Subsidiaries shall be recruited by the Buyer at the Buyer's sole cost and expense;
- such costs and expenses shall be billed to the Discontinued Subsidiaries (or any of them), provided further, that any shortfall in the cash flow or liabilities of the Discontinued Subsidiaries arising from the operation of the Discontinued Subsidiaries (or any of them) in the Interim Period (and not before the Interim Period), shall be paid by the Buyer; and
- the Buyer agreed to pay to the Company an amount of thirty-five thousand Canadian dollars (\$35,000) to be used in connection with the Seller's costs incurred by it in connection with seeking approval of the sale of the Sale Shares.

In concluding that the proposed sale of the Sale Shares is in the best interest of the Company, the Board and the Special Committee considered a number of factors, including:

- The absence of any available alternative transactions.
- The sale of the Sale Shares is a preferable alternative to winding-up (the "**Winding-Up**") of the Discontinued Subsidiaries under the processes required Israeli law.

- The risks and uncertainties affecting the Company and the Winding-Up, including uncertainty regarding the potential liabilities in connection with the orderly winding-up of the Discontinued Subsidiaries in Israel.
- The potential cost savings available to the Company in completing the sale of the Sale Shares rather than completing the Winding-Up.
- The potential to receive earn-out payments, if the Buyer is successful in re-establishing the business of the Discontinued Subsidiaries and operating them at a profit.
- The likelihood that the Buyer will be able to complete the transaction involving the Sale Shares.
- The terms and conditions of the sale of the Sale Shares, including the substantial “as is where is” basis of the transaction, are, in the judgment of the Company’s management, after consultation with the Company’s legal counsel, reasonable.
- The requirement that the Sale Resolution be passed by at least (a) at least 66⅔% of the votes cast by the Company’s shareholders attending the Meeting, in person or represented by proxy, voting together as a single class; and (b) a simple majority of the votes cast by the Company’s shareholders attending the Meeting, in person or represented by proxy, excluding votes representing the common shares of the Company held by Doron Reinis and Yoav Allon pursuant to MI 61-101.
- The availability of rights of dissent to the Registered Shareholders with respect to the Arrangement. See “Rights of Dissenting Shareholders”.
- The Special Committee recommended to the Board that the Sale Transaction be approved and determined that the consideration payable to the Company by the Buyer was fair.
- The Purchase Agreement is the result of arm’s-length negotiations between the Company and the Buyer (with disclosure by the Buyer of actual and potential conflicts of interest).

Effect of the Sale Transaction on the Company

Upon closing of the sale transaction, the Company will have no subsidiaries and its business will be carried on directly by it. Accordingly, the Company will no longer meet the continued listing requirements of the TSXV and as a result the Company’s common shares are expected to be transferred from the TSXV to the NEX (a separate board of TSX) upon the final acceptance by the TSXV of the sale transaction. As of the date of this Management Information Circular, the Company’s assets consist primarily of cash and amounts receivable. The Company’s management is now focused on evaluating various strategic alternatives, intended to maximize the value of its assets.

Shareholder and Exchange Approval

Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) is intended to regulate certain transactions to ensure equality of treatment among securityholders, generally requiring enhanced disclosure, approval by a majority of securityholders (excluding interested or related parties), independent valuations and, in certain circumstances, approval and oversight of the transaction by a special committee of independent directors. The Company is subject to the provisions of MI 61-101 because the Common Shares are listed on the TSXV and Policy 5.9 of the TSXV Corporate Finance Manual (“**Policy 5.9**”) incorporates MI 61-101 into the policies of the TSXV and Policy 5.9 applies to all issuers listed on the TSXV. In addition, because the disposition of the Sale Shares pursuant to the Sale Transaction involves a sale of more than 50% of the Company’s assets, business or undertaking and involves “Non Arm’s Length” parties, such disposition constitutes a “Reviewable Disposition” as defined in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV and subject to the prior approval of the TSXV. The Company is relying on the exemption contained in Section 5.5(a) of MI 61-101 in respect of the requirement to obtain a valuation.

The TSXV provided its conditional approval for the Proposed Disposition on September 25, 2018. The Company requires the final approval of the TSXV prior to completing the sale of the Sale Shares. Final approval of the TSXV is subject to the receipt of shareholder approval of the disposition of the Sale Shares at the Meeting.

Subject to the satisfaction or waiver of all other closing conditions and the final approval from the TSXV, the Company proposes to complete the Sale Transaction following receipt of shareholder approval on a business day to be mutually agreed to by the parties, but no later than November 30, 2018.

The conditional acceptance of the disposition of the Sale Shares by the TSXV should not be interpreted to mean that the TSXV has in any way passed upon the merits of the Sale Transaction.

The Sale Transaction is a “Non-Arm’s Length Transaction” as that term is defined in the policies of the TSXV. The Company anticipates that its remaining assets of cash and amounts receivable will no longer satisfy the TSXV’s continued listing requirements and, at this time, anticipates possible changes to its listed status, unless the Company enters into a transaction that would result in it meeting the continued listing criteria of the TSXV.

Shareholder Resolution

At the Meeting, shareholders will be asked to consider, and if deemed to be advisable approve, the following special resolution, which must be passed by at least (a) at least 66⅔% of the votes cast by the Company’s shareholders attending the Meeting, in person or represented by proxy, voting together as a single class; and (b) a simple majority of the votes cast by the Company’s shareholders attending the Meeting, in person or represented by proxy, excluding votes representing the common shares of the Company held by Doron Reinis and Yoav Allon pursuant to MI 61-101:

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

1. the sale (the “**Sale Transaction**”) by Eurocontrol Technics Group Inc. (the “**Company**”) of all of the issued and outstanding shares (the “**Sale Shares**”) of Xenemetrix Ltd., Croptimal Ltd. and Xwinsys Technology Development Ltd. (collectively, the “**Discontinued Subsidiaries**”) to DYG Holdings Ltd. (the “**Buyer**”), pursuant to the terms of a share purchase agreement (the “**Purchase Agreement**”) dated September 13, 2018, between the Company, the Discontinued Subsidiaries and the Buyer, be approved;
2. the execution and delivery of the Purchase Agreement by the Company be ratified, approved and confirmed;
3. any director or officer of the Company is hereby authorized to make such amendments, variations and changes to such Purchase Agreement, to deliver or cause to be delivered all such documents, agreements or instruments, and to do or cause to be done all such other acts and things as such person determines may be necessary or desirable in order to complete such Sale Transaction and in order to give effect to and implement this resolution, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of such act or thing;
4. notwithstanding that this special resolution has been duly passed by the holders of the common shares of the Company, the directors of the Company are authorized, without further notice to, or approval of, such shareholders, not to proceed with the Sale Transaction and to revoke this resolution at any time prior to the closing of the Transaction to the extent permitted under the Purchase Agreement; and
5. any officer or director of the Company, on behalf of the Company, is authorized to approve any amendments to the Purchase Agreement, for or on behalf of the Company, to execute and to deliver all such amendments or other documents and to do all such other acts and things as any such director or officer may determine to be necessary or desirable on the advice of counsel, and all such acts taken and all such documents so executed shall be deemed to have been authorized by these resolutions, including seeking the conditional and final approvals of the TSX Venture Exchange (the “**TSXV**”) to the Sale Transaction and the filing of all required documents under applicable policies of the TSXV and corporate and securities laws in order to give effect to the transactions contemplated by these resolutions.”

THE BOARD OF DIRECTORS OF THE COMPANY UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE “FOR” THE RESOLUTION TO APPROVE THE SALE OF ALL OF THE SHARES OF THE DISCONTINUED SUBSIDIARIES. IF NOT APPROVED, THE COMPANY EXPECTS TO CONTINUE WITH THE WIND-UP PROCESS OF THE DISCONTINUED SUBSIDIARIES.

Rights of Dissenting Shareholders

The Company is governed by the *Business Corporations Act* (Ontario) (the “**OBCA**”).

It is arguable that under Section 184(3) of the OBCA, the sale of the Shares is a sale, lease or exchange by the Company of all or substantially all of its property other than in the normal course of business. If so construed, such an action requires, among other things, the approval of the holders of the Common Shares by way of a special resolution, with dissenting shareholders being entitled to be paid the fair value of their Common Shares in accordance with Section 185 of the OBCA. The fair value of such shares is determined as of the close of business on the day before the Resolution is adopted. A holder of Common Shares is not entitled to dissent with respect to the foregoing if the holder voted any of such shares in favour of the Resolution authorizing the Transaction. The execution or exercise of a proxy does not constitute a written objection for purposes of the OBCA.

Procedure for Dissent under the OBCA

The following summary does not purport to provide comprehensive statements of the procedures to be followed in dissenting under the OBCA. However, the OBCA requires adherence to the procedures established therein and failure to do so may result in the loss of all of a dissenter’s rights. Accordingly, each holder of a Common Share who desires to exercise dissenting rights should carefully consider and comply with the provisions of those sections and consult a legal advisor.

A copy of the dissent provisions of the OBCA is attached as Appendix B.

A dissenting holder of Common Shares who seeks payment of the fair value of such shares in connection with the Transaction is required to send a written objection to the Resolution to the Company at or prior to the Meeting. The address of the Company is set out above.

Persons who hold Common Shares of the Company through a nominee and who wish to dissent will have to exercise their dissent rights through the registered holder of the shares. A vote against the Resolution or withholding of votes does not constitute a written objection. Within 10 days after the Resolution is approved, the Company must so notify the dissenting shareholder who is then required, within 20 days after receipt of such notice (or if it does not receive such notice within 20 days after it learns of the approval of the special resolution), to send the Company a written notice containing the shareholder’s name and address, the number of shares in respect of which the holder dissents and a demand for payment of the fair value of such shares and, within 30 days after sending such written notice, to send the Company the appropriate share certificate or certificates. If the Transaction contemplated in the Resolution becomes effective, the Company is required to determine the fair value of the Common Shares and to make a written offer to pay such amount to the dissenting holder. If such offer is not made or not accepted within 50 days after the proposal in the Resolution becomes effective, the Company may apply to the court to fix the fair value of such Common Shares. There is no obligation on the Company to apply to the court. If the Company fails to make such an application, a dissenting holder of Common Shares has the right to so apply within a further 20 days. If an application is made by either party, the dissenting holder will be entitled to be paid the amount fixed by the court.

The fair value of the shares as determined for such purpose by a court will not necessarily be the same as and could vary from the market value of such shares as determined by trading in such Common Shares on the TSXV.

ITEM 2 – APPROVAL OF AMENDMENTS TO THE ARTICLES OF THE COMPANY – NAME CHANGE

With the discontinuation of the Company’s historical business and the pursuit of a transformative transaction, the Company may contemplate changing its name to more accurately reflect the activities of the Company. Accordingly, at the Meeting, shareholders will be asked to consider and, if thought advisable, pass a special

resolution as set forth below authorizing the Board, in its sole discretion, to change the name of the Company to a name that the Board, in its sole discretion, deems appropriate.

Notwithstanding approval of the transaction by shareholders, the Board may, in its sole discretion, revoke this special resolution, and abandon the name change without further approval or action by or prior notice to shareholders. Any name change of the Company will be subject to the approval of the TSXV.

At the Meeting, shareholders will be asked to consider, and if deemed to be advisable approve, the following special resolution, which must be passed by two-thirds of the votes cast by the shareholders in person or by proxy at the Meeting, subject to such amendments, variations or additions as may be approved at the Meeting:

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. subject to the Company first receiving all required regulatory and TSXV approvals, the name of the Company be changed to a name as may be approved by the directors of the Company and applicable regulatory authorities;
2. the board of directors of the Company be and are authorized to file articles of amendment and all other requisite documents with all applicable regulatory authorities in order to give effect to the name change; and
3. notwithstanding the passage of this resolution by the shareholders of the Company, the board of directors of the Company may, without any further notice or approval of the shareholders of the Company, decide not to proceed with the name change or to otherwise give effect to this resolution at any time prior to the sale becoming effective and may revoke this resolution without further approval of the shareholders at any time prior to the completion of the transactions authorized by this resolution.”

The Board recommends that the Company’s shareholders vote FOR the amendment to the Articles.

UNLESS SPECIFICALLY INSTRUCTED IN THE INSTRUMENT OF PROXY TO VOTE AGAINST THE SPECIAL RESOLUTION APPROVING THE AMENDMENT TO THE ARTICLES, THE PERSON(S) NAMED IN THE ENCLOSED FORM OF PROXY INTEND TO VOTE FOR THE RESOLUTIONS.

ITEM 3 – APPROVAL OF AMENDMENTS TO THE ARTICLES OF THE COMPANY – CONSOLIDATION

Shareholders of the Company are being asked to pass a special resolution, the text of which is set out below, which would authorize the Company to amend its articles of incorporation (the “Articles”) to consolidate each of the issued and outstanding common shares without par value of the Company by changing ten (10) common shares without par value of the Company, or such lesser amount as the directors of the Company may determine, into one (1) common share without par value of the Company (10:1). In the event that shareholders pass the special resolution to consolidate the common shares of the Company, the presently issued and outstanding 90,750,238 common shares would be consolidated into approximately 9,075,024 common shares. If the consolidation will otherwise result in a shareholder holding a fraction of a common share, no fraction or fractional certificate will be issued and a shareholder will not receive a whole common share for each such fraction held. In all other respects, the post consolidation common shares will have the same attributes as the existing common shares. In order to pass the special resolution amending the Articles, at least two-thirds of the votes cast at the meeting of holders of common shares must be voted in favour of the resolution. If the resolution amending the Articles does not receive the requisite approval, the Company will continue with its present share capital.

“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the articles of incorporation of the Company be amended to consolidate each of the issued and outstanding common shares without par value of Eurocontrol Technics Group Inc. (the “Company”) by changing each ten (10) common shares without par value of the Company, or such lesser amounts as the board of directors of the Company may determine, into one (1) common share without par value of the Company (10:1), in the event the consolidation

would result in a shareholder of the Company holding a fraction of a share a shareholder shall not receive a whole share of the Company for each such fraction;

2. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the board of directors of the Company be, and they are hereby authorized and directed to revoke this resolution at any time prior to the issue of a certificate of amendment giving effect to the articles of amendment and to determine not to proceed with the amendment of the Articles of Incorporation of the Company without further approval of the shareholders of the Company; and
3. any director or officer of the Company be and he or she is hereby authorized and directed, for and on behalf of the Company, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of articles of amendment in the prescribed form to the director appointed under the Business Corporations Act (Ontario), the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

The board of directors recommends that the Company’s shareholders vote FOR the amendment to the Articles.

UNLESS SPECIFICALLY INSTRUCTED IN THE INSTRUMENT OF PROXY TO VOTE AGAINST THE SPECIAL RESOLUTION APPROVING THE AMENDMENT TO THE ARTICLES, THE PERSON(S) DESIGNATED AS PROXYHOLDERS IN THE ACCOMPANYING INSTRUMENT OF PROXY INTEND TO VOTE FOR SUCH SPECIAL RESOLUTION.

AUDITOR

BDO Canada LLP, Chartered Professional Accountants, the auditor of the Company was first appointed as auditor of the Company on November 30, 2017.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com. Financial information is provided in the Company’s audited consolidated financial statements for the financial year ended December 31, 2017 and related management’s discussion and analysis and interim financial statements and related management discussion and analysis for the six months ended June 30, 2018, each of which is also available on SEDAR at www.sedar.com. Shareholders may also contact Charlotte May, Corporate Secretary of the Company by e-mail at cmay@eurocontrol.ca to request a copy of these documents.

APPROVAL

The contents of this Management Information Circular and the sending thereof to the shareholders of the Company have been approved by the directors of the Company.

DATED at Toronto, Ontario this 2nd day of October 2018.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Dennis Logan

Dennis Logan
Chairman

APPENDIX A
SHARE PURCHASE AGREEMENT

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT (the “**Agreement**”) is made on September 13, 2018, and entered into as of September 1, 2018 (the “**Effective Date**”), by and between DYG Holdings Ltd. (the “**Buyer**”) and Eurocontrol Technics Group Inc. (the “**Seller**”).

WHEREAS, the Seller is the sole legal and beneficial owner of all of the issued and outstanding shares of Croptimal Ltd. (“**Croptimal**”), Xenemetrix Ltd. (“**Xenemetrix**”) and Xwinsys Technology Development Ltd., (“**Xwinsys**”), each of which is a company existing under the laws of State of Israel;

AND WHEREAS, the Buyer wishes to purchase and the Seller wishes to sell to the Buyer all such shares upon the terms and subject to the conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained and intending to be legally bound hereby, the parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

“**Adjusted Net Profit**” means, with respect to any Calculation Period, (i) the net capital gain of the Buyer from the sale (if at all) to a third party of the Purchased Shares (or any part thereof) purchased by it hereunder, if any; and (ii) the net income before interest, income taxes, depreciation and amortization of the Target Companies for such period, determined on a combined consolidated basis in accordance with IFRS, and adjusted such that such amount shall exclude:

- (a) any “extraordinary items” of gain or loss as that term is defined in IFRS, including, without limitation, extraordinary bonuses (but, for greater certainty, the determination of net income shall include all amounts of any gains, losses or profits realized from the sale of any assets included in determining net income);
- (b) any gain, loss, income or expense resulting from a change in the Buyer’s accounting methods, principles or practices or a change in IFRS;
- (c) any expenses paid by the Buyer or any of the Target Companies related to the acquisition by the Buyer of the Target Companies;
- (d) any royalty obligations of the Target Companies with respect to any intellectual property owned or used by of the Target Companies prior to Closing;

- (e) the amount of any intercompany transfers between the Buyer and any of its affiliates to the extent that such amounts exceed the actual documented cost of Buyer or its affiliates;
- (f) gain, loss, income or expense resulting from an adjustment or write-off to any goodwill, intangibles or earn-outs (including any Earn-Out Payments) related to the acquisition of the Target Companies;
- (g) the impact of any indebtedness incurred by the Buyer or the Target Companies following the date hereof; and
- (h) any compensation, consulting fees, termination costs, or other costs or expenses with respect to any Guarantor that served as a director, officer, employee or consultant of the Seller or any of the Target Companies, in each case, at any time prior to the Closing Date.

“**Agreement**” means this share purchase agreement and all schedules and instruments in amendment or confirmation of it; and the expressions “**Article**” and “**Section**” followed by a number mean and refer to the specified Article or Section of this Agreement.

“**Authorization**” means, with respect to any Person, any order, permit, approval, waiver, license or similar authorization of any Governmental Entity having jurisdiction over the Person.

“**Best Efforts**” means the efforts that a prudent Person who desires to complete the transaction would use in similar circumstances to ensure that a closing occurs as expeditiously as possible, but without the necessity of assuming any material obligations, paying any material amounts to a third party or seeking any shareholder approval of the transactions contemplated in this Agreement.

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which banks are required or authorized to close in Toronto, Ontario and in Tel-Aviv, Israel.

“**Buyer**” means DGY Holdings Ltd., a company incorporated under the laws of the State of Israel, registration no.:51-590184-1.

“**Closing**” means the completion of the transaction of purchase and sale contemplated in this Agreement.

“**Closing Date**” means three (3) Business Days following receipt of TSXV approval of the transactions contemplated by this Agreement, as applicable, provided that such approval has been obtained on or before the Outside Date, or such earlier or later date as the Parties may agree in writing.

“Calculation Periods” means (a) the period beginning on the Closing Date and ending on December 31, 2018, and (b) each of the calendar years ending on December 31, 2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025, respectively.

“Earn-out Calculation” has the meaning set forth in Section 2.4(2)(b).

“Earn-out Calculation Delivery Date” has the meaning set forth in Section 2.4(2)(a).

“Earn-out Calculation Objection Notice” has the meaning set forth in Section 2.4(2)(b).

“Earn-out Calculation Statement” has the meaning set forth in Section 2.4(2)(a).

“Earn-out Multiple” means 0.20 (20%).

“Earn-out Payment” has the meaning set forth in Section 2.4(1).

“Earn-out Period” means the period beginning on the Closing Date and ending on December 31, 2025.

“Governmental Entity” means any (i) multinational, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

“Guarantor” has the meaning set forth in Section 6.2(c)(ii).

“Interim Period” means the period between the Effective Date and the Closing Date.

“Lien” means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), title retention agreement or arrangement, restrictive covenant, third party rights, or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation.

“NIS” means New Israeli Shekels.

“Outside Date” means November 30, 2018.

“Parties” means the Seller and the Buyer and any other Person who may become a party to this Agreement.

“Person” means a natural person, partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

“Proceeding” has the meaning specified in Section 5.4.

“**Purchase Price**” has the meaning specified in Section 2.2.

“**Purchased Shares**” has the meaning specified in Section 2.1.

“**Independent Accountant**” has the meaning set forth in Section 2.4(2)(b).

“**Review Period**” has the meaning set forth in Section 2.4(2)(b).

“**Seller**” means Eurocontrol Technics Group Inc., a company incorporated under the laws of Ontario, Canada, registration no: 1712443.

“**Seller Loans**” means the outstanding balance of any and all loans provided by the Seller to the Target Companies (or any of them) as at the Closing Date as are set forth in the Target Companies books for such date as well as any other debts of the Target Companies (or any of them) to the Seller as at the Closing Date.

“**Seller Shareholders Approval**” has the meaning specified in Section 5.1(1).

“**Target Companies**” means, collectively, Croptimal, Xenemetrix and Xwinsys.

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

Section 1.2 Gender and Number.

Any reference in this Agreement to gender includes all genders and words importing the singular number only shall include the plural and vice versa.

Section 1.3 Headings, etc.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

Section 1.4 Incorporation of Schedules.

The schedules attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it.

ARTICLE 2 PURCHASED SHARES AND PURCHASE PRICE

Section 2.1 Purchase and Sale.

Subject to the terms and conditions of this Agreement, the Seller agrees to sell, assign and transfer to the Buyer and the Buyer agrees to purchase from the Seller on the Closing Date, all of its right, title and interest (i) in the following securities (collectively, the “**Purchased Shares**”): (a) all of the issued and outstanding shares of Croptimal; (b) all of the issued and outstanding shares of Xenemetrix, and (c) all of the issued and outstanding shares of Xwinsys., in each case, free and clear of all Liens, and (ii) in the Seller Loans.

Section 2.2 Purchase Price.

The aggregate purchase price (the “**Purchase Price**”) payable by the Buyer to the Seller for the Purchased Shares and Seller Loans shall be equal to the sum of: (i) one New Israeli Shekel (NIS1.00), (the “**Closing Purchase Price**”); and (ii) the sum of all Earn-out Payments (as defined below).

Section 2.3 Payment of the Closing Purchase Price.

At the Closing, the Buyer shall pay the Closing Purchase Price in the manner directed by the Seller in writing prior to Closing and, in the absence of any such direction, in any manner that it sees fit.

Section 2.4 Earn-out.

- (1) **Earn-out Payments.** As additional consideration for the Purchased Shares and Seller Loans, at such times as provided in Section 2.4(3), Buyer (or, at the direction of Buyer, a designee of Buyer so long as Buyer remains an obligor thereof) shall pay to Seller with respect to each Calculation Period within the Earn-out Period an amount, if any (each, an “**Earn-out Payment**”), equal to the product of (i) an amount equal to the Adjusted Net Profit for such Calculation Period, multiplied by (ii) the Earn-out Multiple; provided, that in no event shall Buyer be obligated to pay Seller more than \$4,000,000 Canadian dollars (the “**Maximum Amount**”) in the aggregate for all Calculation Periods during the Earn-out Period.
- (2) **Procedures Applicable to Determination of the Earn-out Payments.**
 - (a) On or before the date which is ninety (90) days after the last day of each Calculation Period (each such date, an “**Earn-out Calculation Delivery Date**”), Buyer shall prepare and deliver to Seller a written statement (in each case, an “**Earn-out Calculation Statement**”) setting forth in reasonable detail its determination of Adjusted Net Profit for the applicable Calculation Period and its calculation of the resulting Earn-out Payment (in each case, an “**Earn-out Calculation**”).
 - (b) Seller shall have thirty (30) days after receipt of the Earn-out Calculation Statement for each Calculation Period (in each case, the “**Review Period**”) to review the Earn-out Calculation Statement and the Earn-out Calculation set forth therein. During the Review Period, Seller and its representatives shall have the right to inspect Buyer’s and the Target Companies’ respective books and records during normal business hours at Buyer’s and the Target Companies’ respective offices and via remote access to electronic copies of such books and records through electronic means acceptable to Seller, upon reasonable prior notice, on a confidential basis and solely for purposes reasonably related to the determinations of Adjusted Net Profit and the resulting Earn-out Payment. Prior to the expiration of the Review Period, Seller may object to the Earn-out Calculation set forth in the Earn-out Calculation Statement for the applicable Calculation Period by delivering a written notice of objection (an “**Earn-out Calculation Objection Notice**”) to Buyer. Any Earn-out Calculation Objection

Notice shall specify the items in the applicable Earn-out Calculation disputed by Seller and shall describe in reasonable detail the basis for such objection, as well as the amount in dispute. If Seller fails to deliver an Earn-out Calculation Objection Notice to Buyer prior to the expiration of the Review Period, then the Earn-out Calculation set forth in the Earn-out Calculation Statement shall be final and binding on the parties hereto. If Seller timely delivers an Earn-out Calculation Objection Notice, Buyer and Seller shall negotiate in good faith to resolve the disputed items and agree upon the resulting amount of the Adjusted Net Profit and the Earn-out Payment for the applicable Calculation Period. If Buyer and Seller are unable to reach agreement within ten (10) days after such an Earn-out Calculation Objection Notice has been given, all unresolved disputed items shall be promptly referred to an impartial nationally recognized firm of independent certified public accountants, other than Seller's Accountants or Buyer's Accountants, appointed by mutual agreement of Buyer and Seller (the "**Independent Accountant**"). The Independent Accountant shall be directed to render a written report on the unresolved disputed items with respect to the applicable Earn-out Calculation as promptly as practicable, but in no event greater than thirty (30) days after such submission to the Independent Accountant, and to resolve only those unresolved disputed items set forth in the Earn-out Calculation Objection Notice. If unresolved disputed items are submitted to the Independent Accountant, Buyer and Seller shall each furnish to the Independent Accountant such work papers, schedules and other documents and information relating to the unresolved disputed items as the Independent Accountant may reasonably request. The Independent Accountant shall resolve the disputed items based solely on the applicable definitions and other terms in this Agreement and the presentations by Buyer and Seller, and not by independent review. The resolution of the dispute and the calculation of Adjusted Net Profit that is the subject of the applicable Earn-out Calculation Objection Notice by the Independent Accountant shall be final and binding on the parties hereto. The fees and expenses of the Independent Accountant shall be borne by Seller and Buyer in proportion to the amounts by which their respective calculations of Adjusted Net Profit differ from Adjusted Net Profit as finally determined by the Independent Accountant.

- (3) **Timing of Payment of Earn-out Payments.** Any Earn-out Payment that Buyer is required to pay pursuant to Section 2.4(1) hereof shall be paid in full no later than two (2) Business Days following the date upon which the determination of Adjusted Net Profit for the applicable Calculation Period becomes final and binding upon the parties as provided in Section 2.4(2)(b) (including any final resolution of any dispute raised by Seller in an Earn-out Calculation Objection Notice). Buyer shall pay to Seller the applicable Earn-out Payment in cash by wire transfer of immediately available funds to the bank account for Seller as directed by Seller in writing.
- (4) **Post-closing Operation of the Target Companies.** Subject to the terms of this Agreement, subsequent to the Closing, Buyer shall have sole discretion with regard to all matters relating to the operation of the Target Companies, provided, that the Buyer shall not, directly or indirectly, take any actions in bad faith that would have the purpose

of avoiding or reducing any of the Earn-out Payments hereunder, or that are inconsistent with or contrary to the terms of the guarantees and agreements to be delivered by Buyer in accordance with Section 6.2(c)(ii).

- (5) **Segregation of Business within the Buyer.** The Parties acknowledge and agree that the Earn-Out Payment calculations under this Agreement assume that the Buyer acts as a single purpose entity and continues to operate the Business of the Target Companies (as a group and as if they were being operated as a single separate and independent corporation) solely within the Buyer. The Buyer covenants that, during the Earn-out Period, it will only own and operate the Target Companies through the Buyer or a subsidiary thereof, or will implement appropriate procedures to accurately track Adjusted Net Profit and allow for the Seller to have the same audit, review, dispute resolution and other rights provided for in the Section 2.4 and this Agreement, which procedures will be subject to the approval of the Seller, which consent will not be unreasonably withheld or delayed.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE SELLER

Section 3.1 Representations and Warranties of the Seller.

The Seller represents and warrants as follows to the Buyer and acknowledges and confirms that the Buyer is relying upon the representations and warranties in connection with the purchase and acceptance by way of transfer and assignment by the Buyer of the Purchased Shares and the Seller Loans:

- (a) **Organization of the Seller.** The Seller is existing under the laws of Ontario, Canada, and has the corporate power and authority to own, lease and operate its properties and assets and to conduct its business as now being conducted and as currently proposed to be conducted. The Seller has not entered into, nor is there any pending motion or application requesting that the Seller enter into any dissolution, liquidation, receivership, bankruptcy or any other similar proceedings, and the Seller has no knowledge of any intention to initiate such proceedings.
- (b) **Authorization; Approvals.** All corporate action on the part of the Seller necessary for the authorization, execution, delivery, and performance of all of the Seller's obligations under this Agreement and for the sale of the Purchased Shares to the Buyer under this Agreement, has been (or will be) taken prior to the Closing. When executed and delivered by or on behalf of the Seller (and assuming execution and delivery by the Buyer), this Agreement shall constitute the valid and legally binding obligations of the Seller, legally enforceable against the Seller in accordance with its terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction, and no consent (including but not limited to pre-emptive rights, rights of first refusal,

co sale rights and/or any similar right), approval, order, license, Permit, action by, or authorization of or designation, declaration, or filing with any governmental authority on the part of the Seller is required that has not been, or will not have been, obtained by the Seller prior to the Closing in connection with the valid execution, delivery and performance of this Agreement or the purchase and sale of the Purchased Shares.

- (c) **No Breach.** The execution and delivery of this Agreement by the Seller, and compliance by the Seller with the terms and provisions hereof, will not conflict with, or result in a breach or violation of, any of the terms, conditions and provisions of: (i) the provisions of the constating documents or by-laws of the Seller, (ii) any judgment, order, injunction, decree, or ruling of any court or governmental authority to which either the Seller, or (iii) applicable law.
- (d) **Share Capital.** The authorized share capital of each of the Target Companies and the number of shares of which at this date have been duly issued and are outstanding as fully paid and non-assessable is as follows:

Target Company	Authorized Capital	Number of Issued and Outstanding Shares
Croptimal	NIS 10,000 divided into 1,000,000 ordinary shares, par value NIS 0.01 each	1,000 ordinary shares
Xenemetrix	NIS 40,000,000 divided into 39,000,000 ordinary shares and 1,000,000 Management Shares, both par value NIS 1.0 each	2,053 ordinary shares & 902 Management Shares
Xwinsys	NIS 50,000,000 divided into 49,000,000 ordinary shares and 1,000,000 Management Shares, both, par value NIS 1.0 each	9,000 ordinary shares & 200 Management Shares

- (e) **No Other Agreements to Purchase.** All issued and outstanding share capital of the Company has been duly authorized and is validly issued and outstanding and fully paid and non-assessable. Except for the Buyer's right under this Agreement, no Person has any written or oral agreement, option or warrant or any right or privilege (whether by law, preemptive or contractual) capable of becoming such for (i) the purchase or acquisition from the Seller of any of the Purchased Shares, or (ii) the purchase, subscription, allotment or issuance of any of the unissued shares or other securities of any of the Target Companies;
- (f) **No Debts to Seller.** As of the Closing there shall be no intercompany debts of any of the Target Companies to the Seller such that, subject to the provisions of Section 5.2, upon completion of the transaction contemplated by this Agreement the Buyer will have good and valid title to all Seller Loans which shall have been transferred and assigned to the Buyer and no Target Company shall owe the Seller any amounts.

- (g) **Title to Purchased Shares.** The Purchased Shares are owned by the Seller as the registered and beneficial owner with a good title, free and clear of all Liens other than those restrictions on transfer, if any, contained in the articles of the Buyer. Upon completion of the transaction contemplated by this Agreement, the Buyer will have good and valid title to Purchased Shares, free and clear of all Liens other than (i) those restrictions on transfer, if any, contained in the articles of the Buyer, and (ii) Liens granted by the Buyer; and
- (h) **Required Authorizations.** There is no requirement to make any filing with, give any notice to, or obtain any Authorization of, any Governmental Entity as a condition to the lawful completion of the transactions contemplated by this Agreement, except for the filings, notifications and Authorizations described in Section 3.1(b) or that relate solely to the identity of the Buyer or the nature of the business carried on by the Buyer.

Section 3.2 Purchase on As Is Basis.

Subject to Seller's representations set in Section 3.1, the sale, transfer and assignment of the Purchased Shares and the Seller Loans pursuant this Agreement is made on an "As Is" basis and Seller make no other representations or warranties of any kind, express or implied, as to the financial, economic and/or legal state of any of the Target Companies, the Purchased Shares or otherwise.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE BUYER

Section 4.1 Representations and Warranties of the Buyer.

The Buyer represents and warrants as follows to the Seller and acknowledges and confirms that the Seller is relying on such representations and warranties in connection with the sale, transfer and assignment by the Seller of the Purchased Shares and the Seller Loans:

- (a) **Incorporation and Corporate Power.** The Buyer is a corporation incorporated and existing under the laws of the State of Israel and has the corporate power and authority to enter into and perform its obligations under this Agreement;
- (b) **Validity of Agreement.** The execution, delivery and performance by the Buyer of this Agreement:
 - (i) Have been duly authorized by all necessary corporate action on the part of the Buyer;
 - (ii) Do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws or any contracts or instruments to which it is a party or pursuant to which any of its assets or property may be affected; and

- (iii) Will not result in the violation of any law; and
- (c) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Buyer and constitutes a legal, valid and binding obligations of the Buyer, enforceable against it in accordance with their respective terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (d) **Good Faith Efforts.** While the Buyer intends in good faith to promote the business of the Target Companies and consequently pay out the Earn-out Payments payable by it to the Seller hereunder, nothing herein contained shall be interpreted as binding the Buyer to continue to operate the business of the Target Companies, or any of them, at any time, if Buyer finds, at its sole discretion, that such operation does not fit its interests.

ARTICLE 5 COVENANTS OF THE PARTIES

Section 5.1 Actions to Satisfy Closing Conditions.

- (1) The Seller shall take all such actions as are within its power to control and use its Best Efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 6.1 including ensuring that during the Interim Period and at Closing, there is no breach of any of its representations and warranties. Without limitation to the above Seller shall use its Best Efforts to convene as soon as is reasonably practicable following the date hereof, a meeting of the shareholders of the Seller in order to seek approval of this Agreement and the transactions contemplated hereunder (the "**Seller Shareholders Approval**").
- (2) The Buyer shall take all such actions as are within its power to control and use its Best Efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 6.2 including ensuring that during the Interim Period and at Closing, there is no breach of any of its representations and warranties. The Buyer shall, and shall cause the Target Companies to, provide any assistance requested by Eurocontrol in connection with the obligations of the Seller to SICPA SA under the termination agreement dated July 30, 2018 between the Seller, SICPA Finance SA, SICPA SA and SICPA Global Fluids Integrity SA.

Section 5.2 Interim Period

During the Interim Period:

- (1) The Target Companies shall continue to operate for the primary purpose of disposing of existing inventory and fulfilling any existing sales contracts of their respective businesses, provided, however, that the Target Companies shall not hire any employees

or engage any service providers, and all of the former employees of the Target Companies shall be recruited by the Buyer at the Buyer's sole cost and expense, however, billed to the Target Companies (or any of them) and provided further, that any shortfall in the cash flow or liabilities of the Target Companies arising from the operation of the Target Companies (or any of them) in the Interim Period (and not before the Interim Period), including in relation to such billing, shall be paid by the Buyer, and the Seller shall not have any liability in respect of any such shortfall.

- (2) The Buyer shall pay to the Seller an amount of thirty-five thousand Canadian dollars (\$35,000). Such amount shall be used by the Buyer in connection with the Seller's costs incurred by it in connection with seeking the Seller Shareholder Approval and shall be paid by the Buyer to the Seller prior to the date of the meeting of the Seller's shareholders called for purposes of seeking the Seller Shareholder Approval.

Section 5.3 Access to Books and Records.

For a period of six (6) years from the Closing Date or for such longer period as may be required by applicable law, the Buyer shall retain all accounting books and records relating to each of the Target Companies for the period prior to the Closing Date. So long as any such books and records are retained by the Buyer pursuant to this Agreement, the Seller shall have the reasonable right to inspect and to make copies of such books and records during normal business hours at the Target Companies' respective offices, and via remote access to electronic copies of such books and records through electronic means acceptable to Seller, upon reasonable prior notice, on a confidential basis and solely for proper purposes.

Section 5.4 Defense of Claim.

- (1) The Seller shall at its expense and in a timely manner continue to defend Cromptal in the proceeding (the "**Proceeding**") commenced in the Tel Aviv Magistrates Court as Civil File 52906-06-18, and take all reasonable such steps to prevent the resolution thereof in a manner adverse to Cromptal, provided that the Seller shall have no obligation to Cromptal under this Section 5.4 or otherwise:
 - (a) If the Seller's legal counsel advises it that its interests in respect of the relevant matter conflict with the interests of Cromptal or with the interests of any director or officer of Seller in respect of whose defence the Seller has carriage;
 - (b) If the Seller is not at all times, in control of the defense with full authority to settle any proceeding;
 - (c) If the Seller is no longer a party to the Proceedings;
 - (d) If the Seller is prohibited from doing so at law; or
 - (e) If Cromptal fails to co-operate fully with the Seller's investigation, or if requested by the Seller, to co-operate in or provide assistance to the defence of the Seller or any other person who is a named defendant in a Proceeding; or

- (f) To the extent that Seller or, its then Chief Executive Officer, Doron Reinis acted in an unlawful manner, in bad faith, or in breach of any agreement or duty owed to the Seller.
- (2) The Seller shall be entitled to be reimbursed and to receive and Croptimal shall pay to the Seller immediately any amounts reimbursed, awarded or received by Croptimal or Doron Reinis in connection with the Proceeding.

ARTICLE 6 CONDITIONS OF CLOSING

Section 6.1 Conditions for the Benefit of the Buyer.

The purchase and sale of the Purchased Shares and the transfer and assignment of the Seller Loans is subject to the following conditions to be fulfilled or performed at or prior to Closing, which conditions are for the exclusive benefit of the Buyer and may be waived, in whole or in part, by the Buyer in its sole discretion:

- (a) **Truth of Representations and Warranties.** The representations and warranties of the Seller contained in this Agreement shall have been true and correct as of the date of this Agreement and shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Seller shall have executed and delivered a certificate of a senior officer to that effect. The receipt of such certificate and the Closing shall not constitute a waiver by the Buyer of any of the representations and warranties of the Seller which are contained in this Agreement. Upon the delivery of such certificate, the representations and warranties of the Seller in Article 3 shall be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date;
- (b) **Performance of Covenants.** The Seller shall have fulfilled or complied with all covenants contained in this Agreement to be fulfilled or complied with by it at or prior to the Closing, and the Seller shall have executed and delivered a certificate of a senior officer to that effect. The receipt of such certificate and the Closing shall not constitute a waiver by the Buyer of any of the covenants of the Seller which are contained in this Agreement;
- (c) **Deliveries by the Seller.** The Seller shall deliver to the Buyer the following documents in form and substance satisfactory to the Buyer, acting reasonably:
 - (i) A certified copy (by Seller's counsel) of the Seller Shareholders Approval and any related TSXV approval referred to in Section 6.2(e).
 - (ii) Share transfer deeds in relation to the Purchased Shares as well as share certificates representing the Purchased Shares duly executed in blank for transfer or accompanied by irrevocable security transfer powers of attorney duly executed in blank, in either case, by the Seller;

- (iii) Transfer and assignment deeds in relation to the Seller Loans duly executed in blank for transfer or accompanied by irrevocable security transfer powers of attorney duly executed in blank, in either case, by the Seller;
 - (iv) an executed letter of resignation of each director of the Target Companies, other than any such director that is a resident of Israel on the date of this Agreement, in each case, effective as of the Closing, and
 - (v) duly executed documents that are required to change the signatory rights at each bank account of the Company.
- (d) **No Legal Action.** No action or proceeding shall be pending or threatened by any Person (other than the Buyer) in any jurisdiction, to enjoin, restrict or prohibit any of the transactions contemplated by this Agreement.

Section 6.2 Conditions for the Benefit of the Seller.

The purchase and sale of the Purchased Shares and the transfer and assignment of the Seller Loans is subject to the following conditions to be fulfilled or performed at or prior to the Closing, which conditions are for the exclusive benefit of the Seller and may be waived, in whole or in part, by the Seller in its sole discretion:

- (a) **Truth of Representations and Warranties.** The representations and warranties of the Buyer contained in this Agreement shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such date and the Buyer shall have executed and delivered a certificate of a senior officer to that effect. The receipt of such certificate and the Closing shall not constitute a waiver of the representations and warranties of the Buyer which are contained in this Agreement. Upon delivery of such certificate, the representations and warranties of the Buyer in Article 4 shall be deemed to have been made on and as of the Closing Date with the same force and effect as if made on and as of such date;
- (b) **Performance of Covenants.** The Buyer shall have fulfilled or complied with all covenants contained in this Agreement to be fulfilled or complied with by it at or prior to the Closing and the Buyer shall have executed and delivered a certificate of a senior officer to that effect. The receipt of such certificate and the Closing shall not constitute a waiver by the Seller of the covenants of the Buyer which are contained in this Agreement;
- (c) **Deliveries.** The Buyer shall deliver or cause to be delivered to the Seller the following in form and substance satisfactory to the Seller:
 - (i) A written confirmation that has paid the Closing Purchase Price in the manner provided for in Section 2.3; and

- (ii) an executed guarantee and agreement in the form set out in Schedule 6.2(c)(ii) of each Person (a “**Guarantor**”) that at Closing beneficially owns, directly or indirectly any securities of the Buyer.
- (d) **No Legal Action.** No action or proceeding shall be pending or threatened by any Person (other than the Seller or any of the Target Companies) in any jurisdiction, to enjoin, restrict or prohibit any of the transactions contemplated by this Agreement.
- (e) **Required Approvals.** The TSXV has approved the transactions contemplated by this Agreement, and the Seller shall have obtained the Seller Shareholders Approval.

ARTICLE 7 CLOSING

Section 7.1 Date, Time and Place of Closing.

The completion of the transaction of purchase and sale contemplated by this Agreement shall take place at the offices of ●, at 4:00 p.m. (Israeli time) on the Closing Date or at such other place, on such other date and at such other time as may be agreed upon in writing between the Seller and the Buyer.

ARTICLE 8 TERMINATION

Section 8.1 Termination.

This Agreement may be terminated and the transactions contemplated herein abandoned at any time prior to the Closing:

- (a) by either the Buyer or the Seller if the conditions in such Party’s favour set out in Section 6.1 and Section 6.2, respectively, have not been satisfied and have not been waived;
- (b) by either the Buyer or the Seller if the Closing shall not have occurred by 5:00 p.m. (Israeli time) on the Outside Date; and
- (c) by either the Buyer or the Seller, if: any governmental authority shall have enacted, issued, promulgated, enforced or entered any law which is in effect, and which has the effect of making the transactions contemplated in this Agreement illegal or otherwise prohibits or otherwise prevents the consummation thereof.

Section 8.2 Effect of Termination.

In the event of termination of this Agreement pursuant to the terms of Section 8.1, this Agreement shall forthwith become void and there shall be no liability or obligation on the part of the Buyer or the Seller, except for liabilities arising in respect of breaches under this Agreement by any party on or prior to such termination; and provided that the provisions of

Section 2.4, Section 5.2 and Article 9 (Miscellaneous) shall remain in full force and effect and survive any termination of this Agreement.

ARTICLE 9 MISCELLANEOUS

Section 9.1 Notices.

Any notice, direction or other communication given under this Agreement shall be in writing and given by delivering it or sending it by email or other similar form of recorded communication addressed:

(a) to the Buyer at:

Eurocontrol Technics Group Inc.
365 Bay Street, Suite 400
Toronto, Ontario, Canada M5H 2V1

Attention: Paul Wood, Chief Executive Officer
Email: Email: pwood@eurocontrol.ca

(b) to the Seller at:

DYG Holdings Ltd.
Hatikshoret 6, P.O.B. 997
Migdal Haemek

Attention: CEO
Email: Info@xenemetrix.com

Any such communication shall be deemed to have been validly and effectively given (i) if personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. at the place of delivery and otherwise on the next Business Day, or (ii) if transmitted by email or similar means of recorded communication on the Business Day following the date of transmission. Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

Section 9.2 Time of the Essence.

Time shall be of the essence of this Agreement.

Section 9.3 Third Party Beneficiaries.

The Seller and the Buyer intend that this Agreement shall not benefit or create any right or cause of action in, or on behalf of, any Person other than the Parties to this Agreement and

no Person, other than the Parties to this Agreement shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

Section 9.4 Expenses.

Except as otherwise expressly provided in this Agreement, all costs and expenses (including the fees and disbursements of legal counsel, investment advisers and accountants) incurred in connection with this Agreement and the transactions contemplated herein and therein shall be paid by the Party incurring such expenses.

Section 9.5 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Seller and the Buyer.

Section 9.6 Waiver.

- (1) No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver be binding unless executed in writing by the Party to be bound by the waiver.
- (2) No failure on the part of the Seller or the Buyer to exercise, and no delay in exercising any right under this Agreement shall operate as a waiver of such right; nor shall any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right.

Section 9.7 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties with respect to the transactions contemplated in this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement except as specifically set forth herein and therein and neither the Seller nor the Buyer has relied or is relying on any other information, discussion or understanding in entering into and completing the transactions contemplated in this Agreement.

Section 9.8 Successors and Assigns.

This Agreement shall become effective when executed by the Seller and the Buyer and after that time shall be binding upon and enure to the benefit of the Seller, the Buyer and their respective successors and permitted assigns. Neither this Agreement nor any of the rights or obligations under this Agreement shall be assignable or transferable by any Party without the prior written consent of the other Party.

Section 9.9 Severability.

If any provision of this Agreement shall be determined by an arbitrator or any court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be severed from this Agreement and the remaining provisions shall continue in full force and effect.

Section 9.10 Governing Law and Jurisdiction.

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of Israel applicable therein. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of or relating to, this Agreement shall be brought in the competent courts in Tel Aviv, Israel, and each of the Parties hereby consents to the exclusive jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any obligation to venue laid therein. Each of the Parties hereto also agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. Each of the Parties hereto waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety or other security that might be required of any other Party with respect thereto. Each Party hereto agrees that a final judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any manner provided by law or at equity.

Section 9.11 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts by electronic communication) and all such counterparts taken together shall be deemed to constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Share Purchase Agreement.

DYG HOLDINGS LTD.

By: /s/ Doron Reinis
Authorized Signing Officer

**EUROCONTROL TECHNICS GROUP
INC.**

By: /s/ Paul Wood
Authorized Signing Officer

SCHEDULE 6.2(c)(ii)
FORM OF GUARANTEE AND AGREEMENT

GUARANTEE AND AGREEMENT

THIS GUARANTEE AND AGREEMENT (the “**Guarantee**”) is made and entered into on September 13, 2018 by the undersigned (the “**Guarantor**”) to and in favour of Eurocontrol Technics Group Inc. (the “**Seller**”), pursuant to Section 6.2(c)(ii) of the Share Purchase Agreement (the “**Purchase Agreement**”) dated September 13, 2018, by and between the DYG Holdings Ltd. (the “**Buyer**”) and the Seller, intending that the same may be relied upon by Seller as creating the guarantee, agreements and binding obligations of the Guarantor as set out below. Capitalized terms used in this Guarantee and not otherwise defined shall have the meanings ascribed thereto in the Purchase Agreement.

Accordingly, in consideration of the foregoing, and other good and valuable consideration (the receipt and adequacy of which are acknowledged), the Guarantor guarantees, acknowledges and confirms to, and agrees with the Seller as follows:

- (1) The Guarantor acknowledges and confirms to the Seller that the Guarantor:
 - (a) is a holder of 50% of the equity and voting control of the Buyer and that, on Closing, the Target Companies will be direct, wholly-owned subsidiaries of the Buyer and that, as a result, the Guarantor is able to exercise control over the Buyer and the Target Companies;
 - (b) as a material inducement for the Seller to accept a portion of the consideration payable to it by the Buyer in the form of Earn-out Payments, as provided for in Section 2.4 of the Purchase Agreement, the Guarantor has agreed with the Seller to guarantee the payment and performance of all present and future debts, liabilities and obligations, direct or indirect, absolute or contingent, of the Buyer to the Seller arising pursuant to, or in respect of, the Purchase Agreement;
 - (c) has received or will receive substantial benefit as a result of the Purchase Agreement; and
 - (d) is not aware of (i) any fact, reason or relationship or that interest, that has or that could reasonably be perceived to have, interfered with the Guarantor’s ability to act with a view to the best interests of the Seller or any of the Target Companies prior to the Closing, or (ii) any conflicts of interest between the Guarantor and the Seller or any of the Target Companies, except to the extent disclosed to all of the directors of the Seller and each of the Target Companies, in respect of which such disclosure is or was required to have been made in accordance with applicable law.
- (2) The Guarantor hereby unconditionally guarantees to and in favour of the Seller any payment obligation of the Buyer under the Purchase Agreement, and all costs incurred by the Seller in pursuing remedies and causes of action against the Buyer or the Guarantor, as permitted by this Guarantee, to the extent that the Seller is the prevailing

party in such action (collectively, the “**Guaranteed Obligations**”). The Guarantor’s Guaranteed Obligations are unconditional irrespective of any circumstances which might otherwise constitute, by operation of law, a discharge of a guarantor.

- (3) Until the earlier of (i) the expiry of the Earn-out Period, and (ii) such time as the Buyer has made Earn-out Payments to the Seller in an aggregate amount equal to the Maximum Amount, the Guarantor covenants to the Seller that he will take all such actions as are within his power to control (including, without limitation, through the exercise of all voting rights attached to shares of the Buyer beneficially owned or controlled by him), and use his Best Efforts to cause other actions to be taken which are not within his power to control, to ensure that:
- (a) the Buyer will not carry on any business, practice or trade other than with respect to the Target Companies;
 - (b) except through the Buyer or the Target Companies, neither the Buyer nor the Guarantor will, directly or indirectly, offer services or products that compete with the products and/or services of any of the Target Companies; and
 - (c) the Buyer and the Guarantor will ensure that the directors and the two most senior officers of the Buyer and of each of the Target Companies shall initially be the two founding shareholders of the Buyer (including the Guarantor), and that they shall be responsibility for the day-to-day management of the business of the Buyer and the Target Companies, operating as a group, provided, however, if these roles are filled by a person other than such founding shareholders, the Buyer will ensure that the appointee has the requisite experience and skills to fulfil the role, is appropriately incentivized in respect of the performance of the Business, and is appointed in good faith.
- (4) This Guarantee shall be binding upon the Guarantor, his executors, administrators and assigns, and shall enure to the benefit of the Seller and its successors and assigns. All rights of the Seller shall be assignable and in any action brought by an assignee to enforce any such right, the Guarantor shall not assert against the assignee any claim or defence which the Guarantor now has or hereafter may have against the Seller. This guarantee shall be governed by and interpreted and enforced in accordance with the laws of the Israel and any action or proceeding seeking to enforce any provision of, or based on any right arising out of or relating to, this Guaranty shall be brought against Guarantor exclusively in the competent courts in Tel Aviv, Israel.

IN WITNESS WHEREOF the Guarantor has executed this Guarantee.

Witness

[Name of Guarantor]

APPENDIX B

SHAREHOLDER DISSENT RIGHTS

SECTION 185 OF THE OBCA

Rights of dissenting shareholders

185. (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,
- (a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
 - (b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
 - (c) amalgamate with another corporation under sections 175 and 176;
 - (d) be continued under the laws of another jurisdiction under section 181; or
 - (e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent.

Idem

- (2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,
- (a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
 - (b) subsection 170 (5) or (6).

One class of shares

- (2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Exception

- (3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,
- (a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
 - (b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986.

Shareholder's right to be paid fair value

- (4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted.

No partial dissent

- (5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

- (6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent.

Idem

- (7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6).

Notice of adoption of resolution

- (8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection.

Idem

- (9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights.

Demand for payment of fair value

- (10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,
- (a) the shareholder's name and address;
 - (b) the number and class of shares in respect of which the shareholder dissents; and
 - (c) a demand for payment of the fair value of such shares.

Certificates to be sent in

- (11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Idem

- (12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section.

Endorsement on certificate

- (13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder.

Rights of dissenting shareholder

- (14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,
- (a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
 - (b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or

- (c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10), and the dissenting shareholder is entitled, upon presentation and surrender to the corporation or its transfer agent of any certificate representing the shares that has been endorsed in accordance with subsection (13), to be issued a new certificate representing the same number of shares as the certificate so presented, without payment of any fee.

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13).

- (a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
- (b) if a resolution is passed by the directors under subsection 54(2) with respect to that class and series of shares,
 - (i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
 - (ii) to be sent the notice referred to in subsection 54(3).

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

- (a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
- (b) to be sent the notice referred to in subsection 54(3).

Offer to pay

- (15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,
 - (a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
 - (b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Introduction

- (16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms.

Idem

- (17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Application to court to fix fair value

- (18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder.

Idem

- (19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow.

Idem

- (20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19).

Costs

- (21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders.

Notice to shareholders

- (22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,
- (a) has sent to the corporation the notice referred to in subsection (10); and
 - (b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions.

Parties joined

- (23) All dissenting shareholders who satisfy the conditions set out in clauses (22)(a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application.

Idem

- (24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders.

Appraisers

- (25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

- (26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder

who, whether before or after the date of the order, complies with the conditions set out in clauses (22)(a) and (b).

Interest

- (27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Where corporation unable to pay

- (28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Idem

- (29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,
- (a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
 - (b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Idem

- (30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,
- (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
 - (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

Court order

- (31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission.

Commission may appear

- (32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation.