EXECUTION VERSION

UNDERWRITING AND AGENCY AGREEMENT

June 26, 2024

Atlas Engineered Products Ltd.
2005 Boxwood Road
Nanaimo, British Columbia V9S 5X9

Attention: Mohammad Hadi Abassi, President & Chief Executive Officer

Beacon Securities Limited ("**Beacon**"), as lead underwriter and sole bookrunner, together with Clarus Securities Inc., Cormark Securities Inc. and Ventum Financial Corp. (together with Beacon, the "**Underwriters**" and, individually, an "**Underwriter**") hereby severally, and not jointly nor jointly and severally, offer and agree to purchase, on a "bought deal" private placement basis, or alternatively to arrange for substituted purchasers (the "**Substituted Purchasers**") in the Offering Jurisdictions (as defined below) to purchase, from Atlas Engineered Products Ltd. (the "**Company**"), and the Company hereby agrees to issue and sell to the Underwriters or Substituted Purchasers, 2,963,000 common shares of the Company (the "**Offered Shares**"), at a purchase price of $1.35 per Offered Share (the "**Issue Price**") for aggregate gross proceeds to the Company of $4,000,050 (the "**LIFE Offering**") pursuant to the exemption (the "**Listed Issuer Financing Exemption**") from the prospectus requirement set out in Part 5A of National Instrument 45-106 – *Prospectus Exemptions* ("**NI 45-106**"), as further described in the offering document of the Company on Form 45-106F19 dated June 17, 2024 (the "**LIFE Offering Document**"). For greater certainty, the obligation of the Underwriters to purchase the Offered Shares shall be reduced by the number of Offered Shares purchased by any Substituted Purchasers. After a reasonable effort has been made to sell all of the Offered Shares at the Issue Price, the Underwriters may subsequently reduce the selling price to investors from time to time, provided that any such reduction in the Issue Price shall not affect the aggregate gross proceeds less the Underwriters' Fee (as defined below) payable to the Company.

Upon and subject to the terms and conditions contained herein and in reliance upon the representations and warranties herein contained, the Company hereby grants to the Underwriters an option (the "**Underwriters' Option**") to purchase, or arrange for Substituted Purchasers to purchase, up to an additional 741,000 common shares of the Company (the "**Additional Shares**") at a price per Additional Share equal to the Issue Price, that is exercisable in whole or in part, and at any time up to 48 hours prior to the Closing Date (as defined below).

In order to exercise the Underwriters' Option, Beacon, on behalf of the Underwriters, will deliver written notice to the Company, setting out the number of Additional Shares to be purchased by the Underwriters, no later than 48 hours prior to the Closing Date. Upon the furnishing of such a notice, the Company will be committed to sell and deliver to the Underwriters in accordance with and subject to the provisions of this Agreement, the number of Additional Shares indicated in such notice. Delivery of and payment for any Additional Shares will be made on the Closing Date. For greater certainty, there is no obligation on the part of Beacon and/or the other Underwriters to exercise the Underwriters' Option in whole or in part.

In addition, concurrently with the LIFE Offering, the Company hereby appoints the Underwriters to act as agents to the Company, and the Underwriters hereby agree to act as the agents of the Company, to offer for sale on a commercially reasonable "best efforts" private placement agency basis (the "**Concurrent Private Placement**"), without underwriting liability, up to an aggregate of 7,083,300 common shares of the Company (the "**Private Placement Shares**") at the Issue Price per Private Placement Share for aggregate gross proceeds of up to $9,562,455 and to arrange for Purchasers (as defined below) of the Private Placement Shares in the Offering Jurisdictions pursuant to exemptions from the prospectus requirements of

Applicable Securities Laws (as defined below). With respect to the Concurrent Private Placement, the Underwriters shall act as agents only and the Company agrees that the Underwriters are under no obligation to purchase any of the Private Placement Shares as principal, although any of the Underwriters may, at their sole discretion, subscribe for and purchase any or all Private Placement Shares. Closing of the LIFE Offering is not conditional upon the closing of the Concurrent Private Placement.

Unless the context otherwise requires, all references in this Agreement to (i) the "**LIFE Offering**" shall be deemed to include the Underwriters' Option, (ii) the "**Offered Shares**" shall mean, collectively, the Offered Shares and the Additional Shares (if any), (iii) the "**Offering**" shall mean, collectively, the LIFE Offering and the Concurrent Private Placement, (iv) the "**Offered Securities**" shall mean, collectively, the Offered Shares and the Private Placement Shares.

The Private Placement Shares may be offered and sold in the United States only to a limited number of "accredited investors" (as defined in Rule 501(a) of Regulation D under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**")) ("**Accredited Investors**") and to "qualified institutional buyers" (as such term is defined in Rule 144A under the U.S. Securities Act), that are also Accredited Investors ("**Qualified Institutional Buyers**"), in each case, by way of a private placement pursuant to the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) of the U.S. Securities Act, and similar exemptions under Applicable Securities Laws (as defined below). In addition, Offered Shares may also be offered and sold in the United States only to Qualified Institutional Buyers by the Underwriters pursuant to Rule 144A under the U.S. Securities Act. Any Offered Securities offered and sold in the United States shall be issued as "restricted securities" (as defined in Rule 144(a)(3) under the U.S. Securities Act).

The Offered Securities acquired by Purchasers shall be purchased under Subscription Agreements (as defined below). The Company understands and agrees that the Offered Securities may subsequently be resold by the Purchasers in the ordinary course in compliance with, and subject to such restrictions on resale as may be required under, Applicable Securities Laws.

In consideration of the Underwriters' services to be rendered in connection with the Offering, the Company agrees to pay to the Underwriters at the Closing Time (as defined below) on the Closing Date (i) a cash commission equal to 6.0% of the gross proceeds of the Offering, excluding the gross proceeds derived from the sale of Offered Securities to certain President's List Purchasers (as defined below) which will be subject to a reduced commission equal to 3.0% subject to a maximum gross proceeds therefrom of $3,500,000 (provided that, with respect to the Direct Settlers (as defined below) on the President's List, no Commission shall be paid but the gross proceeds derived therefrom will still be counted towards the gross proceeds from President's List purchasers) (the "**Commission**"); and (ii) a corporate finance cash fee of $45,000 plus Tax (as described below) (the "**Corporate Finance Fee**", and together with the Commission, the "**Underwriters' Fee**").

The Company shall be entitled to identify to the Underwriters certain investors as President's List Purchasers for such aggregate number of Offered Securities as is agreed to between the Underwriters and the Company. The Company has included certain purchasers of Private Placement Shares, as identified by the Company, on the President's List who will settle directly with the Company (the "**Direct Settlers**"). The Company acknowledges and agrees that the Underwriters shall not be required to conduct a suitability review in respect of sales to President's List Purchasers and Direct Settlers, and the Company shall indemnify and save harmless the Underwriters from any and all losses or expenses relating to sales to President's List Purchasers or Direct Settlers, as applicable. Each Direct Settler shall purchase the Private Placement Shares at the Issue Price directly from the Company.

All or part of the Underwriters' Fee may be subject to applicable Tax (as defined below) and shall be payable by the Company to Beacon, on behalf of the Underwriters, immediately upon invoice therefor. Where Tax is applicable, an additional amount equal to the amount of Tax owing will be charged to and paid by the Company.

The Company agrees that each of the Underwriters will be permitted to appoint, at the sole cost and expense of the Underwriter so appointing, other registered dealers (or other dealers duly qualified in their respective jurisdictions) as their agents to assist in the Offering, and that the Underwriters may determine the remuneration payable to such other dealers appointed by them.

The Offering is conditional upon and subject to the additional terms and conditions set forth below. The following are additional terms and conditions of the agreement between the Company and the Underwriters:

1. Interpretation

Definitions – In addition to the terms previously defined and terms defined elsewhere in this Agreement (including the Schedules hereto), where used in this Agreement or in any amendment hereto, the following terms shall have the following meanings, respectively:

"**Accredited Investors**" has the meaning ascribed thereto on the second page of this Agreement;

"**Additional Shares**" has the meaning ascribed thereto on the first page of this Agreement;

"**Agreement**" means this underwriting and agency agreement dated June 26, 2024 between the Company and the Underwriters, as the same may be supplemented, amended and/or restated from time to time;

"**Ancillary Documents**" means all agreements (including the Subscription Agreements), certificates, officer's certificates, and other documents executed and delivered, or to be executed and delivered, by the Company in connection with the Offering, whether pursuant to Applicable Securities Laws or otherwise;

"**Applicable Anti-Money Laundering Laws**" has the meaning ascribed thereto in Section 5(xx) of this Agreement;

"**Applicable Laws**" means, in relation to any person or persons, the Applicable Securities Laws and all other statutes, regulations, rules, orders, by-laws, codes, ordinances, decrees, the terms and conditions of any grant of approval, permission, authority or licence, or any judgment, order, decision, ruling or award that are applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

"**Applicable Securities Laws**" means, collectively, the applicable securities laws of each of the Offering Jurisdictions and their respective regulations, rulings, rules, blanket orders, instruments (including national and multilateral instruments), fee schedules and prescribed forms thereunder, the applicable policy statements issued by the Securities Commissions and the rules and policies of the TSX-V, and all applicable securities laws in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, and any applicable state securities laws;

"**Beacon**" has the meaning ascribed thereto on the first page of this Agreement;

“**Beneficiaries**” has the meaning ascribed thereto in Section 10(g) of this Agreement;

“**Business**” means the business of the Company and the Subsidiaries as presently conducted, including the business of the design, manufacture and distribution of trusses and other engineered wood products;

“**Business Assets**” means all tangible and intangible property and assets owned (either directly or indirectly), leased, licensed, loaned, operated or being developed or used, including all customer lists, Owned Intellectual Property, real property, fixed assets, facilities, equipment, inventories and accounts receivable, by the Company and the Subsidiaries in connection with the Business;

“**Business Day**” means a day, other than a Saturday, a Sunday or a day on which chartered banks are not open for business in Toronto, Ontario and Vancouver, British Columbia;

“**CDS**” means CDS Clearing and Depository Services Inc.;

“**Claims**” and “**Claim**” have the meanings ascribed thereto in Section 10(a) of this Agreement;

“**Closing**” means the closing of the Offering;

“**Closing Date**” means June 26, 2024 or such earlier or later date as may be agreed to in writing by the Company and Beacon (on behalf of the Underwriters), each acting reasonably;

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

“**Commission**” has the meaning ascribed thereto on the second page of this Agreement;

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

“**Company**” has the meaning ascribed thereto on the first page of this Agreement;

“**Concurrent Private Placement**” has the meaning ascribed thereto on the first page of this Agreement;

“**Contaminant**” has the meaning ascribed thereto in Section 5(hh)(i) of this Agreement;

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

“**Corporate Finance Fee**” has the meaning ascribed thereto on the second page of this Agreement;

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

“**Direct Settlers**” has the meaning ascribed thereto on the second page of this Agreement;

“**Disclosure Record**” means, to the extent filed on or after January 1, 2022, the Company’s prospectuses, annual reports, annual and interim financial statements, annual information forms, business acquisition reports, management discussion and analysis of financial condition and results of operations, information circulars, material change reports, press releases and all other information or documents required to be filed or furnished by the Company under Applicable Securities Laws which have been publicly filed or otherwise publicly disseminated by the Company;

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

"**Environmental Activity**" has the meaning ascribed thereto in Section 5(hh)(i) of this Agreement;

"**Environmental Laws**" has the meaning ascribed thereto in Section 5(hh)(i) of this Agreement;

"**Financial Statements**" means, collectively, the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2023 (which financial statements include comparative financial information for the comparable period in 2022), together with the report of PricewaterhouseCoopers LLP on those financial statements, and including the notes with respect to those financial statements;

"**Governmental Authority**" means and includes, without limitation, any national, federal, provincial, territorial, state or municipal government or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"**Governmental Licences**" has the meaning ascribed thereto in Section 5(bbb) of this Agreement;

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board, which were adopted by the Board of the Chartered Professional Accountants of Canada as Canadian generally accepted accounting principles applicable to publicly accountable enterprises;

"**Indemnified Parties**" and **"Indemnified Party**" have the meanings ascribed thereto in Section 10(a) of this Agreement;

"**Intellectual Property**" means any and all of the following (a) all trade or brand names, business names, trademarks, service marks, domain names, works of authorship, copyrights, patents, industrial designs, and other industrial or intellectual property of any nature in any form whatsoever recognized in any jurisdiction throughout the world (including applications for any and all of the foregoing and renewals, divisions, continuations, continuations-in-part, extensions and reissues, where applicable, relating thereto); and (b) inventions, discoveries, developments, concepts, ideas, improvements, processes and methods, know-how, trade secrets, confidential information, patterns, drawings, systems, procedures, computer software, software code in any expressed form, applications, specifications, algorithms, databases, data, designs whether or not patentable or registrable, anywhere in the world;

"**Issue Price**" has the meaning ascribed thereto on the first page of this Agreement;

"**IT Systems and Data**" has the meaning set out in Section 5(ww);

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

"**Leased Premises**" has the meaning ascribed thereto in Section 5(oo) of this Agreement;

"**LIFE Offering**" has the meaning ascribed thereto on the first page of this Agreement;

"**LIFE Offering Document**" has the meaning ascribed thereto on the first page of this Agreement;

"**Listed Issuer Financing Exemption**" has the meaning ascribed thereto on the first page of this Agreement;

"**Losses**" has the meaning ascribed thereto in Section 10(a) of this Agreement;

"**Material Adverse Effect**" means any event, fact, circumstance, development, occurrence or state of affairs that is materially adverse to the business, assets (including intangible assets), affairs, operations, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise) or results of operations of the Company and any of the Subsidiaries, taken as a whole, whether or not arising in the ordinary course of business;

"**material change**" has the meaning ascribed thereto in the Applicable Securities Laws of the Offering Jurisdictions;

"**material fact**" has the meaning ascribed thereto in the Applicable Securities Laws of the Offering Jurisdictions;

"**Material Subsidiaries**" means (i) Clinton Building Components Ltd., (ii) Satellite Building Components Ltd., (iii) Atlas Building Systems Ltd., (iv) Pacer Building Components Ltd., (v) South Central Building Systems Ltd., (vi) Novum Building Components Ltd., (vii) Hi-Tec Industries Ltd., and (viii) Léon Chouinard et Fils Co. Ltd./Ltée.; and "**Material Subsidiary**" refers to one of them only;

"**misrepresentation**" has the meaning ascribed thereto in the Applicable Securities Laws of the Offering Jurisdictions;

"**NI 45-102**" means National Instrument 45-102 – *Resale of Securities*, as amended from time to time;

"**NI 45-106**" has the meaning ascribed thereto on the first page of this Agreement;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

"**Offered Securities**" has the meaning ascribed thereto on the second page of this Agreement;

"**Offered Shares**" has the meaning ascribed thereto on the first page of this Agreement;

"**Offering**" has the meaning ascribed thereto on the second page of this Agreement;

"**Offering Jurisdictions**" means the provinces of Canada, except Quebec, in which the Offered Securities are offered and/or sold;

"**Offering Release**" means June 17, 2024, which is the date on which the LIFE Offering Document was filed on SEDAR+;

"**Owned Intellectual Property**" has the meaning set out in Section 5(pp);

“**Permitted Encumbrances**” has the meaning set out in Section 5(jj);

“**person**” means an individual, a firm, a corporation, a syndicate, a partnership, a trust, an association, an unincorporated organization, a joint venture, an investment club, a government or an agency or political subdivision thereof and every other form of legal or business entity of any nature or kind whatsoever;

“**Personal Data**” has the meaning set out in Section 5(ww);

“**President’s List Purchasers**” means certain purchasers of Offered Securities acquiring such Offered Securities whose names are set forth on a president’s list agreed to between the Company and the Underwriters as of the date hereof;

“**Private Placement Shares**” has the meaning ascribed thereto on the first page of this Agreement;

“**Purchasers**” means the persons who, as subscribers, purchase Offered Securities from the Company at the Closing Time, including the Substituted Purchasers, pursuant to the Subscription Agreements;

“**Qualification**” has the meaning ascribed thereto in Section 5(x) of this Agreement;

“**Qualified Institutional Buyers**” has the meaning ascribed thereto on the second page of this Agreement;

“**Refusing Underwriter**” has the meaning set out in Section 13;

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

“**Securities Commission**” means the applicable securities commission or regulatory authority in each of the Offering Jurisdictions and “**Securities Commissions**” means all of them;

“**SEDAR+**” means the System for Electronic Document Analysis and Retrieval+;

“**Selling Firm**” means any investment dealer (other than the Underwriters) with which the Underwriters have a contractual relationship in respect of the distribution of any Offered Securities;

“**Standard Listing Conditions**” means the customary and standard post-closing conditions imposed by the TSX-V in similar circumstances and set forth in a letter of the TSX-V addressed to the Company;

“**Subscription Agreements**” means collectively, (i) in respect of the LIFE Offering, the Listed Issuer Financing Exemption Subscriber Questionnaire, and (ii) in respect of the Concurrent Private Placement, the subscription agreement used for the subscription for Private Placement Shares, in the forms agreed upon by the Underwriters and the Company, pursuant to which Purchasers agree to subscribe for and purchase the Offered Shares and the Private Placement Shares, as applicable, as contemplated herein;

“**Subsidiary**” has the meaning ascribed thereto in the Applicable Securities Laws of the Province of Ontario and includes the Material Subsidiaries;

“**Substituted Purchasers**” has the meaning ascribed thereto on the first page of this Agreement;

"**Tax Act**" means the *Income Tax Act* (Canada), together with all regulations promulgated thereunder, and including all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof;

"**Taxes**" means all Canadian, U.S. and foreign federal, state, provincial, territorial and local taxes, and other assessments of a similar nature (whether imposed directly or through withholding), including income tax, capital tax, payroll taxes, sales taxes, value-added taxes, employer health tax, workers' compensation payments, excise taxes, property taxes, customs, land transfer taxes, stamp taxes, duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any interest, additions to tax or penalties applicable thereto;

"**TD Credit Facility**" means the amended and restated credit facility agreement with the Toronto-Dominion Bank dated August 23, 2023 which consists of four facilities;

"**TSX-V**" means the TSX Venture Exchange;

"**Underwriters**" has the meaning ascribed thereto on the first page of this Agreement;

"**Underwriters' Fee**" has the meaning ascribed thereto on the second page of this Agreement;

"**Underwriters' Option**" has the meaning ascribed thereto on the first page of this Agreement;

"**United States**" and "**U.S.**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;

"**U.S. Affiliate**" has the meaning given to it in Schedule "A" to this Agreement;

"**U.S. Exchange Act**" has the meaning given to it in Schedule "A" to this Agreement; and

"**U.S. Securities Act**" has the meaning ascribed thereto on the second page of this Agreement.

Other

(a) Any reference in this Agreement to a Section shall refer to a section of this Agreement.

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

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

(d) Where any representation or warranty contained in this Agreement or any Ancillary Document is expressly qualified by reference to the "knowledge" of the Company, or where any other reference is made herein or in any Ancillary Document to the "knowledge" of the Company, it shall be deemed to refer to the actual knowledge of (i) Mohammad Hadi Abassi, President and Chief Executive Officer, and (ii) Melissa MacRae, Chief Financial Officer, after having made reasonable enquiry of internal persons and documentation (which for greater certainty shall exclude any due diligence reports or materials prepared by the Underwriters or their counsel and without any requirement to make any inquiries of any third party or Governmental Authority or to perform any search of any public registry office or database).

2. Nature of Transaction

(a) **Sale on Exempt Basis**. The Underwriters shall:

(i) in respect of the LIFE Offering, purchase, on a "bought deal" private placement basis, or alternatively arrange for Substituted Purchasers in the Offering Jurisdictions to purchase, the Offered Shares (excluding the Additional Shares) pursuant to the LIFE Offering in reliance of the Listed Issuer Financing Exemption in compliance with Applicable Securities Laws;

(ii) in respect of the Concurrent Private Placement, offer and sell the Private Placement Shares on a commercially reasonable "best efforts" private placement agency basis in compliance with Applicable Securities Laws;

(iii) offer the Offered Securities for sale to Purchasers in the United States on a basis exempt from registration under the U.S. Securities Act and applicable state securities laws and in connection therewith, the offer and sale of Offered Securities in the United States shall occur in accordance with Schedule "A" attached hereto; and

(iv) in such other jurisdictions as consented to by the Company, offer the Offered Securities for sale on a private placement basis in compliance with all applicable securities laws of such other jurisdictions provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction, no registration or similar requirement would apply with respect to the Company in such other jurisdictions and the Company does not thereafter become subject to on-going continuous disclosure obligations in such other jurisdictions.

(b) **Filings**. The Company undertakes to file or cause to be filed all forms or undertakings required to be filed by the Company with the Securities Commissions and the TSX-V in connection with the purchase and sale of the Offered Securities so that the distribution of the Offered Securities may lawfully occur without the necessity of filing a prospectus, a registration statement or an offering memorandum. The Company undertakes to file, or cause to be filed, all forms or undertakings required to be filed by the Company in connection with the issue and sale of the Offered Securities (including a Form 45-106F1, Form D and any filings required under state "blue sky" laws, as required, with the applicable Securities Commissions, the SEC and United States state regulatory authorities, as applicable).

(c) **No Offering Memorandum**. Neither the Company nor the Underwriters shall (i) provide to prospective purchasers of the Offered Securities any document or other material that would constitute an offering memorandum within the meaning of Applicable Securities Laws in connection with the offer and sale of the Offered Securities, except for the LIFE Offering Document and the form of subscription agreement for the Concurrent Private Placement or (ii) engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Offered Securities in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or otherwise or conduct any seminar or meeting concerning the offer or sale of the Offered Securities whose attendees have been invited by any general solicitation or general advertising.

(d) **Listed Issuer Financing Exemption**. In respect of the LIFE Offering, the Company is relying on the Listed Issuer Financing Exemption, a Canadian prospectus exemption under Applicable Securities Laws for reporting issuers listed on a Canadian stock exchange wishing to raise capital equity. The Company confirms and acknowledges to the Underwriters that the Listed Issuer Financing Exemption relies on the Company's continuous disclosure record, as supplemented with a short offering document, to allow the Company to distribute freely tradeable listed equity securities to the public. Accordingly, the Company represents and warrants to the Underwriters that it: (i) has active business operations or its principal asset is not cash (or an equivalent) or its exchange listing; and (ii) has prepared the LIFE Offering Document that is considered a "core" document under the secondary market civil liability regime of Applicable Securities Laws.

3. Press Releases

Neither the Company nor the Underwriters shall make any public announcement in connection with the Offering, except if the other party has consented to such announcement or the announcement is required by Applicable Laws or stock exchange rules. For greater certainty, during the period commencing on the date hereof and until completion of the distribution of the Offered Securities, the Company will promptly provide to the Underwriters drafts of any press releases of the Company for review and comment by the Underwriters and the Underwriters' counsel prior to issuance, provided that any such review will be completed in a timely manner, and the Company will incorporate in such press releases all reasonable comments of the Underwriters.

In order to comply with applicable U.S. securities laws, any press release announcing or otherwise concerning the Offering shall include an appropriate notation substantially as follows: "Not for distribution to United States Newswire Services or for dissemination in the United States". In addition, any such press release shall contain a disclaimer substantially as: "This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available."

4. Material Change

(a) The Company shall promptly inform the Underwriters (and promptly confirm such notification in writing) during the period prior to the Closing Time the full particulars of:

(i) any material change whether actual, anticipated, contemplated, threatened or proposed in the business, assets (including intangible assets), affairs, operations, liabilities (contingent or otherwise), capital, assets, properties, condition (financial or otherwise) or results of operations of the Company and the Subsidiaries, taken as a whole; or

(ii) any material fact which has arisen or has been discovered or any new material fact or change in any fact that would have been required to have been publicly disclosed under Applicable Securities Laws.

(b) During the period prior to the Closing Time, subject to Section 4(c), the Company will prepare and file promptly (and, in any event, within the time prescribed by Applicable Securities Laws) any document which may be necessary under the Applicable Securities Laws, and the Company shall promptly comply with all applicable filing and other requirements under Applicable Securities Laws as a result of any such material change or material fact contemplated in Section 4(a). The Company shall in good faith discuss with the Underwriters any fact or change in circumstances (actual, anticipated, contemplated or threatened, and financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing need be given to the Underwriters pursuant to Section 4(a).

(c) In addition to the provisions of Sections 4(a) and 4(b) hereof, during the period prior to the Closing Time, the Company shall in good faith discuss with the Underwriters any circumstance, change, event or fact contemplated in Sections 4(a) or 4(b) which is of such a nature that there is or could be reasonable doubt as to whether notice should be given to the Underwriters under Sections 4(a) or 4(b) hereof and shall consult with the Underwriters with respect to the form and content of any document proposed to be filed or publicly disseminated by the Company, it being understood and agreed that no such document shall be filed with any Securities Commission or publicly disseminated prior to the review and approval thereof by the Underwriters and their counsel, acting reasonably.

5. Representations and Warranties of the Company

The Company represents and warrants to the Underwriters and to the Purchasers (such representations and warranties being incorporated by reference in the Subscription Agreements), and acknowledges that each of them is relying upon such representations and warranties in purchasing the Offered Securities, that:

(a) the Company: (i) has been duly incorporated, amalgamated, continued or organized and is validly existing as a corporation in good standing under the laws of British Columbia and has the corporate power, capacity and authority to own, lease and operate its property and assets, to conduct its business as now conducted and as currently proposed to be conducted and to carry out its obligations under this Agreement and the Subscription Agreements; and (ii) where required, has been duly qualified as an extra-provincial or foreign corporation for the transaction of business and is in good standing under the laws of each jurisdiction in which it owns or leases property, or conducts any business;

(b) other than the Material Subsidiaries, the Company does not hold an investment in any person which is or could be material to the business and affairs of the Company. Other than the Material Subsidiaries, the other Subsidiaries are inactive and do not carry on any business or operations. The Company is the direct or indirect registered and beneficial owner of all of the issued and outstanding shares of or other voting securities in the Material Subsidiaries, free and clear of all encumbrances, liens, mortgages, hypothecations, security interests, charges or adverse interests whatsoever, and no person, firm, corporation or entity has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Company or any Subsidiary of any of the shares or other securities of any Subsidiary other than Liens granted pursuant to the TD Credit Facility;

(c) each Material Subsidiary: (i) has been duly incorporated, amalgamated, continued or organized and is validly existing as a corporation or limited liability company in good standing under the laws of its jurisdiction of incorporation, amalgamation, continuation or organization and has the corporate power, capacity and authority to own, lease and operate its property and assets, to conduct its business as now conducted and as currently proposed to be conducted and to carry out the provisions hereof; and (ii) where required, has been duly qualified as an extra-provincial or foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases property, or conducts any business;

(d) the Company and each Subsidiary (i) have each conducted and have each been conducting their business in compliance in all material respects with all Applicable Laws of each jurisdiction in which its business is carried on or in which its services are provided and has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such Applicable Laws, and (ii) are not in breach or violation of any judgment, order or decree of any Governmental Authority or court having jurisdiction over the Company or any Subsidiary, as applicable;

(e) except as would be immaterial to the Company and the Subsidiaries, taken as a whole, and as disclosed in writing to the Underwriters and their counsel, neither of the Company nor any Subsidiary has been served with or otherwise received notice of any legal proceeding, action, suit or inquiry or governmental proceedings and there are no legal proceedings, actions, suits, or inquiries or governmental proceedings (whether or not purportedly on behalf of the Company) pending to which the Company or any Subsidiary is a party or of which any property or assets of the Company or any Subsidiary is the subject, or which might reasonably be expected to materially and adversely affect the consummation by the Company of the transactions contemplated by this Agreement and the Subscription Agreements, and, to the knowledge of the Company, no such proceedings, actions, suits or inquiries have been threatened or contemplated by any Governmental Authority or any other persons;

(f) neither the Company nor any Subsidiary has received any notice or communication from any Governmental Authority alleging a material unrectified defect, an issue requiring an unrectified recall or quarantine of product (whether voluntary, required or otherwise) or material claim in respect of any products supplied or sold by the Company or any Subsidiary and, to the Company’s knowledge, there are no circumstances that would give rise to any reports, recalls, public disclosure, announcements or customer communications that are required to be made by the Company or any Subsidiary in respect of any products supplied or sold by the Company or any Subsidiary. All product research and development activities, quality assurance, quality control, testing, and research and analysis activities, conducted by the Company and each Subsidiary in connection with their business is conducted in accordance Applicable Laws and in compliance with all industry, safety, management and training standards applicable to the current businesses of the Company and each Subsidiary, as applicable, including their own standard operating procedures, where applicable, and all such processes, procedures and practices required in connection with such activities are in place as necessary and are being complied with. To the knowledge of the Company, there is no legislation, proposed legislation, regulation, or proposed regulation to be published by a legislative or regulatory body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of the Company or any Subsidiary;

(g) any real property or building held under lease by the Company or the Material Subsidiary is held by it under valid and subsisting leases and/or temporary occupations enforceable against the respective lessors and/or owners thereof with the exclusive right to occupy and use such premises, except where the failure to so hold would be immaterial to the Company and the Material Subsidiary (taken as a whole);

(h) any and all of the agreements and other documents and instruments pursuant to which the Company or the Subsidiaries hold the material property and assets thereof are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with the terms thereof; neither of the Company nor any Subsidiary is in material default of any of the provisions of any such agreements, documents or instruments nor, to the Company's knowledge, has any material default been alleged; and such properties and assets are in good standing under the Applicable Laws of the jurisdictions in which they are situated; all leases, licences and claims pursuant to which the Company and the Subsidiaries derive the interests thereof in such property and assets are in good standing and there has been no material default under any such lease, licence or claim, and all Taxes required to be paid with respect to such properties and assets to the date hereof have been paid;

(i) any and all operations of the Company and the Subsidiaries, and to the best of the Company's knowledge, any and all operations by predecessors, on or in respect of the assets and properties of the Company and the Subsidiaries have been conducted substantially in accordance with good industry practices in the jurisdiction of operation and in material compliance with Applicable Laws and orders, judgments, decrees and directions of Governmental Authorities and other competent authorities;

(j) the Financial Statements:

    (i) have been prepared in accordance with Applicable Securities Laws and IFRS, applied on a consistent basis throughout the periods referred to therein, except as otherwise disclosed therein;

    (ii) present fairly, in all material respects, the financial position and condition of the Company and the Subsidiaries on a consolidated basis as at the respective dates thereof and the results of its operations and the changes in its shareholder's equity and cash flows for the periods then ended, and do not contain a misrepresentation; and

    (iii) have been audited (in the case of the annual financial statements comprising the Financial Statements) by independent public accountants within the meaning of Applicable Securities Laws and the rules of the Chartered Professional Accountants of Canada;

(k) there has not been any "disagreement" or "reportable event" (within the respective meanings of NI 51-102) with the current auditors or any former auditors of the Company during the past three financial years;

(l) the Company maintains an internal system of financial reporting that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and that ensures that information required to be disclosed by the Company under Applicable Securities Laws is accumulated and communicated to the Company's management, including its Chief

Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure;

(m) there are no material liabilities of the Company whether direct, indirect, absolute, contingent or otherwise which are not disclosed or reflected in the Financial Statements;

(n) the audit committee's responsibilities and composition comply with National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators;

(o) other than as disclosed in the Disclosure Record, none of the directors, officers or shareholders who beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the outstanding Common Shares or any known associate or affiliate of any such person, had or has any material interest, direct or indirect, in any material transaction or any proposed material transaction (including, without limitation, any loan made to or by any such person) with the Company or any Subsidiary;

(p) (i) the Company and each Subsidiary has duly and on a timely basis filed all foreign, federal, state, provincial and municipal tax returns required to be filed by it, has paid all Taxes due and payable by the Company and the Subsidiaries, respectively, and has paid all assessments and reassessments and all other Taxes due and payable by it and which are claimed by any Governmental Authority to be due and owing and adequate provision has been made for Taxes payable for any completed fiscal period for which tax returns are not yet required to be filed; (ii) there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any Taxes, governmental charge or deficiency by the Company or by any Subsidiary, except as would be immaterial to the Company and the Subsidiaries, taken as a whole; (iii) there are no actions, suits, proceedings, investigations or claims pending or, to the knowledge of the Company, threatened, against the Company or any Subsidiary in respect of Taxes; and (iv) there are no matters under discussion by the Company with any Governmental Authority relating to Taxes asserted by any such authority;

(q) the Company is a reporting issuer in British Columbia and Alberta; the Company is not in default under the Applicable Securities Laws of any of the Offering Jurisdictions and is not on the list of defaulting issuers maintained by any Securities Commission in the Offering Jurisdictions;

(r) the Company is in compliance with its timely and continuous disclosure obligations under the Applicable Securities Laws and the policies, rules and regulations of the TSX-V and, without limiting the generality of the foregoing, there has not occurred any material change (actual, anticipated, contemplated, threatened, financial or otherwise) in the business, assets (including intangible assets), affairs, operations, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise), results of operations or control of the Company and the Subsidiaries taken as a whole since January 1, 2022 which has not been publicly disclosed on a non-confidential basis, and the Company has not filed any confidential material change report which remains confidential as at the date hereof;

(s) to the knowledge of the Company, no agreement is in force or effect which in any manner affects the voting or control of any of the securities of the Company or any Subsidiary;

(t) the authorized capital of the Company consists of an unlimited number of Common Shares and unlimited number of Class B preferred shares, of which as at the date hereof, 59,446,981 Common Shares (not including any Offered Shares issued or issuable pursuant to the Offering) are issued and outstanding as fully paid and non-assessable and no Class B preferred shares are issued and outstanding;

(u) as of the date hereof, the Company has outstanding stock options to purchase up to an aggregate of 2,516,666 Common Shares issued to certain directors, officers, employees and consultants of the Company pursuant to the Company's stock option plan, and other than pursuant to the provisions of this Agreement or pursuant to the Company's stock option plan, no person, firm, corporation or other entity holds any securities convertible or exchangeable into securities of the Company or has any agreement, warrant, option, right or privilege (whether at law, pre-emptive or contractual) being or capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities (including convertible securities) or warrants of the Company;

(v) the Company is qualified to use the Listed Issuer Financing Exemption and:

(i) the Company is and has been a reporting issuer in British Columbia and Alberta, for at least 12 months prior to the Offering Release, and is not in default of Applicable Securities Laws of such Provinces, and the federal laws of Canada;

(ii) the Company has filed all continuous disclosure documents required under Applicable Securities Laws, and under orders and/or undertakings issued by or made to any Canadian securities regulatory authority;

(iii) the Company has a class of equity securities listed for trading on a recognized stock exchange in Canada;

(iv) the Company has posted the LIFE Offering Document on its website;

(v) the use of proceeds to be received by the Company from the LIFE Offering shall not be allocated to an acquisition that is a significant acquisition under NI 51-102, a restructuring transaction (as defined in NI 51-102) or any other transaction for which the Company seeks approval of a securityholder;

(vi) on the date of the Offering Release, the total dollar amount of the LIFE Offering, combined with the dollar amount of all other distributions made by the Company under the Listed Issuer Financing Exemption during the 12-months immediately before the date of the LIFE Offering Document, will not, assuming completion of the LIFE Offering, exceed the greater of the following: (i) $5,000,000; and (ii) 10% of the aggregate market value of the Company's listed securities, on the date the Company issued the news release announcing the LIFE Offering, to a maximum of $10,000,000;

(vii) the LIFE Offering, combined with all other distributions made by the Company under the Listed Issuer Financing Exemption during the 12-months immediately before the Offering Release, will not result in an increase of more than 50% of the Company's outstanding equity securities listed for trading on a recognized stock exchange in Canada, as of the date that is 12 months before the Offering Release;

(viii) the Company reasonably believes that it will have available funds to meet its business objectives and liquidity requirements for a period of 12 months following closing of the LIFE Offering;

(ix) during the 12 months prior to the date of this Agreement, the Company has raised an aggregate of $0 using the Listed Issuer Financing Exemption and is not otherwise raising funds under the Listed Issuer Financing Exemption other than under the LIFE Offering;

(x) the resale of the Offered Shares issued pursuant to the Listed Issuer Financing Exemption will be free from resale restrictions under Applicable Securities Laws;

(xi) the Company is not, or during the 12 months immediately before the date that the Company filed the LIFE Offering Document, or any person or company which whom the Company completed a restructuring transaction was not, either of the following: an issuer whose operations have ceased or an issuer whose principal asset is or was cash, cash equivalents, or its exchange listing, including for greater certainty, a capital pool company, a special purpose acquisition company, a growth acquisition corporation or any similar person or company;

(xii) the Company is not an investment fund as defined under Applicable Securities Laws; and

(xiii) the LIFE Offering Document, together with all other documents filed under Applicable Securities Laws in a jurisdiction of Canada within the 12 months prior to the date of this Agreement, contains disclosure of all material facts relating to the Offered Shares being distributed pursuant to the LIFE Offering and does not contain a misrepresentation;

(w) all information and statements contained in the LIFE Offering Document are true and correct, in all material respects. The LIFE Offering Document, together with any document filed under Applicable Securities Laws on or after Offering Release, contains disclosure of all material facts about the securities being distributed in the LIFE Offering and does not contain a misrepresentation. The LIFE Offering Document complies with the requirements of Applicable Securities Laws;

(x) the execution and delivery of this Agreement and the Subscription Agreements and the performance of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action of the Company and this Agreement and the Subscription Agreements have been duly executed and delivered by the Company and this Agreement and each of the Subscription Agreements constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, provided that enforcement hereof and thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that the provisions relating to indemnity, contribution and waiver of contribution may be limited by Applicable Securities Laws (the "**Qualification**");

(y) the execution and delivery of this Agreement and the Subscription Agreements, the fulfillment of the terms hereof and thereof by the Company and the issuance, sale and delivery of the Offered Securities to be issued and sold by the Company do not and will not:

(i) other than Final Acceptance of the TSX-V in accordance with rules and policies thereof, require the consent, approval, authorization, registration or qualification of or with any Governmental Authority, stock exchange, Securities Commission or other third party, except such as have been obtained or will be obtained under Applicable Securities Laws or stock exchange regulations prior to the Closing Time;

(ii) result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with:

A. any of the terms, conditions or provisions of the articles, by-laws or resolutions of the shareholders, directors or any committee of directors of the Company or any Subsidiary;

B. any indenture, agreement or instrument, including the TD Credit Facility or other document, to which the Company or any Subsidiary is a party or by which it or they are contractually bound; or

C. any Applicable Laws, including, without limitation, the Applicable Securities Laws, or any judgment, order, direction or decree of any Governmental Authority or court having jurisdiction over the Company or any Subsidiary; or

(iii) affect the rights, duties and obligations of any parties to any indenture, agreement or instrument to which the Company or any Subsidiary is a party, nor give a party the right to terminate any such indenture, agreement or instrument by virtue of the application of terms, provisions or conditions in such indenture, agreement or instrument;

(z) other than the TD Credit Facility, neither the Company nor the Subsidiaries is party to any material debt instrument or has any material loans or other indebtedness outstanding with any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with the Company or the Subsidiaries;

(aa) the Company has the corporate power, capacity and authority to issue the Offered Securities; at the Closing Time, the Offered Securities will be validly authorized and issued as fully paid and non-assessable Common Shares, and will not have been issued in violation of or subject to any pre-emptive or contractual rights to purchase securities issued or granted by the Company;

(bb) to the knowledge of the Company, there is no legislation or governmental regulations proposed by a legislative body or Governmental Authority which the Company anticipates will materially and adversely affect the business, assets (including intangible assets), affairs, operations, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise) or results of operations of the Company or any Subsidiary;

(cc) (i) no default exists under and no event has occurred which, after notice or lapse of time or both, or otherwise, constitutes a material default under or breach of, by the Company, any Subsidiary, or any other person, any obligation, agreement, covenant or condition contained in any material contract, indenture, trust, deed, mortgage, loan agreement, note, lease or other agreement or instrument to which the Company or any Subsidiary is a party or by which it or any of its properties may be bound; and (ii) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of any Common Shares or any other security of the Company has been issued or made by any Securities Commission or stock exchange or any other regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated or threatened by any such authority or under any Applicable Securities Laws;

(dd) except for the Underwriters as provided herein, there is no person, firm or corporation acting for the Company entitled to any brokerage or finder's fee or other similar fee in connection with this Agreement or the Offering or any of the transactions contemplated hereunder;

(ee) the Company has filed all documents forming the Disclosure Record on a timely basis or has received a valid extension of such time of filing and has filed any such documents forming the Disclosure Record prior to the expiration of any such extension in order to be in compliance with Applicable Laws in all material respects. As of their respective dates, the documents forming the Disclosure Record complied in all material respects with the requirements of the Applicable Securities Laws, and none of the documents forming the Disclosure Record, when filed, contained any misrepresentation, which has not been corrected by the filing of a subsequent document which forms part of the Disclosure Record;

(ff) the minute books and records of each of the Company and the Subsidiaries made available to counsel for the Underwriters in connection with its due diligence investigation of the Company and the Subsidiaries for the periods from its date of incorporation to the date of examination thereof are all of the minute books and records of the Company and the Subsidiaries and contain copies of all material proceedings (or certified copies thereof) of the shareholders, the boards of directors and all committees of the boards of directors of the Company and the Subsidiaries to the date of review of such corporate records and minute books and there have been no other meetings, resolutions or proceedings of the shareholders, board of directors or any committees of the board of directors of the Company and the Subsidiaries to the date of review of such corporate records and minute books not reflected in such minute books and other records, other than those which are not material to the Company or any Subsidiary;

(gg) the Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged, and the Company has no reason to believe that it will not be able to renew the existing insurance coverage of the Company and the Subsidiaries as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost as would not have a Material Adverse Effect;

(hh) the Company and the Subsidiaries:

(i) and the property, assets and operations thereof, comply in all material respects with all applicable "**Environmental Laws**" (which term means and includes, without limitation, any and all Applicable Laws relating to the environment, occupational health and safety, or any "**Environmental Activity**" (which term means and includes, without limitation, any past, present or future activity, event or circumstance by or in respect of a "**Contaminant**" (which term means and includes, without limitation, any pollutants, hazardous wastes, hazardous materials, hazardous substances or contaminants or any other matter (including any of the foregoing), which is defined or described as such pursuant to any such applicable Environmental Laws), including, without limitation, the storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation thereof, or the release, escape, leaching, dispersal or migration thereof into the natural environment, including the movement through or in the air, soil, surface water or groundwater));

(ii) have not received any notice of any claim, judicial or administrative proceeding, pending or, to the knowledge of the Company, threatened against, or which may materially adversely affect, the Company, the Subsidiaries or any of the property, assets or operations thereof, relating to, or alleging any violation of any Environmental Laws, and the Company has no knowledge of any facts which could give rise to any such claim or judicial or administrative proceeding and, to the Company's knowledge, neither the Company nor any Subsidiary, nor any of the property, assets or operations of either of them, is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any Contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority;

(iii) have not given or filed any notice under any federal, state, provincial, territorial or local law with respect to any Environmental Activity, except for notices filed in the ordinary course of business of the Company or a Subsidiary that do not relate to any breach, contravention or violation or potential breach, contravention or violation of any Environmental Laws; the Company and the Subsidiaries do not have any liability (whether contingent or otherwise) in connection with any Environmental Activity; and no notice has been given to the Company or any Subsidiary under any federal, state, provincial, territorial or local law or of any liability (whether contingent or otherwise) with respect to any Environmental Activity relating to or affecting either the Company or the Subsidiaries or the property, assets, business or operations of any of them, except for notices in the ordinary course of business of the Company or a Subsidiary that do not relate to any breach, contravention or violation or potential breach, contravention or violation of any Environmental Laws;

(iv) have not stored any hazardous or toxic waste or toxic substance on the property thereof and have not disposed of any hazardous or toxic waste, in each case in a manner contrary to any Environmental Laws, and, to the Company's knowledge, there are no Contaminants on any of the premises at which the Company or the Subsidiaries carry on business, in each case other than in compliance with Environmental Laws; and

(v) are not subject to any contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment or non-compliance with Environmental Laws;

(ii) the Company and the Subsidiaries are in compliance with all Applicable Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages, except where such non-compliance would not, individually or in the aggregate, have a Material Adverse Effect or result in an adverse material change to the Company; the Company and the Subsidiaries have not engaged in any unfair labour practice; there is no labour strike, dispute, slowdown, stoppage, complaint or grievance pending that was communicated to the Company or, to the best of the knowledge of the Company, threatened against the Company or a Subsidiary; to the knowledge of the Company, no union representation question exists respecting the employees of the Company or a Subsidiary; no collective bargaining agreement is in place or currently being negotiated by the Company or a Subsidiary; neither the Company nor a Subsidiary has received any notice of any unresolved matter and there are no outstanding orders under the *Employment Standards Act* (Ontario), the *Human Rights Code* (Ontario), the *Occupational Health and Safety Act* (Ontario) or the *Workers' Compensation Act* (Ontario) or any other similar legislation in any jurisdiction in which the Company or a Subsidiary carries on business; no employee has any agreement as to the length of notice required to terminate his or her employment with the Company or a Subsidiary in excess of twelve months or equivalent compensation; and all benefit or pension plans of the Company and the Subsidiaries are funded in accordance with Applicable Laws and no past service funding liability exist thereunder;

(jj) the Company and its Subsidiaries have good and marketable title to or the right to use the assets (including the Business Assets) material to the operation of its Business; and (i) the assets of the Company and the Subsidiaries (including the Business Assets) are free and clear of all Liens arising by operation of Applicable Law (excluding Liens granted pursuant to the TD Credit Facility, equipment leases, and Liens which would be immaterial to the ownership or operation of such assets ("**Permitted Encumbrances**")); and (ii) other than Permitted Encumbrances, neither the Company nor the Subsidiaries has done any act or suffered or permitted any action whereby any person has acquired or may acquire an interest in the assets (including the Business Assets) of the Company or the Subsidiaries, nor has it done any act, omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of such;

(kk) the Company and its Subsidiaries have good and marketable title to all real property owned by them free of all Liens (excluding Liens granted pursuant to the TD Credit Facility), and property rights (including access rights) as are necessary for the conduct of the business of the Company and its Subsidiaries as currently conducted or contemplated to be conducted, and there are no outstanding options or rights of first refusal to purchase the such owned real property or any portion thereof or interest therein;

(ll) all agreements with third parties, including customers, in connection with the Business have been entered into and are being performed by the Company and the Subsidiaries, and, to the knowledge of the Company, by all other third parties thereto, in material compliance with their terms. There exists no actual or pending, or to the knowledge of the Company, any threatened termination, cancellation or limitation of, or any material adverse modification or material change in, the business relationship of the Company or the Subsidiaries, with any strategic or joint venture partner, supplier, wholesaler, manufacturer, service provider or customer, or any group thereof whose business with or whose purchases from or inventories, components or services provided to the Business or the Company or the Subsidiaries are individually or in the aggregate material to the assets, business, properties, operations or financial condition of the Company and the

Subsidiaries (on a consolidated basis), except where such termination, cancellation or limitation of, or any material adverse modification or material change, individually or in the aggregate, would not have a Material Adverse Effect. There exists no condition or state of fact or circumstances that would prevent the Company or the Subsidiaries from conducting such business with any such third parties in the same manner in all material respects as currently conducted or proposed to be conducted;

(mm) all products manufactured and services provided to customers, in whole or in part, by the Company or any Subsidiary, and to the best of the Company's knowledge all component parts which are supplied to the Company or any Subsidiary are, manufactured or provided in compliance with Applicable Laws and materially meet industry specific standards set by all organizations which pertain to the business of the Company and each Subsidiary and the Company's and each Subsidiary's products and services have met and satisfied all product safety standards necessary to permit the sale of the Company's and each Subsidiary's products and services in the jurisdictions in which they are sold;

(nn) all development and production activities, including inspection, assembly, and research and analysis activities, conducted by the Company and the Subsidiaries in connection with the Business are being conducted in accordance with the Company's internal policies, guidelines and protocols, Applicable Laws and best industry practices applicable to the Business; all processes, procedures and practices, required in connection with such activities, are in place as necessary to satisfy the Company's internal policies, guideline and protocols and are being complied with, in all material respects;

(oo) with respect to each premises of the Company and each of the Subsidiaries which is material to the business of the Company and which the Company or a Subsidiary occupies as tenant (the "**Leased Premises**"), the Company or a Subsidiary occupies the Leased Premises and, except any Leased Premises that is being subleased, has the exclusive right to occupy and use the Leased Premises for its intended use as disclosed in the Prospectus and each of the leases pursuant to which the Company or a Subsidiary occupies the Leased Premises is in good standing and in full force and effect;

(pp) other than as disclosed in the Disclosure Record, the Company or its Subsidiaries own all right, title and interest in and to, or possess valid and sufficient rights to use, the Intellectual Property used in the Business as currently conducted. None of the Intellectual Property that is owned or purported to be owned by the Company or the Subsidiaries (the "**Owned Intellectual Property**") comprises an improvement to any Intellectual Property that would give any third person any rights to any such Intellectual Property, including, without limitation, rights to license any such Intellectual Property;

(qq) no action, suit, proceeding or claim is pending, nor have the Company or the Subsidiaries received any notice or claim (whether written, oral or otherwise), challenging the ownership, validity, enforceability or right to use any of the Owned Intellectual Property or suggesting that any other person has any claim of legal or beneficial ownership or other claim or interest with respect to Owned Intellectual Property. To the knowledge of the Company: (A) the Owned Intellectual Property is valid and enforceable, and (B) there is no Owned Intellectual Property being used or enforced by the Company or any of the Subsidiaries in a manner that would result in its abandonment, cancellation or unenforceability. To the knowledge of the Company, no person is infringing upon, violating or misappropriating any Owned Intellectual Property and neither the Company nor any of the Subsidiaries is a party to any action or proceeding that alleges that any person has infringed, violated or misappropriated any Owned Intellectual Property;

(rr) except in each case as would, individually or in the aggregate, be immaterial to the Company and the Subsidiaries on a consolidated basis and/or where it was commercially reasonable to take or omit to take any action: (i) all applications for registration of Owned Intellectual Property have been properly filed and have been diligently prosecuted, maintained and pursued by the Company and the Subsidiaries in the ordinary course of business; (ii) no application for registration of Owned Intellectual Property has been finally rejected or denied by the applicable reviewing authority; (iii) all registrations of Owned Intellectual Property are in good standing and are recorded in the name of the Company or the Subsidiaries in the appropriate offices to preserve the rights thereto; (iv) all fees or payments required to keep the Intellectual Property in force or in effect have been paid; and (v) no registration of Intellectual Property has expired, become abandoned, been cancelled or expunged, been dedicated to the public, or has lapsed for failure to be renewed or maintained;

(ss) except in relation to Owned Intellectual Property, each of the Company and the Subsidiaries, as applicable, have entered into valid and enforceable written agreements in respect of the Intellectual Property used in their business as currently conducted. The Company or the Subsidiaries have been granted licences and permission to use, reproduce, sublicense, sell, modify, update, enhance or otherwise exploit such Intellectual Property to the extent required to conduct the business of the Company and the Subsidiaries as currently conducted (including, if required, the right to incorporate such Intellectual Property into the Owned Intellectual Property). All licence agreements in respect to any such Intellectual Property that is material to the business of the Company or its Subsidiaries are in full force and effect and none of the Company or the Subsidiaries is in default of any of their material obligations thereunder;

(tt) (A) to the extent any Intellectual Property was invented, developed, modified, created, conceived, supported or reduced to practice, in whole or in part, by current or past employees or independent contractors of the Company or any of the Subsidiaries, the Company and the Subsidiaries have obtained written agreements providing for confidentiality, non-disclosure, assignment of inventions and waivers of moral rights executed by all of such employees and independent contractors, except where the failure to obtain such written agreement would be immaterial to the Company and the Subsidiaries (taken as a whole); (B) the Company and the Subsidiaries treat their software products, including all source code therein, as confidential and proprietary business information and have taken commercially reasonable steps to protect the source code as trade secrets; and (C) such source code is documented in a manner that a reasonably skilled programmer could understand, modify, compile and otherwise utilize the material aspects of related computer programs. Without limiting any of the foregoing, the uses of open source software in the Company's or its Subsidiaries' software does not require the Company or the Subsidiaries to transfer rights of ownership in any such software to any third party, or to distribute, license or otherwise make the source code publicly available or have a Material Adverse Effect on their business as currently carried on, nor will such uses of open source software materially restrict or encumber the Company and the Subsidiaries' rights to the Owned Intellectual Property;

(uu) to the knowledge of the Company, the Business as now conducted does not infringe, violate, misappropriate or otherwise conflict with any Intellectual Property rights of any person and neither the Company nor any of its Subsidiaries is a party to any action or proceeding, nor, to the knowledge of the Company, is any action or proceeding threatened that alleges that the Company or its Subsidiaries has infringed, violated or misappropriated any Intellectual Property of any person;

(vv) no government funding, facilities or resources of a university, college, other educational institution or research center or funding from third parties was used in the development of any Owned Intellectual Property (other than funding for which the entity or entities providing such funding do not hold any interest in respect of the Owned Intellectual Property);

(ww) the Company and the Subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "**IT Systems and Data**") are adequate for, and operate and perform in all material respects as required in connection with the operation of the business of the Company and the Subsidiaries as currently conducted free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants, except as would not, individually or in the aggregate, have a Material Adverse Effect. The Company and the Subsidiaries have implemented and maintain commercially reasonable physical, technical and administrative controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and Data, including Personal Data (as hereinafter defined), used in connection with their businesses. There have been no breaches, violations, outages or unauthorized uses of or accesses to IT Systems and Data including Personal Data, except for those that have been or could be remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same. The Company has taken commercially reasonable steps (including implementing and monitoring compliance with respect to technical and physical security) consistent with industry standards, to ensure that the Personal Data are protected against damage, loss and against unauthorized access, use, modification, disclosure or other misuse, including (for the purpose of protecting the Company systems from infection by any disabling codes or instructions or any "back door", "time bomb", "Trojan horse", "worm", "drop dead device", "virus" or other software routines or hardware components that permit unauthorized access or the unauthorized disablement or erasure of the Company's technology or information systems, access by unauthorized persons, or access by authorized persons that exceeds the person's authorization) performing and documenting its risk assessment and management procedures, and conforming with industry standards pertaining to secure programming techniques. The Company's information security practices conform in all material respects to all requirements of applicable Laws regarding privacy and protection of personal information. There is no outstanding material complaint to, or any material proceeding or claim against, the Company or any Subsidiary initiated by any private Person or any Governmental Authority, with respect to any Personal Data. "**Personal Data**" means (i) a natural person's name, street address, telephone number, e-mail address, photograph, social security number or tax identification number, driver's licence number, passport number, credit card number, bank information, or customer or account number, (ii) any information which would qualify as "personally identifying information" under the Federal Trade Commission Act, (iii) "personal data" as defined by the European Union General Data Protection Regulation, (iv) any information contemplated as being personal information under any of the *Personal Information Protection and Electronic Documents Act* (Canada), *the Personal Health Information Protection Act, 2004* (Ontario), the *Personal Information Protection Act* (Alberta); the *Personal Information Protection Act* (British Columbia); and

An Act Respecting the Protection of Personal Information in the Private Sector (Quebec), (v) any information which would qualify as "protected health information" under the Health Insurance Portability and Accountability Act of 1996 by the Health Information Technology for Economic and Clinical Health Act, and (vi) any other piece of information that allows the identification of such natural person, or his or her family, or permits the collection or analysis of any data related to an identified person's health or sexual orientation;

(xx) the operations of the Company and the Subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the "**Applicable Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Authority involving the Company or the Subsidiaries with respect to Applicable Anti-Money Laundering Laws is, to the knowledge of the Company, pending or threatened;

(yy) neither the Company nor the Subsidiaries or any affiliates thereof, nor any of their directors, officers, employees or agents, has made any bribe, payoff, influence payment, kickback or unlawful contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office, or failed to disclose fully any contribution, in violation of any Applicable Law, or made any payment to any foreign, Canadian, United States, provincial, territorial or state governmental officer or official or other person charged with similar public or quasi-public duties, violated or is in violation of any provision of the *Corruption of Foreign Public Officials Act* (Canada), the *Foreign Corrupt Practices Act of 1977*, as amended, or any similar law, regulation or statute in any applicable jurisdictions;

(zz) Computershare Investor Services Inc., at its principal offices in Vancouver, British Columbia has been duly appointed as the registrar and transfer agent for the Common Shares;

(aaa) since January 1, 2023, there has been no material adverse change (actual, contemplated or threatened) in the business, assets (including intangible assets), affairs, operations, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise) or results of operations of the Company and the Subsidiaries (taken as a whole), and the business and material property and assets of the Company and the Subsidiaries conform in all material respects to the descriptions thereof in the Disclosure Record and, other than as disclosed in the Disclosure Record, the business has been carried on in the usual and ordinary course consistent with past practice since January 1, 2023;

(bbb) (i) the Company and each of the Subsidiaries possesses such permits, certificates, licences, approvals, registrations, qualifications, consents and other authorizations (collectively, "**Governmental Licences**") issued by the appropriate Governmental Authorities necessary to conduct the business now operated or as currently proposed to be operated by it in all jurisdictions in which it carries on business that are material to the conduct of the business of the Company and the Subsidiaries (as such business is currently conducted); (ii) the Company and each Subsidiary is in material compliance with the terms and conditions of all such Governmental Licences; (iii) all of such Governmental Licences are in good standing, valid and in full force and effect; (iv) neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation, suspension, termination or modification of any such Governmental Licences, and, to the knowledge of the Company, there are no facts or circumstances, including without limitation facts or circumstances relating to the revocation, suspension, modification or termination of any Governmental Licences held by others, that could lead to the revocation, suspension, modification or termination of any such Governmental Licences if the subject of an unfavourable decision, ruling or finding; (v) neither the Company nor any Subsidiary is in default with respect to filings to be effected or conditions to be fulfilled in order to maintain such Governmental Licences in good standing; (vi) none of such Governmental Licences contains any term, provision, condition or limitation which has or would reasonably be expected to affect or restrict in any material respect the operations or the business of the Company or any Subsidiary as now carried on or proposed to be carried on; and (vii) the Company is not, and to the knowledge of the Company, no party granting, any such Governmental Licences is considering limiting, suspending, modifying, withdrawing or revoking the same in any material respect;

(ccc) all forward-looking information and statements of the Company contained in the LIFE Offering Document and in the Disclosure Record, including any forecasts and estimates, expressions of opinion, intentions and expectations have been based on assumptions that are, in the opinion of the Company based on relevant information available to it at the time such assumptions were made, reasonable in the circumstances, and the Company has updated such forward-looking information and statements as required by and in compliance with Applicable Securities Laws;

(ddd) (i) the responses given by the Company and its officers at all oral due diligence sessions conducted by the Underwriters with respect to the Offering, as they relate to matters of fact, are true and correct in all material respects as at the time such responses have been given; and (ii) to the Company's knowledge, where the responses reflect the opinion or view of its officers (including responses or portions of such responses which are forward-looking or otherwise relate to projections, forecasts, or estimates of future performance or results (operating, financial or otherwise)), such opinions or views were honestly held and believed to be reasonable at the time they are given; and

(eee) since January 1, 2023, the Company has not completed any "significant acquisition", "significant disposition" nor is it proposing any "probable acquisitions" (as such terms are used in NI 44-101 and NI 51-102) that would require the filing with the Securities Commissions of any additional financial statements or any *pro forma* financial statements pursuant to the Applicable Securities Laws.

6. Covenants of the Company

The Company covenants and agrees with the Underwriters that the Company:

(a) will, during the period commencing on the date hereof until the Closing Time, promptly inform the Underwriters in writing of the full particulars of:

(i) the receipt by the Company of any material communication, whether written or oral, from any Securities Commission, the TSX-V or any other competent authority, relating to the Offering, the Offered Securities or the Company;

(ii) any notice or other correspondence received by the Company from any Governmental Authority and any requests from such bodies for information, a meeting or a hearing relating to the Company, the Offering, the issue and sale of the Offered Securities or any other event or state of affairs that could, individually or in the aggregate, have a Material Adverse Effect; or

(iii) the issuance by any Securities Commission, the TSX-V or any other competent authority, including any other Governmental Authority, of any order to cease or suspend trading or distribution of any securities of the Company or of the institution, threat of institution of any proceedings for that purpose or any notice of investigation that could potentially result in an order to cease or suspend trading or distribution of any securities of the Company;

(b) for a period of 24 months following the Closing Date will use its commercially reasonable efforts to remain, and to cause the Material Subsidiaries to remain a corporation validly subsisting under the laws of its jurisdiction of incorporation or amalgamation, and to be duly licensed, registered or qualified as an extra-provincial or foreign corporation or entity in all jurisdictions where the character of its properties owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary and to carry on its business in the ordinary course and in compliance in all material respects with all Applicable Laws of each such jurisdiction, provided that the Company shall not be required to comply with this Section 6(b) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be a "reporting issuer" pursuant to Applicable Securities Laws;

(c) will use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Applicable Securities Laws of each of the jurisdictions in which it is currently a "reporting issuer" and will comply with all of its obligations under applicable laws for a period of 24 months following the Closing Date, provided that the Company shall not be required to comply with this Section 6(c) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be a "reporting issuer" pursuant to Applicable Securities Laws;

(d) will use its commercially reasonable efforts (including, without limitation, making application to the Securities Commissions of each Offering Jurisdiction for all consents, orders and approvals necessary) to maintain the listing of the Common Shares on the TSX-V or such other recognized stock exchange or quotation system as Beacon, on behalf of the Underwriters, may approve, acting reasonably, for a period of 24 months following the Closing Date, provided that the Company shall not be required to comply with this Section 6(d) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be a "reporting issuer" pursuant to Applicable Securities Laws;

(e) will use its commercially reasonable efforts to ensure that the Offered Securities are, when issued, listed and posted for trading on the TSX-V upon their date of issuance;

(f) will promptly do, make, execute, deliver or cause to be done, made, executed or delivered, all such acts, documents and things for the purpose of giving effect to this Agreement and take all such steps as may be reasonably required within its power to implement to the full extent the provisions, and to satisfy the conditions, of this Agreement;

(g) has provided to the Underwriters a copy of the conditional listing approval of the Offered Securities on the TSX-V which is still in effect;

(h) during the period from the date hereof until the completion of the Offering, will forthwith notify the Underwriters of any breach of any covenant of this Agreement or any Ancillary Documents by any party thereto, or upon it becoming aware that any representation or warranty of the Company contained in this Agreement or any Ancillary Document is or has become untrue or inaccurate in any material respect;

(i) will not, at any time prior to the closing of the Offering, halt the trading of the Common Shares on the TSX-V without the prior written consent of Beacon except where required by Applicable Laws;

(j) fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 7 of this Agreement;

(k) prior to the Closing Time, will make available management of the Company for meetings with investors as scheduled by Beacon at the discretion of Beacon, acting reasonably;

(l) execute and file with the Securities Commissions all forms, notices and certificates required to be filed pursuant to the Applicable Securities Laws in respect of the Offering in the time required by the Applicable Securities Laws, including, for greater certainty, all forms, notices and certificates set forth in the opinions delivered to the Underwriters pursuant to Section 7 of this Agreement required to be filed by the Company and to comply with all timely and continuous disclosure obligations under Applicable Securities Laws in respect of the Offering;

(m) will use the net proceeds from the Offering for the purposes described in the LIFE Offering Document; and

(n) will cause each of its directors and officers to enter into a lock-up agreement with and in form and substance satisfactory to Beacon at the Closing Time on the Closing Date pursuant to Section 7(j) of this Agreement.

7. Conditions of Closing

The obligation of each Purchaser to purchase or arrange for purchasers of the Offered Securities at the Closing Time on the Closing Date shall be subject to the following:

(a) the Underwriters will receive at the Closing Time a legal opinion addressed to the Underwriters and their counsel dated and delivered the Closing Date from the Company's Canadian counsel, O'Neill Law LLP, and from local counsel (only in respect of matters governed by laws of the Offering Jurisdictions or the jurisdictions of the Material Subsidiaries where the Company's Canadian counsel is not qualified to practise), in each case in form and substance satisfactory to the Underwriters and their counsel, acting reasonably, with respect to the following matters, subject to such reasonable assumptions and qualifications customary with respect to transactions of this nature as may be accepted by Underwriters' counsel, acting reasonably:

(i) the Company is a "reporting issuer", or its equivalent, in each of the Provinces of British Columbia and Alberta and it is not listed as in default of any requirement of the Applicable Securities Laws in any such Offering Jurisdictions which maintain such a list;

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

(iii) as to the authorized and issued capital of the Company;

(iv) the Offered Securities have been validly authorized and issued and are outstanding as fully paid and non-assessable Common Shares in the capital of the Company;

(v) the Company has all necessary corporate power and capacity: (i) to execute and deliver this Agreement and the Subscription Agreements and to perform its obligations hereunder and thereunder; and (ii) to offer, issue, sell and deliver the Offered Securities;

(vi) the Company has duly authorized, executed and delivered, this Agreement and the Subscription Agreements and authorized the performance of its obligations hereunder and thereunder, including the offering, issue, sale and delivery of the Offered Securities, and this Agreement and each of the Subscription Agreements constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to the Qualification and such other qualifications as are customary in such circumstances;

(vii) the execution and delivery of this Agreement and the Subscription Agreements, the offering, issue and sale of the Offered Securities and the consummation of the transactions contemplated by this Agreement, do not conflict with or result in a breach of (whether after notice or lapse of time or both) or constitute a default under (i) any of the terms, conditions or provisions of the articles of incorporation or amalgamation, as applicable, the by-laws, or resolutions of the shareholders or the board of directors (or any committee thereof) of the Company, (ii) the TD Credit Facility, or (iii) the laws of the Province of British Columbia or the federal laws of Canada;

(viii) Computershare Investor Services Inc. is the duly appointed registrar and transfer agent for the Common Shares;

(ix) subject only to the Standard Listing Conditions, the Offered Securities, have been conditionally listed or approved for listing on the TSX-V;

(x) the issuance and sale of the Offered Securities by the Company to the Purchasers in the Offering Jurisdictions in accordance with the terms of the Subscription Agreements is exempt from the prospectus requirements of Applicable Securities Laws and, no documents are required to be filed other than the news release described in Section 5A.2(k)(i) of NI 45-106 and the LIFE Offering Document, both in respect of the LIFE Offering, proceedings, approvals, permits, consents or authorizations are required to be made, taken or obtained by the Company under the Applicable Securities Laws in connection with such issue and sale; it being noted that the Company is required to file or cause to be filed with the Securities

Regulators, within 10 days from the date hereof, a report prepared on Form 45-106F1 (as prescribed by NI 45-106) together with payment of the prescribed fees, if any;

(xi) the first trade of the Offered Shares will be a distribution subject to the prospectus requirements of Applicable Securities Laws, unless:

A. the Company is and has been a “reporting issuer” for the four months immediately preceding the first trade in a jurisdiction of Canada;

B. such trade is not a “control distribution” (as such term is defined in NI 45-102);

C. no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade;

D. no extraordinary commission or consideration is paid to a person or company in respect of the trade; and

E. if the selling securityholder is an insider or officer of the Company at the time of the first trade, the selling securityholder has no reasonable grounds to believe that the Company is in default of securities legislation;

(xii) the first trade of the Private Placement Shares will be a distribution subject to the prospectus requirements of Applicable Securities Laws, unless:

A. the Company is and has been a “reporting issuer” for the four months immediately preceding the first trade in a jurisdiction of Canada;

B. at the time of the first trade, at least four months have elapsed from the “distribution date” (as such term is defined in NI 45-102) of the applicable security;

C. the certificates representing the securities that are the subject of the trade were issued with a legend stating the prescribed restricted period in accordance with Section 2.5(2)3(i) of NI 45-102 or if the securities are entered into a direct registration or other electronic book-entry system, or if the Purchaser did not directly receive a certificate representing the security, the Purchaser received written notice containing the legend restriction notation set out in Section 2.5(2)3(i) of NI 45-102;

D. such trade is not a “control distribution” (as such term is defined in NI 45-102);

E. no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade;

F. no extraordinary commission or consideration is paid to a person or company in respect of the trade; and

G. if the selling securityholder is an insider or officer of the Company at the time of the first trade, the selling securityholder has no reasonable grounds to believe that the Company is in default of securities legislation.

In connection with such opinion, counsel to the Company may rely on the opinions of local counsel in the Offering Jurisdictions acceptable to counsel to the Underwriters, acting reasonably, as to matters governed by the laws of jurisdictions other than the province or provinces in which the Company's Canadian counsel are qualified to practice and may rely, to the extent appropriate in the circumstances but only as to matters of fact, on certificates of officers of the Company and others;

(b) the Underwriters shall have received legal opinions addressed to the Underwriters with respect to: (i) the existence of each Material Subsidiary; (ii) the issued and outstanding securities of each Material Subsidiary and the securities thereof being held by the Company or a Subsidiary; (iii) the power and capacity of the Material Subsidiary to carry on its business and activities and to own and lease its property and assets; each such opinion to be in form and substance, acceptable in all reasonable respects to the Underwriters and their legal counsel;

(c) if any Offered Securities are being sold in the United States pursuant to this Agreement, the Company shall have caused a favourable legal opinion to be addressed to the Underwriters by United States counsel to the Company, in form and substance satisfactory to the Underwriters, acting reasonably, dated the Closing Date, to the effect that the sale of such Offered Securities to such persons is not required to be registered under the U.S. Securities Act, subject to the usual and customary assumptions, limitations and qualifications, it being understood that no opinion will be expressed as to the subsequent resale of any Offered Securities;

(d) the Underwriters shall have received a certificate dated the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Company or any other senior officer(s) of the Company as may be acceptable to the Underwriters, in form and content satisfactory to the Underwriters' counsel, acting reasonably, with respect to:

(i) the articles and bylaws of the Company;

(ii) resolutions of the Company's board of directors relevant to, among other things, the issue and sale of the Offered Securities to be issued and sold by the Company and the authorization of this Agreement, the Subscription Agreements and the other agreements and transactions contemplated herein; and

(iii) the incumbency and signatures of signing officers of the Company;

(e) the Underwriters shall have received a certificate of status or the equivalent dated within one Business Day of the Closing Date, in respect of the Company and the Material Subsidiaries;

(f) the Company shall deliver to the Underwriters, at the Closing Time, certificates dated the Closing Date addressed to the Underwriters and signed by the Chief Executive Officer of the Company and the Chief Financial Officer of the Company, or such other senior officer(s) of the Company as may be acceptable to the Underwriters, certifying for and on behalf of the Company and without personal liability, to the effect that:

(i) the Company has complied in all respects with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time;

(ii) the representations and warranties of the Company contained herein are true and correct as at the Closing Time with the same force and effect as if made on and as at the Closing Time after giving effect to the transactions contemplated hereby;

(iii) such other matters as the Underwriters may reasonably request;

(g) the Underwriters shall have received copies of correspondence indicating that the Company has obtained all necessary approvals for the Common Shares to be listed on the TSX-V, subject only to Standard Listing Conditions;

(h) the representations and warranties of the Company contained in this Agreement will be true at and as of the Closing Time on the Closing Date as if such representations and warranties were made at and as of such time and all agreements, covenants and conditions required by this Agreement to be performed, complied with or satisfied by the Company at or prior to the Closing Time on the Closing Date will have been performed, complied with or satisfied prior to that time;

(i) the Underwriters shall have received a certificate from Computershare Investor Services Inc. as to the number of Common Shares issued and outstanding as at the date immediately prior to the Closing Date;

(j) the Underwriters shall have received lock-up agreements delivered by the officers and directors of the Company, agreeing to not, for a period commencing on the date hereof and ending 120 days following the Closing Date, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, lend, swap, hypothecate, pledge, transfer, assign, otherwise dispose of or deal with, or publicly announce any intention to do any of the foregoing, whether through the facilities of a stock exchange, by private placement or otherwise, the Common Shares or any securities convertible into or exchangeable for Common Shares owned, directly or indirectly, by the director or officer or under the control or direction of the director or officer or with respect to which the undersigned has beneficial ownership, or enter into any other transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of such securities, without, in each case, the prior written consent of Beacon, which consent will not be unreasonably withheld or delayed, provided that the officers and directors of the Company shall be permitted to sell Common Shares in connection with a "cashless exercise" of options made in accordance with the terms and conditions of the Company's stock option plan;

(k) the Underwriters will have received such other certificates, opinions, agreements or closing documents in form and substance reasonably satisfactory to the Underwriters as the Underwriters may reasonably request; and

(l) the Company shall have accepted the duly and fully completed Subscription Agreements with the Purchasers and, unless the Company reasonably believes it would be unlawful or contrary to Applicable Securities Laws to do so, have accepted each duly executed Subscription Agreement accompanied by the required subscription funds submitted to the Company as contemplated by the Offering.

8. Closing

The closing of the purchase and sale of the Offered Shares and, if applicable, the Private Placement Shares, shall be completed at the Closing Time at the offices of O'Neill Law LLP in Vancouver, British Columbia or at such other place as Beacon, on behalf of the Underwriters, and the Company shall agree upon. At the Closing Time:

(a) the Company will deliver to Beacon, or as Beacon may direct, (i) via electronic deposit or represented by one or more physical certificates in definitive form, the Common Shares (other than the Offered Securities sold to Direct Settlers) registered in the name of "CDS & Co." or in such other name or names as Beacon may notify the Company in writing not less than 24 hours prior to the Closing Time for deposit into the electronic book based system for clearing, depository and entitlement services operated by CDS, or will be made and settled in CDS under the non-certificated inventory system, and (ii) all further documentation as may be contemplated in this Agreement or as counsel to the Underwriters may reasonably require; against payment by the Underwriters to the Company (in accordance with their respective entitlements) of the aggregate purchase price for the Offered Shares and Private Placement Shares being issued and sold under this Agreement to Purchasers who are not Direct Settlers, net of the Underwriters' Fee and the Underwriters' expenses contemplated in Section 12 of this Agreement, by wire transfer payable to or as directed by the Company not less than 48 hours prior to the Closing Time; and

(b) The Company shall pay all fees and expenses payable to or incurred by the registrar of the Company in connection with the preparation, delivery, certification and exchange of the definitive certificates contemplated by this Section 8 and the fees and expenses payable to or incurred by the registrar of the Company in connection with such additional transfers required in the course of the distribution of the Offered Securities.

9. Restrictions on Further Issues or Sales

During the period commencing on the date hereof and ending 120 days following the Closing Date, the Company will not, directly or indirectly, without the prior written consent of Beacon, such consent not to be unreasonably withheld or delayed, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or enter into any derivative transaction that has the effect of any of the foregoing, or agree to or announce any intention to issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or enter into any derivative transaction that has the effect of any of the foregoing, any additional Common Shares or any securities convertible into or exchangeable for Common Shares, other than issuances: (i) pursuant to the Offering; (ii) under existing director or employee stock options, the Company's restricted share unit or deferred share unit plan, bonus or purchase plans or similar share compensation arrangements as detailed in the Disclosure Record; (iii) under director or employee stock options, the Company's restricted share unit or deferred share unit plan, or bonuses granted subsequently in accordance with regulatory approval; (iv) upon the exercise of convertible securities, warrants or options outstanding prior to the Closing Date; or (v) pursuant to previously scheduled property payments and/or other corporate acquisitions disclosed to the Underwriters prior to the Closing Date.

10. Indemnification by the Company

(a) The Company shall fully indemnify and save harmless each of the Underwriters and their respective affiliates and their respective directors, officers, employees, shareholders, partners, advisors and agents and each other person, if any, controlling any of the Underwriters or their affiliates (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**") from and against any and all liabilities, claims (including securityholder actions, derivative or otherwise), actions, losses (other than the loss of profits), costs, damages and expenses (including the aggregate amount paid in settlement of any action, suit, proceeding, investigation or claim) whether joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims (collectively, "**Losses**") that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the "**Claims**" and individually, a "**Claim**") to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Losses and/or Claims relate to, are caused by, result from, arise out of, or are in connection with, directly or indirectly:

(i) the breach of any representation or warranty of the Company made in any Ancillary Document or the failure of the Company to comply with any of its obligations in any Ancillary Document or any omission or alleged omission to state in any Ancillary Document or the LIFE Offering Document any fact required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made;

(ii) any order made or any inquiry, investigation or proceeding instituted, threatened or announced by any court, securities regulatory authority, stock exchange or by any other competent authority, based upon any untrue statement, omission or misrepresentation or alleged untrue statement, omission or misrepresentation (except a statement, omission or misrepresentation relating solely to the Underwriters or any of them and furnished in writing by the Underwriters to the Company for use therein) contained in the LIFE Offering Document or any other document or material filed or delivered on behalf of the Company pursuant to this Agreement, the LIFE Offering Document or any documents forming the Disclosure Record, preventing or restricting the trading in or the sale or distribution of the Offered Securities or any other securities of the Company;

(iii) the non-compliance by the Company with any Applicable Securities Laws or other regulatory requirements or the rules of the TSX-V including the Company's non-compliance with any statutory requirement to make any document available for inspection or any failure to make timely disclosure of a material change by the Company during the period of distribution of the Offered Securities;

(iv) any statement contained in the Disclosure Record which at the time and in the light of the circumstances under which it was made, contained or is alleged to have contained a misrepresentation or untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make any statement therein not misleading in light of the circumstances in which they were made;

(v) any misrepresentation or alleged misrepresentation by or on behalf of the Company (excluding the Underwriters and Selling Firms) relating to the Offering, this Agreement or the LIFE Offering Document (except a statement, omission or misrepresentation relating solely to the Underwriters or any of them and furnished in writing by the Underwriters to the Company for use therein) whether oral or written and whether made during and in connection with the Offering, where such misrepresentation may give or gives rise to any other liability under any statute in any jurisdiction which is in force on the date of this Agreement;

(vi) any breach of any representation or warranty of the Company contained herein or the failure of the Company to comply with any of its covenants or other obligations contained herein or to satisfy any conditions contained herein required to be satisfied by the Company; or

(vii) any sales of Offered Securities to the President's List Purchasers or Direct Settlers.

(b) Notwithstanding Section 10(a), the Indemnified Parties will not be indemnified to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable determines that:

(i) the Indemnified Parties have been grossly negligent or dishonest or have committed any fraudulent act or wilful misconduct in the course of such performance; and

(ii) the Losses as to which indemnification is claimed, were determined by a court of competent jurisdiction in final and non-appealable judgment to have been directly caused by the circumstances referred to in Section 10(b)(i).

(c) The Company agrees that in case any legal proceeding shall be brought against the Company and/or the Underwriters by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or if any such commission or authority shall investigate the Company and/or the Indemnified Parties and any Indemnified Parties shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Company by the Underwriters, the Indemnified Parties shall have the right to employ their own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Underwriters for time spent by the Indemnified Parties in connection therewith) and out-of-pocket expenses incurred by Indemnified Parties in connection therewith shall be paid by the Company as they occur, provided that: (i) the employment of such counsel has been authorised in writing by the Company; (ii) the Company has not assumed the defence of the action within a reasonable period of time, and in any event within 10 days, after receiving notice of the Claim; (iii) the named parties to any such Claim included the Company, and the Underwriters and/or the Indemnified Parties shall have been advised by their counsel that there may be a conflict of interest between them and the Company; or (iv) there are one or more defences available to the Underwriters and/or the Indemnified Parties which are different from or in addition to those available to the Company, as the case may be.

(d) If any Claim contemplated by this Section 10 shall be asserted against any of the Indemnified Parties, or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Company, the Underwriters must promptly notify the Company in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Company subject to maintaining solicitor-client privilege, will keep the Company advised of the progress thereof and will discuss with the Company all significant actions proposed. The omission to so notify the Company shall not relieve the Company of any liability which the Company may have to the Indemnified Parties except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the defence of such action, suit, proceeding, claim or investigation or results in any material increase in the liability which the Company would otherwise have under this indemnity had the Underwriters not so delayed in giving or failed to give the notice required hereunder.

(e) The Company shall, subject as hereinafter provided, be entitled (but not required) to assume the defence on behalf of the Indemnified Parties of any such Claim; provided that the defence shall be through legal counsel selected by the Company and acceptable to the Underwriters, acting reasonably. Upon the Company notifying the Underwriters in writing of its election to assume the defence and retaining counsel, the Company shall not be liable to the Underwriters for any legal expenses subsequently incurred by them in connection with such defence, except as provided for in Section 10(c).

(f) The Company will not, without each affected Indemnified Party's prior written consent, such consent not to be unreasonably withheld, admit any liability, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder unless in connection with any settlement, compromise or consent by the Company, such settlement, compromise or consent (i) includes an unconditional release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim (if an Indemnified Party is a party to such action) and (ii) does not include a statement as to, or an admission of fault, culpability or a failure to act by or on behalf of an Indemnified Party.

(g) The Company hereby acknowledges and agrees that, with respect to Sections 10 and 11 hereof, the Underwriters are contracting on their own behalf and as agents for their affiliates, and its and their respective directors, officers, employees, partners, shareholders, advisors, agents and each other person, if any, controlling any of the Underwriters or their affiliates (collectively, the "**Beneficiaries**"). In this regard, each of the Underwriters shall act as trustee for the Beneficiaries of the covenants of the Company under Sections 10 and 11 hereof with respect to the Beneficiaries and accepts these trusts and shall hold and enforce such covenants on behalf of the Beneficiaries.

(h) The rights to indemnification provided in this Section 10 shall be in addition to and not in derogation of any other rights which the Underwriters may have by statute or otherwise at law and shall extend to the Indemnified Parties and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Company. The Underwriters, and the Indemnified Parties.

11. Contribution

(a) In order to provide for just and equitable contribution in circumstances in which the indemnity provided in Section 10 hereof would otherwise be available in accordance with its terms but is, for any reason held to be illegal, unavailable to or unenforceable by the Indemnified Parties or enforceable otherwise than in accordance with its terms, the Company and the Underwriters shall contribute to the aggregate of all Losses of the nature contemplated in Section 10 hereof and suffered or incurred by the Indemnified Parties (i) in such proportion as is appropriate to reflect not only the relative benefits received by the Company, on the one hand, and the Underwriters on the other hand, from the distribution of the Offered Securities, or (ii) if the allocation provided by (i) is not permitted by Applicable Law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company, on the one hand, and the Underwriters, on the other hand, in respect of such Losses; provided that the Company shall in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any excess of such amount over the amount actually received by the Underwriters or any other Indemnified Party under this Agreement and further provided that the Underwriters shall not in any event be liable to contribute, in the aggregate, any amount in excess of such total Underwriters' Fee or any portion thereof actually received by the Underwriters. However, no party who has engaged in any fraud, dishonesty, gross negligence, or wilful misconduct shall be entitled to claim contribution from any person who has not engaged in such fraud, dishonesty, gross negligence, or wilful misconduct.

(b) The relative benefits received by the Company, on the one hand, and the Underwriters, on the other hand, shall be deemed to be in the same ratio as the total proceeds from the Offering of the Offered Securities (net of the Underwriters' Fee payable to the Underwriters but before deducting expenses) received by the Company is to the Underwriters' Fee actually received by the Underwriters. The relative fault of the Company, on the one hand, and of the Underwriters, on the other hand, shall be determined by reference to, among other things, whether the matters or things referred to in Section 10 which resulted in such Claims and/or Losses relate to information supplied by or steps or actions taken or done or not taken or not done by or on behalf of the Company or to information supplied by or steps or actions taken or done or not taken or not done by or on behalf of the Underwriters and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to in Section 10. The amount paid or payable by an Indemnified Party as a result of the Claims and/or Losses referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such Claims and/or Losses, whether or not resulting in an action, suit, proceeding or claim. The parties to this Agreement agree that it would not be just and equitable if contribution pursuant to this Section 11 were determined by any method of allocation which does not take into account the equitable considerations referred to in this Section 11.

(c) The rights to contribution provided in this Section 11 shall be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law, provided that, if the Company may be held to be entitled to contribution from the Underwriters under the provisions of any statute or at law, the Company shall be limited to contribution in an aggregate amount not exceeding the lesser of:

(i) the portion of the full amount of the Losses giving rise to such contribution for which the Underwriters are responsible, as determined in Section 10(a); and

(ii) the amount of the aggregate Underwriters' Fee actually received by the Underwriters from the Company under this Agreement.

(d) If an Indemnified Party has reason to believe that a claim for contribution may arise, the Indemnified Party shall give the Company notice thereof in writing, but failure to so notify shall not relieve the Company of any obligation which it may have to the Indemnified Party under this Section 11 provided that the Company is not materially and adversely prejudiced by such failure, and the right of the Company to assume the defence of such Indemnified Party shall apply as set out in Section 10 hereof, *mutatis mutandis*.

12. Fees and Expenses

Whether or not the LIFE Offering and/or the Concurrent Private Placement is completed, all fees and expenses (including GST or HST, if applicable) of or incidental to the creation, issuance and delivery of the Offered Securities and of or incidental to all matters in connection with the transactions herein set out shall be borne by the Company including, without limitation:

(a) all expenses of or incidental to the creation, issue, sale or distribution of the Offered Securities;

(b) the fees and expenses of counsel to the Company and all local counsel (including GST or HST, if and as applicable, on all of the foregoing);

(c) all costs incurred in connection with the preparation of documentation relating to the Offering; and

(d) the reasonable out-of-pocket expenses and fees of the Underwriters, including the reasonable fees and disbursements of the Underwriters' counsel as set forth in the letter agreement between the Company and Beacon dated June 17, 2024, as amended on June 18, 2024 (and subject to the limitations thereon as set forth therein), with such expenses to be paid by the Company at the Closing Time or at any other time requested by the Underwriters, provided that all fees and expenses incurred by the Underwriters, or on its behalf, pursuant to the Offering shall be payable by the Company immediately upon receiving an invoice therefor from the Underwriters and shall be payable whether or not the Offering is completed.

13. Obligations of the Underwriters

Subject to the terms and conditions of this Agreement, the obligations of the Underwriters under this Agreement shall be several in all respects and not joint or joint and several. For greater certainty, in respect of the LIFE Offering, the obligations of the Underwriters to purchase the Offered Shares (for greater certainty, including Additional Shares only to the extent the Underwriters' Option has been exercised therefor) shall be several and not joint or joint and several, and shall be limited to the percentages of the aggregate number of Offered Shares to be purchased set out opposite the names of the Underwriters respectively below:

Beacon Securities Limited	-	63%
Clarus Securities Inc.	-	16%
Cormark Securities Inc.	-	10.5%
Ventum Financial Corp.	-	10.5%

If an Underwriter (a "**Refusing Underwriter**") does not complete the purchase and sale of the Offered Shares (for greater certainty, including Additional Shares only to the extent the Underwriters' Option has been exercised therefor) which the Refusing Underwriter has agreed to purchase under this Agreement (other than in accordance with Section 13 of this Agreement) (such Offered Shares that are not purchased being the "**Defaulted Shares**"), Beacon, on behalf of the remaining Underwriters (the "**Continuing Underwriters**"), may delay the Closing Date for not more than five Business Days without the prior written consent of the Company, and the Continuing Underwriters will be entitled, at their option, to purchase all but not less than all of the Defaulted Shares *pro rata* according to the number of Offered Shares to have been acquired by the Continuing Underwriters under this Agreement or in any proportion agreed upon, in writing, by the Continuing Underwriters. If the Continuing Underwriters do not elect to purchase the Defaulted Shares:

(a) the Continuing Underwriters will not be obliged to purchase any of the Offered Shares;

(b) the Company will not be obliged to sell less than all of the Offered Shares; and

(c) the Company will be entitled to terminate its obligations under this Agreement, in which event there will be no further liability on the part of the Continuing Underwriters, or on the part of the Company except pursuant to the provisions of Sections 10, 11 and 12 of this Agreement.

Nothing in this Section 13 shall relieve any Refusing Underwriter from liability in respect of its default hereunder to the Company or the Continuing Underwriters.

14. All Terms to be Conditions

The Company agrees that the conditions contained in Section 7 will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Company and that it will use its commercially reasonable efforts to cause all such conditions to be complied with. Any breach or failure to comply with or satisfy any of the conditions set out in Section 7 shall entitle the Underwriters to terminate their obligations under this Agreement, by written notice to that effect given to the Company at or prior to the Closing Time. It is understood that the Underwriters may waive, in whole or in part, or extend the time for compliance any of such terms and conditions without prejudice to the rights of the Underwriters in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing.

15. Termination by Underwriters in Certain Events

(a) Each Underwriter shall be entitled to terminate its obligations hereunder by written notice to that effect given to the Company at or prior to the Closing Time if:

(i) there shall have occurred any material change in relation to the Company or change in material fact, or there should be discovered any previously undisclosed material fact, or information or circumstance or there should occur a change in any material fact relating to the Company and/or its Subsidiaries, including from that information disseminated by the Company through its periodic and timely disclosure documents publicly filed on the SEDAR+, which in any case, in the reasonable, which, in the sole opinion of the Underwriters, has or would reasonably be expected to have a significant adverse effect on the market price or value of the Common Shares or other securities of the Company;

(ii) (A) any order, inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the TSX-V or any securities regulatory authority against the Company, the Subsidiaries or any of their respective officers and directors or any principal shareholders of the Company, or any law or regulation is enacted or changed which in the sole opinion of the Underwriters, acting reasonably, operates or threatens to prevent, cease or restrict the issuances or trading of the Common Shares or any other securities of the Company or materially and adversely affects or would reasonably be expected to materially and adversely affect the market price or value of the Common Shares or other securities of the Company or that could be reasonably expected to have a Material Adverse Effect; or (B) if there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence or any law or regulation which in the sole opinion of the Underwriters seriously adversely affects, or involves, or will seriously adversely affect, or involve, the financial markets or the business, operations or affairs of the Company and the Subsidiaries taken as a whole;

(iii) there should develop, occur or come into effect or existence any event, action, state, accident, condition, terrorist event, epidemic or pandemic (including any material escalation in the severity of the COVID-19 pandemic), natural disaster, public protest or major financial, political or economic occurrence of national or international consequence or any law or regulation which, in the sole opinion of the Underwriters, seriously adversely affects, or will, or could reasonably be expected to, seriously adversely affect, the financial markets or the business, operations or affairs of the Company and the Subsidiaries, on a consolidated basis;

(iv) solely in respect of the Concurrent Private Placement, the Underwriters (or any one of them) determine, acting reasonably, that the state of the financial markets, whether national or international, is such that the Private Placement Shares cannot be profitably marketed or it would be impractical to offer or to continue to offer the Private Placement Shares for sale;

(v) the Company is in breach of any Applicable Laws (including Applicable Securities Laws relating to timely disclosure of material information) or any term, condition or covenant of this Agreement, or any condition herein is not satisfied, or any representation or warranty given by the Company is or becomes false;

(vi) an order is made or threatened to cease or suspend trading in the Common Shares or any other securities of the Company, or to otherwise prohibit or restrict in any manner the distribution or trading of the Common Shares or any other securities of the Company, or proceedings are announced or commenced for the making of any such order by any Securities Commission or similar regulatory or judicial authority or the TSX-V, which order has not been rescinded, revoked or withdrawn; or

(vii) both Beacon, on behalf of the Underwriters, and the Company agree in writing to terminate this Agreement.

(b) If this Agreement is terminated by any of the Underwriters pursuant to Section 15(a), there shall be no further liability on the part of such Underwriter, or on the part of the Company to such Underwriter except in respect of any liability which may have arisen or may thereafter arise under Sections 10, 11 and 12.

(c) The right of the Underwriters or any of them to terminate their respective obligations under this Agreement is in addition to such other remedies as they may have in respect of any default, act or failure to act of the Company in respect of any of the matters contemplated by this Agreement. A notice of termination given by one Underwriter under this Section 15 shall not be binding upon the other Underwriters.

16. Notices

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

in the case of the Company, to:

Atlas Engineered Products
2005 Boxwood Road
Nanaimo, British Columbia V9S 5X9

Email: *[Email address redacted]*
Attention: Mohammad Hadi Abassi, President & Chief Executive Officer

with a copy of any such notice (which shall not constitute notice to the Company) to:

[Contact details redacted]

in the case of the Underwriters, to:

Beacon Securities Limited
66 Wellington Street West, Suite 4050
Toronto, Ontario M5K 1H1

Email: *[Email address redacted]*
Attention: *[Name redacted]*

and with a copy of any such notice (which shall not constitute notice to the Underwriters) to:

[Contact details redacted]

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

17. Relationship between the Company and the Underwriters

In connection with the services described herein, the Underwriters shall act as independent contractors, and any duties of the Underwriters arising out of this Agreement shall be owed solely to the Company. The Company acknowledges that each of the Underwriters is a securities firm that is engaged in securities trading and brokerage activities, as well as providing investment banking and financial advisory services, which may involve services provided to other companies engaged in businesses similar or competitive to the business of the Company and that the Underwriters shall have no obligation to disclose such activities and services to the Company. The Company acknowledges and agrees that in connection with all aspects of the engagement contemplated hereby, and any communications in connection therewith, the Company, on the one hand, and the Underwriters and any of their respective affiliates through which they may be acting, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Underwriters or such affiliates, and each party hereto agrees that no such duty will he deemed to have arisen in connection with any such transactions or communications. The Company acknowledges and agrees that it waives, to the fullest extent permitted by law, any claims the Company and its affiliates may have against any of the Underwriters for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Underwriters shall have no liability (whether direct or indirect) to the Company or any of its affiliates in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company. Information which is held elsewhere within any of the Underwriters, but of which none of the individuals in the investment banking department or division of any of the Underwriters involved in providing the services contemplated by this Agreement actually has knowledge (or without breach of internal procedures can properly obtain) will not for any purpose he taken into account in determining any of the responsibilities of the Underwriters to the Company under this Agreement.

18. Miscellaneous

(a) The obligations of the Underwriters set out herein are several, and not joint nor joint and several. An Underwriter will not be liable hereunder with respect to any act, omission or conduct of any other Underwriter under this Agreement. Except with respect to Sections 10, 11, 13 and 15, all transactions and notices on behalf of the Underwriters hereunder or contemplated hereby may be carried out or given on behalf of the Underwriters by Beacon and Beacon shall in good faith discuss with the other Underwriters the nature of any such transactions and notices prior to giving effect thereto or the delivery thereof, as the case may be.

(b) This Agreement shall enure to the benefit of, and shall be binding upon, the Underwriters and the Company and their respective successors and legal representatives, provided that no party may assign this Agreement or any rights or obligations under this Agreement, in whole or in part, without the prior written consent of the other party.

(c) This Agreement, including all schedules to this Agreement, constitutes the entire agreement between the parties relating to its subject matter and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to such subject matter. This Agreement may only be amended, supplemented, or otherwise modified by written agreement signed by all of the parties.

(d) The Company acknowledges and agrees that: (i) the purchase and sale of the Offered Securities pursuant to this Agreement is an arm's-length commercial transaction between the Company, on the one hand, and the several Underwriters, on the other; (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company; (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favour of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is concurrently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement; and (iv) the Company has consulted its own legal and financial advisors to the extent they deemed appropriate. The Company agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company in connection with such transaction or the process leading thereto.

(e) The Company acknowledges and agrees that all written and oral opinions, advice, analyses and materials provided by the Underwriters in connection with this Agreement are intended solely for the Company's benefit and the Company's internal use only with respect to the Offering and the Company agrees that no such opinion, advice, analysis or material will be used for any other purpose whatsoever or reproduced, disseminated, quoted from or referred to in whole or in part at any time, in any manner or for any purpose, without the Underwriters' prior written consent in each specific instance. Any advice or opinions given by the Underwriters hereunder will be made subject to, and will be based upon, such assumptions, limitations, qualifications, and reservations as such Underwriters, in its/their sole judgment, deems necessary or prudent in the circumstances. The Underwriters expressly disclaim any liability or responsibility by reason of any unauthorized use, publication, distribution of or reference to any oral or written opinions or advice or materials provided by the Underwriters or any unauthorized reference to either of the Underwriters or this engagement.

(f) Neither the Company nor the Underwriters shall make any public announcement in connection with the Offering, except if the other party has consented to such announcement or the announcement is required by applicable laws or stock exchange rules. In such event, the party proposing to make the announcement will provide the other party with a reasonable opportunity, in the circumstances, to review a draft of the proposed announcement and to provide comments thereon.

(g) No waiver of any provision of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right it may have.

(h) If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

(i) This Agreement shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and the parties submit to the non-exclusive jurisdiction of the courts of the Province of British Columbia.

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

(k) The words, "hereunder", "hereof" and similar phrases mean and refer to the Agreement formed as a result of the appointment by the Company of the Underwriters to offer for sale the Offered Securities.

(l) All representations and warranties of the Company herein contained or contained in any Ancillary Document, shall survive the purchase and sale of the Offered Securities, and shall continue in full force and effect for the benefit of the Underwriters following the Closing Date for a period of three years, and Purchasers and shall not be limited or prejudiced by any investigation made by or on behalf of the Underwriters in connection with the purchase and sale of the Offered Securities. All covenants and agreements (including covenants regarding indemnification and contribution) of the Company herein contained or contained in any Ancillary Document, which by their express terms or by their nature extend beyond the Closing, shall survive the purchase and sale of Offered Securities in accordance with their terms. Without limitation of the foregoing sentence, the provisions contained in this Agreement in any way related to the indemnification or the contribution obligations shall survive and continue in full force and effect, indefinitely, subject only to the limitation requirements of Applicable Law.

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

(n) This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which together shall constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a party may send a copy of its original signature on the execution page hereof to the other party by email or other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving party as of the date of receipt thereof by the receiving party.

[remainder of page intentionally left blank]

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

Yours very truly,

BEACON SECURITIES LIMITED

By: *"Justin Gilman"*
Name: Justin Gilman
Title: Managing Director, Investment Banking

CLARUS SECURITIES INC.

By: *"Robert Orviss"*
Name: Robert Orviss
Title: Managing Director, Investment Banking

CORMARK SECURITIES INC.

By: *"Alfred Avanessy"*
Name: Alfred Avanessy
Title: Managing Director, Head of Investment Banking

VENTUM FINANCIAL CORP.

By: *"Peter Graham"*
Name: Peter Graham
Title: Managing Director, Investment Banking

Accepted and agreed to by the undersigned as of the date of this letter first written above.

ATLAS ENGINEERED PRODUCTS LTD.

By: *"Mohammad Hadi Abassi"*
Name: Mohammad Hadi Abassi
Title: President and Chief Executive Officer

SCHEDULE "A"

COMPLIANCE WITH UNITED STATES SECURITIES LAWS

This is Schedule "A" to the underwriting and agency agreement dated as of June 26, 2024 between Atlas Engineered Products Ltd., Beacon Securities Limited, Clarus Securities Inc., Cormark Securities Inc. and Ventum Financial Corp.

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

"**Dealer Covered Person**" has the meaning set forth in Section B(13) below;

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

"**Disqualification Event**" has the meaning set forth in Section A(13) below;

"**Foreign Issuer**" means a "foreign issuer" as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule, it means any issuer which is (a) the government of any country other than the United States or of any political subdivision of a country other than the United States; or (b) a corporation or other organization incorporated under the laws of any country other than the United States, except an issuer meeting the following conditions as of the last business day of its most recently completed second fiscal quarter: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and (2) any of the following; (i) the majority of the executive officers or directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;

"**General Solicitation or General Advertising**" means "general solicitation or general advertising", as used in Rule 502(c) of Regulation D, including any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"**Issuer Covered Person**" has the meaning set forth in Section A(13) below;

"**Offshore Transaction**" means "offshore transaction" as that term is defined in Regulation S;

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

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

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

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

"**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as that term is defined in Regulation S;

"**U.S. Affiliate**" means the duly registered United States broker-dealer affiliate of the Underwriters;

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; and

"**U.S. Purchaser**" means an original Purchaser of the Offered Securities that is either an Accredited Investor or a Qualified Institutional Buyer who was, at the time of purchase, (a) in the United States, (b) any person purchasing such Offered Securities on behalf of, or for the account or benefit of, any person in the United States, (c) any person who receives or received an offer to acquire such Offered Securities while in the United States, and (d) any person who was in the United States at the time such person's buy order was made or the Subscription Agreement pursuant to which such Offered Securities were acquired was executed or delivered.

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

A. Representations, Warranties and Covenants of the Company

The Company represents and warrants to and covenants with the Underwriters that facilitate sales to a U.S. Purchaser and the U.S. Affiliate that:

(1) It is, and on the Closing Date will be, a Foreign Issuer with no Substantial U.S. Market Interest with respect to any of its equity securities.

(2) Except with respect to offers and sales in accordance with this Schedule "A" to (i) U.S. Purchasers in reliance upon the exemption from registration requirements available pursuant to Rule 144A or Rule 506(b) of Regulation D, as applicable, and similar exemptions from applicable securities laws of any state of the United States, and (ii) persons outside the United States in an Offshore Transaction in reliance upon the exclusion from the registration requirements available pursuant to Rule 903 of Regulation S, neither the Company nor any of its affiliates, nor any person acting on its or their behalf (other than the Underwriters, the U.S. Affiliate, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Securities to a person in the United States; or (B) any sale of Offered Securities unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.

(3) None of the Company or any persons acting on its or their behalf (other than the Underwriters, the U.S. Affiliate, their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has made or will make any Directed Selling Efforts or has engaged or will engage in any form of General Solicitation or General Advertising or has acted in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in the United States with respect to the Offered Securities.

(4) The Company is not, and as a result of the sales of the Offered Securities contemplated hereby will not be, an open-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered, or closed-end investment company required to be registered, under the United States Investment Company Act of 1940, as amended.

(5) The Company has not sold, offered for sale or solicited any offer to buy and will not sell, offer for sale or solicit any offer to buy, during the period beginning 30 days prior to the start of the Offering of the Offered Securities and ending 30 days after the completion of the Offering of the Offered Securities, any of its securities in the United States in a manner that would be integrated with and would cause the exemptions from registration provided by Rule 144A or Rule 506(b) of Regulation D or the exclusion from registration provided by Rule 903 of Regulation S, to be unavailable with respect to offers and sales of the Offered Securities pursuant to this Schedule “A”.

(6) The Company will not take any action that would cause the exemptions or exclusions provided by Rule 144A, Rule 506(b) of Regulation D or Rule 903 of Regulation S or to be unavailable with respect to offers and sales of the Offered Securities to U.S. Purchasers pursuant to the Underwriting and Agency Agreement including this Schedule “A”.

(7) The Offered Shares are not, and as of the Closing Time, will not be, and no securities of the same class as the Offered Shares are listed on a national securities exchange in the United States registered under Section 6 of the U.S. Exchange Act; (ii) quoted in an “automated inter-dealer quotation system”, as such term is used in the U.S. Exchange Act; or (iii) convertible or exchangeable into, or exercisable for, securities so listed or quoted at an effective conversion or exercise premium (calculated as specified in paragraph (a)(6) and 22 of Rule 144A) upon issuance of less than ten percent for securities so listed or quoted.

(8) In connection with the initial resale of the Offered Shares to Qualified Institutional Buyers in the LIFE Offering, the Company shall make available to such Qualified Institutional Buyers the information required to be provided pursuant to Rule 144A(d)(4) under the U.S. Securities Act, if any.

(9) None of the Company’s securities are registered or are required to be registered under Section 12 of the U.S. Exchange Act and the Company does not, and will not upon the offer and sale of the Offered Shares, have a reporting obligation under Section 13 or Section 15(d) of the U.S. Exchange Act.

(10) Neither the Company nor any of its predecessors or affiliates has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.

(11) None of the Company, its affiliates or any person on behalf of any of them (other than the Underwriters, the U.S. Affiliate, their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with this Offering.

(12) The Company will, within prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or applicable state securities laws in connection with the Offering, including filing a Form D with the SEC, if applicable.

(13) With respect to the Offered Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D (“**Regulation D Securities**”). if any, none of the Company, any of its predecessors, any director, executive officer, other officer of the Company participating in the Offering, any beneficial owner of 20% or more of the Company’s outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act)

connected with the Company in any capacity at the time of sale (each, an "**Issuer Covered Person**" and, together, "**Issuer Covered Persons**") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the U.S. Securities Act (a "**Disqualification Event**"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine (i) the identity of each person that is an Issuer Covered Person; and (ii) whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Underwriters a copy of any disclosures provided thereunder.

B. Representations, Warranties and Covenants of the Underwriters and the U.S. Affiliate

The Underwriters in facilitating sales to a U.S. Purchaser, and the U.S. Affiliate, represents and warrants to and covenants and agrees with the Company that:

(1) It acknowledges that the Offered Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold except pursuant to an exclusion or exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. It has offered and sold and will offer and sell the Offered Securities only (i) outside the United States in an Offshore Transaction in accordance with Rule 903 of Regulation S, or (ii) in the United States as provided in this Schedule "A". Accordingly, neither the Underwriters, nor the U.S. Affiliate, nor any persons acting on its or their behalf: (i) have engaged or will engage in any Directed Selling Efforts; or (ii) except as permitted by this Schedule "A", have made or will make (x) any offers to sell Offered Securities to U.S. Purchasers or (y) any sale of Offered Securities unless at the time the purchaser made its buy order therefor, the Underwriters, the U.S. Affiliate or other person acting on any of their behalf reasonably believed that such U.S. Purchaser was outside the United States.

(2) It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Securities, except with the U.S. Affiliate or with the prior written consent of the Company.

(3) It shall require the U.S. Affiliate to agree, for the benefit of the Company, to comply with, and shall use its best efforts to ensure that the U.S. Affiliate complies with, the provisions of this Schedule "A" as if such provisions applied to such U.S. Affiliate.

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

(5) Any offer, sale or solicitation of an offer to buy Offered Securities that has been made or will be made to U.S. Purchasers, was or will be made only to (i) Qualified Institutional Buyers or Accredited Investors in transactions that are exempt from the registration requirements available pursuant to Rule 144A or Rule 506(b) of Regulation D, as applicable, and exempt from registration under all applicable securities laws of any state of the United States, and (ii) persons outside the United States in Offshore Transactions that are exempt from registration pursuant to Rule 903 of Regulation S.

(6) Offers and sales of Offered Securities to U.S. Purchasers have not been and shall not be made by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.

(7) It has not made any Directed Selling Efforts in connection with the offer or sale of the Offered Securities.

(8) At least one Business Day prior to the Closing Date, it shall provide the Company's transfer agent with a list of all U.S. Purchasers of the Offered Securities, together with their addresses (including state of residence), the number of Offered Securities purchased and the registration and delivery instructions for the Offered Securities.

(9) Prior to any sale of Offered Securities to U.S. Purchasers, it shall cause each U.S. Purchaser to execute and deliver to the Company, the Underwriters and the U.S. Affiliate, the form of Subscription Agreement for the Concurrent Private Placement, including the applicable exhibit(s) thereto, and/or the form of the Subscription Agreement for the Life Offering, including the Qualified Institutional Buyer Letter attached thereto, as applicable.

(10) All U.S. Purchasers of the Offered Securities shall be informed that the Offered Securities have not been and will not be registered under the U.S. Securities Act and applicable state securities laws and are being offered and sold to such U.S. Purchasers in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A or Rule 506(b) of Regulation D, as applicable, and similar exemptions under applicable securities laws of any state of the United States.

(11) The Underwriters understands that all Offered Securities sold to U.S. Purchasers in the Offering that are Accredited Investors will be issued in definitive physical form and will bear a restrictive legend substantially in the form set forth in the subscription agreement for the Concurrent Private Placement.

(12) Neither it nor any person acting on its behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with this Offering.

(13) With respect to the Regulation D Securities, if any, it represents that neither it, nor any of its directors, executive officers, other officers participating in the offering of the Offered Securities, general partners or managing members, or any of the directors, executive officers or other officers participating in the offering of the Offered Securities of any such general partner or managing member (each, a "**Dealer Covered Person**" and, together, "**Dealer Covered Persons**"), is subject to any Disqualification Event except for a Disqualification Event (i) contemplated by Rule 506(d)(2) of the U.S. Securities Act and (ii) a description of which has been furnished in writing to the Company prior to the date hereof or, in the case of a Disqualification Event occurring after the date hereof, prior to the date of any offering of the Offered Securities.

At Closing, the Underwriter, together with the U.S. Affiliate, will provide a certificate, substantially in the form of Exhibit A to this Schedule "A", relating to the manner of the offer and sale of Offered Securities to U.S. Purchasers, or will be deemed to have represented that they did not offer or sell Offered Securities to U.S. Purchasers.

EXHIBIT A

UNDERWRITER'S CERTIFICATE

In connection with the private placement in the United States of common shares (the "**Offered Securities**") of Atlas Engineered Products Ltd. (the "**Company**") pursuant to the underwriting and agency agreement dated June 26, 2024 among the Company, Beacon Securities Limited, Clarus Securities Inc., Cormark Securities Inc. and Ventum Financial Corp. (the "**Underwriting and Agency Agreement**"), each of the undersigned does hereby certify to the Company as follows:

(a) [●] (the "**U.S. Affiliate**") is, and at all relevant times was, a duly registered broker or dealer with the United States Securities and Exchange Commission and is a member of and in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof and the date on which each offer was made by it in the United States, and all offers and sales of the Offered Securities in the United States have been effected by the U.S. Affiliate in compliance with all U.S. federal and state broker-dealer requirements;

(b) immediately prior to making any offers to any U.S. Purchaser, we had reasonable grounds to believe and did believe that the U.S. Purchaser was either (i) a Qualified Institutional Buyer, or (ii) an Accredited Investor, and, on the date hereof, we continue to believe that each such U.S. Purchaser purchasing Offered Securities from us is either a Qualified Institutional Buyer or Accredited Investor;

(c) no form of General Solicitation or General Advertising was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet or any seminar or meeting whose attendees had been invited by General Solicitation or General Advertising, in connection with the offer or sale of the Offered Securities to U.S. Purchasers;

(d) neither we nor the U.S. Affiliate made any Directed Selling Efforts in connection with the offer or sale of the Offered Securities;

(e) neither we nor the U.S. Affiliate, have taken or will take any action that would constitute a violation of Regulation M under the U.S. Exchange Act; and

(f) the offering of the Offered Securities in the United States has been conducted by us in accordance with the terms of the Underwriting and Agency Agreement including Schedule "A" thereto.

Terms used in this certificate have the meanings given to them in the Underwriting and Agency Agreement, including Schedule "A" thereto, unless otherwise defined herein.

DATED this ____ day of _______________, 2024.

BEACON SECURITIES LIMITED	**[●]**
By: ______________________________	By: ______________________________
Name:	Name:
Title	Title