

CEMATRIX CORPORATION

as Purchaser

-AND -

EDWARD WEINER

as Vendor

SHARE PURCHASE AGREEMENT

RESPECTING THE SHARES OF MIXONSITE USA, INC.

April 30, 2018

SHARE PURCHASE AGREEMENT

THIS AGREEMENT dated effective the 30th day of April, 2018

AMONG:

CEMATRIX CORPORATION, a corporation incorporated under the laws of the Province of Alberta (the "**Purchaser**")

-and-

EDWARD WEINER, an individual resident of the village of Highland Park in the State of Illinois (the "**Vendor**")

WHEREAS:

- A. The Vendor owns all of the issued and outstanding shares (the "**Purchased Shares**") in the capital of MixOnSite USA, Inc. (the "**Corporation**").
- B. The Parties have entered into a Letter of Intent dated February 23, 2018 (the "**Letter of Intent**"), for the purchase and sale of the Purchased Shares; and
- C. The Vendor wishes to sell and the Purchaser wishes to purchase the Purchased Shares on the terms and conditions set forth in this Agreement.

NOW THEREFORE in consideration of the premises and the mutual promises, and in consideration of the representations, warranties and covenants contained in this Agreement, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereto agree as follows:

NOW, THEREFORE in consideration of the mutual covenants herein contained, it is agreed among the parties as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms.

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

- (a) "**Accounting Standard**" means United States Generally Accepted Accounting Principles.
- (b) "**Accounts Receivable**" means all accounts receivable notes receivable and other Debts (other than relating to income Taxes) due or accruing to the Corporation less any reserves maintained by the Corporation, in the Ordinary Course as listed in Schedule "G" attached hereto.
- (c) "**Affiliate**" means, as applied to any Person, any other Person directly or indirectly controlling, controlled by or under common control with that Person. For the purposes of this definition, "control" (including with correlative meanings, the terms "controlling", "controlled by", and "under common control with") as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of that Person, whether through ownership of voting securities, by contract or otherwise.

- (d) "**Agreement**" means this share purchase agreement and all schedules and exhibits attached hereto.
- (e) "**Ancillary Agreements**" means all agreements, certificates and other instruments delivered or given pursuant to this Agreement.
- (f) "**Assets**" means all property and assets of the Corporation of every nature and kind and wheresoever situated including all equipment, technology and communications hardware and infrastructure, furniture, Inventory, work-in-progress, accessories and supplies of all kinds; all Accounts Receivable and the full benefit of all security for the Accounts Receivable; all prepaid expenses; all trucks, cars and other vehicles; any leasehold interest of the Corporation; all right, title and interest of the Corporation in and to the Intellectual Property owned by, licensed to or used by the Corporation; the full benefit of all Contracts to which the Corporation is a party and to all Authorizations held by or issued to the Corporation; the Books and Records and the Corporate Records and all other property and assets listed in Schedule "A".
- (g) "**Authorization**" means, with respect to any Person, any order, permit, approval, consent, waiver, licence, certificate, registration or similar authorization of any Governmental Entity having jurisdiction over the Person.
- (h) "**Books and Records**" means all information in any form relating to the Business including books of account, financial and accounting information and records, personnel records, tax records, sales and purchase records, customer and supplier lists, lists of potential customers, referral sources, research and development reports and records, production reports and records, equipment logs, operating guides and manuals, business reports, plans and projections, marketing and advertising materials and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage and media devices).
- (i) "**Business**" means the business, assets and undertakings of the Corporation, as a whole, consisting, as conducted as of the date of this Agreement, of a contractor specializing in low density foam concrete and offering complete installation services including technical mix design support and development for a variety of construction applications in the United States.
- (j) "**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are closed for business in Calgary, Alberta or National Chartered banks are closed in the U.S.
- (k) "**Business Premises**" means the lands and buildings with the municipal address of 1501 Abbott Court, Buffalo Grove, Illinois.
- (l) "**CEMATRIX Shares**" means the common shares of the Purchaser.
- (m) "**CERCLA**" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.
- (n) "**Change of Control**" means the occurrence of any of the following events:
 - (1) the sale, transfer or other disposition in one or a series of related transactions, of all or substantially all of the assets of the Purchaser;
 - (2) the issuance, sale, transfer or other disposition (including, without limitation, any merger, amalgamation, or consolidation) in one or a series of related transactions of: (i) more than 50% of the voting shares of the Purchaser; or (ii) the issuance or

acquisition of shares having the right to approve major decisions affecting the Purchaser;
or

(3) the first day on which a majority of the members of the Board of Directors of the Purchaser is changed; or

(4) the adoption by the shareholders of the Purchaser of a plan for liquidation or dissolution of the Purchaser.

- (o) **"Closing"** means the completion of the transaction of purchase and sale contemplated by this Agreement.
- (p) **"Closing Date"** means April 30, 2018, or such earlier or later date as may be mutually agreed by the Purchaser and the Vendor.
- (q) **"Code"** means the Internal Revenue Code of 1986, as amended.
- (r) **"Contract"** means any agreement, contract, license, undertaking, engagement or commitment of any nature, written or oral, including any: (i) lease of real property, or license or permit to use or occupy real property, or personal property; (ii) unfilled purchase order; (iii) forward commitment for supplies, services or materials; or (iv) restrictive agreement or negative covenant agreement.
- (s) **"Corporate Records"** means the corporate records of the Corporation including: (i) all constating documents and by-laws; (ii) all minutes of meetings and resolutions of shareholders and directors (and any committees); and (iii) the share certificate books, securities register, register of transfers and register of directors and officers.
- (t) **"Corporation"** means MixOnSite USA, Inc. a corporation existing under the laws of the State of California.
- (u) **"Debt"** means, with respect to the Corporation, (i) all indebtedness for borrowed money, including obligations with respect to borrowings of commodities, any acceptances or documentary credit or letters of credit, (ii) all indebtedness for the deferred purchase price of property or services, (iii) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired by the Corporation, (iv) all current liabilities represented by a note, bond, debenture or other evidence of debt, (v) all obligations under leases that have been or should be, in accordance with the Accounting Standard, recorded as capital leases in respect of which the Corporation is liable as lessee, (vi) all debt-like items including bonuses and income taxes, (vii) any short term or long term loan (including any overdraft), any debenture, bond, note or other similar instrument, including without limitation, prepayment penalties, breakage costs and accrued interest, (viii) any finance lease, hire purchase, credit sale or conditional sale agreement entered into as a method of raising finance, including without limitation, prepayment penalties, breakage costs and accrued interest, (ix) any amount raised under any other transaction having the commercial effect of a borrowing, (x) any guarantee of indebtedness of any Person of a type of debt referred to herein, (xi) off-balance sheet items that qualify as financial indebtedness, (xii) any amount for Tax which is due and payable, , and (xiv) capital expenditures not paid. Notwithstanding anything to the contrary, "Debt" shall not include the Vendor Payable.
- (v) **"Due Diligence Period"** means from the date of the signing of the Letter of Intent until April 9, 2018.
- (w) **"Earn-out"** has the meaning ascribed to it in Section 7.1(b)(ix).

- (x) "**EBITDA**" means the net income of the Corporation before interest, tax, depreciation and amortization, but the net income shall not include, or be reduced by, the Purchaser's Charges.
- (y) "**Employee Plans**" means all the employee benefit, fringe benefit, supplemental unemployment benefit, bonus, incentive, profit sharing, termination, change of control, pension, retirement, stock option, stock purchase, stock appreciation, health, welfare, medical, dental, disability, life insurance and similar plans, programmes, arrangements or practices relating to the current or former directors, officers, employees, retirees, independent contractors or consultants of the Corporation, or any spouse or dependent of such individual, maintained, sponsored or funded, or required to be funded by the Corporation or any of its ERISA Affiliates, whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered under which the Corporation or any of its ERISA Affiliates may have any liability, contingent or otherwise, including each "employee benefit plan" within the meaning of Section 3(3) of ERISA, whether or not tax-qualified and whether or not subject to ERISA.
- (z) "**Employees**" has the meaning ascribed to it in Section 4.1(II);
- (aa) "**Environmental Laws**" means, for the appropriate jurisdictions having authority over such Party, all applicable Laws and agreements with Governmental Entities and all other statutory requirements relating to public health or the protection of the environment, including civil law and common law responsibility for acts or omissions with respect to the environment, and all Authorizations issued pursuant to such Laws, agreements or statutory requirements. The term "Environmental Law" includes, without limitation, the following (including their implementing regulations and any state analogs): the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.
- (bb) "**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.
- (cc) "**ERISA Affiliate**" means all employers (whether or not incorporated) that would be treated together with the Corporation or any of its Affiliates as a "single employer" within the meaning of Section 414 of the Code or Section 4001 of ERISA.
- (dd) "**Exchange**" means the TSX Venture Exchange.
- (ee) "**Governmental Entity**" means, (i) any international, multinational, national, federal, provincial, state, county, municipal, local or other governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, board, bureau, agency, commissioner, tribunal or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.
- (ff) "**Hazardous Materials**" means any and all substances defined, listed or otherwise classified as pollutants, contaminants, hazardous wastes, hazardous substances, hazardous materials, dangerous substances, extremely hazardous wastes or words of similar meaning or regulatory effect under any Environmental Laws.

- (gg) **"Historical Financial Statements"** means the annual financial statements of the Corporation for the fiscal year ended December 31, 2017 with accountant comments and internally prepared for the three month period ended March 31, 2018.
- (hh) **"Indemnified Person"** means a Person with indemnification rights or benefits under Article 12 or otherwise under this Agreement.
- (ii) **"Intellectual Property"** means domestic and foreign: (i) patents, applications for patents and reissues, divisions, continuations, renewals, extensions and continuations-in-part of patents or patent applications; (ii) proprietary and non-public business information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing; (iii) copyrights, copyright registrations and applications for copyright registration; (iv) mask works, mask work registrations and applications for mask work registrations; (v) designs, design registrations, design registration applications and integrated circuit topographies; (vi) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; (vii) Software; and (viii) any other intellectual property.
- (jj) **"Interim Period"** means the period between the close of business on the date of this Agreement and the Closing.
- (kk) **"Inventory"** means the inventory owned by the Corporation, including but not limited to all finished goods, raw materials and supplies, but excluding inventory which is used, damaged, incomplete or has been refurbished.
- (ll) **"Key Employees"** means those employees of the Corporation, identified by the Purchaser, for whom the Purchaser will require executed employment agreements with prior to Closing, as provided for on Schedule 1.1 (gg).
- (mm) **"Laws"** means, for the appropriate jurisdictions having authority over such Party, any and all applicable laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws; judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Entity; and policies, guidelines, notices and protocols of any Governmental Entity, to the extent that they have the force of law or which, if not actually having the force of law, are considered by such Governmental Entity as requiring compliance as if having the force of law.
- (nn) **"Lien"** means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), easement, title retention agreement or arrangement, title defect, conditional sale, regulatory condition, leasing, deemed or statutory trust, prior claim, restriction on transfer (such as a right of first refusal), restrictive covenant or other encumbrance of any nature which, in substance, secures payment or performance of an obligation.
- (oo) **"Lease"** means the lease dated September 1, 2008 between the Corporation and Depot Place, LLP with respect to the lease of the lands and buildings at 1501 Abbott Court, Buffalo Grove, Illinois.
- (pp) **"MOS Accounting Methods"** means United States Generally Accepted Accounting Principles, consistently applied by the Corporation in the past, including, application of Percentage of Completion.

- (qq) **"Most Recent Year End"** means the most recent fiscal year end of the Corporation, as provided for in the Historical Financial Statements.
- (rr) **"Mutual Release"** means the mutual release by, on the one hand, the Corporation in favour of the directors and officers of the Corporation resigning as a condition to the Closing, and on the other hand, by such directors and officers and the Vendor in favour of the Corporation and the Purchaser, all in the form attached hereto as Schedule "C".
- (ss) **"Non-Competition, Non-Solicitation and Confidentiality Agreement"** means the agreement to be entered into between the Vendor and the Corporation, as a condition to Closing for the benefit of the Purchaser, respecting, among other things, covenants of the Vendor not to compete with the Corporation, solicit customers of the Corporation or disclose confidential information of the Corporation, all as more particularly described therein, the form of which is attached hereto as Schedule "B".
- (tt) **"Ordinary Course"** means, with respect to an action taken by a Person, that such action is consistent with the past practices of the Person and is taken in the ordinary course of the normal day-to-day operations of the Person.
- (uu) **"Parties"** means the Vendor, the Purchaser and any other Person who may become a party to this Agreement and **"Party"** shall mean any of them but for greater certainty shall not include the Corporation.
- (vv) **"Percentage of Completion"** means that percentage of estimated total income that incurred costs, to date, bear to estimated total costs of a contract after giving effect to the estimation of costs to complete the contract on most recent information. The Percentage of Completion method recognizes income as work on a contract progresses.
- (ww) **"Permitted CEMATRIX Encumbrances"** means those Liens specified in the Purchaser Disclosure Schedule.
- (xx) **"Permitted Liens"** means those Liens specified in the Vendor Disclosure Schedule.
- (yy) **"Person"** means an individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.
- (zz) **"Purchased Shares"** means all of the issued and outstanding shares of the Corporation.
- (aaa) **"Purchaser's Charges"** means any of the Purchaser's expenses and financing costs relating to the transactions contemplated by this Agreement, or any amounts related to the Purchaser's allocated corporate overhead or administrative costs or any other costs that might be associated with the acquisition of the Corporation by the Purchaser which are not currently incurred by the Corporation to operate the Business, but shall not include charges between the Corporation and the Purchaser post-Closing as agreed to in writing by the Vendor for:
- (A) services or assistance from sales, technical and operational staff of either company to the other; and
 - (B) the use of machinery and equipment between the companies.
- (bbb) **"Software"** means computer software and programs (in both source code and object code form), all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs.

- (ccc) "**Tax Act**" means the U.S. Internal Revenue Code of 1986, as amended, and any regulations thereunder.
- (ddd) "**Tax Returns**" means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.
- (eee) "**Taxes**" means any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments in the nature of a tax imposed by any Governmental Entity, in any jurisdiction, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in this clause and or as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party, which Taxes relate to an event or transaction occurring before the Closing.
- (fff) "**WARN Act**" means the federal Worker Adjustment and Retraining Notification Act of 1988, and similar state, local and foreign laws related to plant closings, relocations, mass layoffs and employment losses.
- (ggg) "**Working Capital**" means, at any particular time, and without duplication, an amount equal to the cash, Accounts Receivables, accrued receivables, inventory and prepaid expenses less trade payables and accrued current liabilities (excluding the Vendor Payable and liabilities for Taxes) as such items are considered under the Accounting Standard utilizing MOS Accounting Methods.

1.2 Other Defined Terms.

In addition to the defined terms in Section 1.1, the following capitalized terms shall have the meaning ascribed thereto in the corresponding Section:

<u>Defined Term</u>	<u>Section</u>
Accounts Receivable Adjustment Date	2.7(c)
Accounts Receivable Adjustment Statement	2.7(c)
Accountant	2.6(b)(ii)
Convertible Note	2.2(a)(ii)
Corporation	Recitals
Damages	12.1
Draft Working Capital Statement	2.7(a)
E.O. 11246	4.1(oo)(v)
Fundamental Representations	12.3(a)(i)(B)
Letter of Intent	Recitals
Multiemployer Plan	4.1(pp)(iii)
Notice	13.2
OHS	4.1(II)(xii)
Purchase Price	2.2
Purchased Shares	Recitals
Purchaser	Recitals
Purchaser's Closing Certificate	7.2(a)(ii)
Revised Working Capital Statement	2.7(b)(i)
Qualified Benefit Plan	4.1(pp)(iii)
Section 503	4.1(oo)(v)
Single Employer Plan	4.1(pp)(iv)
US Subsidiary	2.4(b)
Vendor	Recitals
Vendor Payable	2.6
Vendor's Closing Certificate	7.1(a)(ii)
VEVRAA	4.1(oo)(v)
Working Capital Statement	2.7(b)(i)

1.3 Gender and Number.

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

1.4 Headings, etc.

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

1.5 Currency.

All references in this Agreement to dollars, or to \$ are expressed in United States currency unless otherwise specifically indicated.

1.6 Certain Phrases, etc.

In this Agreement (i) the words "including", "includes" and "include" mean "including (or includes or include) without limitation", and (ii) phrases "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". Unless otherwise specified, the words "Article" and "Section" followed by a number mean and refer to the specified Article or Section of this Agreement.

1.7 Representations and Warranties

The Parties intend that each representation, warranty, and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty, or covenant contained herein in any respect, the fact that there exists another representation, warranty, or covenant relating to

the same subject matter (regardless of the relative levels of specificity or any heading under which it may appear) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the other representation, warranty, or covenant, as the case may be.

1.8 Materiality.

"Material" and "Materially" refer, with respect to a given Person, to a level of significance that would have affected any decision of a reasonable person in that Person's position regarding whether to enter into this Agreement or would affect any decision of a reasonable person in that Person's position regarding whether to consummate the transaction contemplated by this Agreement. "Material Adverse Change" means any Material adverse change in the Business, operations, assets, liabilities, or financial condition of the Vendor in an amount of more than \$100,000 USD.

1.9 Knowledge.

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it shall be deemed to refer to the knowledge of the Party after due inquiry and, if such Party is a corporation, the knowledge of the officers and directors of that corporation after due inquiry, as to the matters that are the subject of the representations and warranties.

1.10 Accounting Terms.

All accounting terms not specifically defined in this Agreement are to be interpreted in accordance with the Accounting Standard.

1.11 Schedules and Disclosure Schedules.

- (a) The schedules and Disclosure Schedules attached to this Agreement form an integral part of this Agreement for all purposes of it. Such schedules include the following schedules:

Vendor Disclosure Schedule

Purchaser Disclosure
Schedule

Schedule "A" List of Assets

Schedule "B" Non-Competition, Non-Solicitation and
Confidentiality Agreement

Schedule "C" Mutual Release

Schedule "D" Convertible Note

Schedule "E" Vendor Payable

Schedule "F" Employees

Schedule "G" Accounts Receivable

- (b) The Parties agree that any reference in a particular Section of the Disclosure Schedule shall only be deemed to be an exception to (or, as applicable, a disclosure for purposes of) (a) the representations and warranties (or covenants, as applicable) of the Vendor that are contained in the corresponding Section of this Agreement and (b) any other representations and warranties of the Vendor that is contained in this Agreement, but only if the relevance of that reference as an exception to (or a disclosure for purposes of)

such representations and warranties would be readily apparent to a reasonable person who has read that reference and such representations and warranties. The inclusion of an item in the Vendor Disclosure Schedule as an exception to a representation or warranty shall not be deemed an admission that such item represents a material exception or material fact, event or circumstance or that such item would reasonably be expected to, individually or in the aggregate, prevent, materially delay or materially impede the ability of the Vendor to consummate the transactions contemplated by this Agreement.

1.12 Non-Business Days.

Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment shall be made or such action shall be taken on or no later than the next succeeding Business Day.

1.13 References to Persons and Agreements.

Any reference in this Agreement or any Ancillary Agreement to a Person includes its heirs, administrators, executors, legal personal representatives, successors and permitted assigns. The term "Agreement" and any reference in this Agreement to this Agreement, any Ancillary Agreement or any other agreement or document includes, and is a reference to, this Agreement, such Ancillary Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and includes all schedules to it.

1.14 Statutes.

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted or replaced.

ARTICLE 2 PURCHASED SHARES AND PURCHASE PRICE

2.1 Purchase and Sale.

Subject to the terms and conditions of this Agreement, the Vendor hereby sells, assigns and transfers to the Purchaser, and the Purchaser hereby purchases from the Vendor effective on the Closing Date the Purchased Shares representing **ONE HUNDRED (100%) PERCENT** of all the issued and outstanding shares in the capital of the Corporation.

2.2 Purchase Price.

Subject to any adjustments in accordance with this Agreement, the consideration payable by the Purchaser to the Vendor for the Purchased Shares shall be as follows:

- (a) the Closing consideration:
 - (i) the Purchaser shall pay **TWO MILLION (\$2,000,000) US DOLLARS** by way of wire, direct deposit, bank draft, certified cheque or solicitor's trust cheque, as partial payment of the Purchase Price;
 - (ii) the Purchaser shall issue a convertible note in the name of the Vendor, or such portion of the convertible note as designated by the Vendor to the Vendor's wife upon receipt of written direction by the Vendor prior to Closing, in the amount of **TWO MILLION FIVE HUNDRED THOUSAND DOLLARS (\$2,500,000) US DOLLARS** (the "**Convertible Note**") which underlying Conversion Shares shall

be fully registered and, subject to applicable hold periods, freely tradable and transferable at the time of issuance, subject to applicable Laws; and

(iii) the Purchaser shall issue CEMATRIX Shares in an amount of **FIVE HUNDRED THOUSAND (\$500,000) US DOLLARS**, being **THREE MILLION THREE HUNDRED FORTY THREE THOUSAND FOUR HUNDRED TWENTY ONE (3,343,421)** CEMATRIX Shares (the "**Closing Shares**") at a price of \$0.19 CDN per CEMATRIX Share to the Vendor, or such portion of the Closing Shares as designated by Vendor to the Vendor's wife by written direction prior to Closing, which Closing Shares shall be fully registered and, subject to applicable hold periods, freely tradable and transferable at the time of issuance, subject to applicable Laws; and

(b) the post-Closing consideration:

(i) the Earn-out as described in Section 2.3.

2.3 Payment of the Purchase Price at Closing

At the Closing, the Closing consideration pursuant to Section 2.2(a) will be paid and satisfied, subject to adjustment in accordance with Section 2.7. Earn-out Payment

(a) In addition to the payment of the Closing consideration set out in Section 2.3, as consideration for the Purchased Shares, the Purchaser shall pay to the Vendor or his nominee the Earn-out as follows pursuant to an Earn Out Agreement:

(i) 70% of EBITDA above \$500,000 (USD) for the first year following the Closing Date; and

(ii) 65% of EBITDA above \$500,000 (USD) for each of the second and third years following the Closing Date

(the "**Earn-out**").

(b) The Earn-out shall be calculated on the operations of the Corporation or any other entity formed for continuing on the business of the Corporation after Closing (the "**US Subsidiary**"), in accordance with the MOS Accounting Methods. The Vendor shall be given reasonable access to the Corporation's Books and Records for the purpose of confirming the Earn-out. The Earn-out shall be calculated from statements prepared by the Purchaser, subject to review by the Vendor and his accountants, and paid within ninety (90) days of the yearly anniversary of the Closing Date.

(c) During the term of the Earn-out, the Parties agree that:

(i) the Purchaser shall not pursue or perform any projects in the United States not already initiated prior to Closing, other than through the US Subsidiary; and

(ii) the US Subsidiary will not pursue any projects not already initiated prior to Closing in Canada;

without the consent of the other Party.

(d) Prior to Closing there shall be no restrictions on either Party of pursuing projects in Canada or the United States.

(e) The Parties agree that any such projects in the United States that the Purchaser has in process, has been contracted, or is working with an existing client to complete a

contract, but the project will not commence or be completed until after Closing, will not be included in the Earn-out. The Purchaser will identify such projects to the Vendor in the Purchaser Disclosure Schedule.

- (f) During the term of the Earn-out, the Purchaser, unless otherwise agreed by the Vendor shall not:
- (i) hire, employ or contract with, or interfere with, solicit, entice away, hire, employ or otherwise contract with, interfere with, solicit, entice away or otherwise obtain the withdrawal from the US Subsidiary of, any employee or consultant of the US Subsidiary; or
 - (ii) become associated, directly or indirectly, with any customer or client of the US Subsidiary or undertake any discussion with any such customer or client with the aim of encouraging that person to alter or terminate its relationship with the US Subsidiary or to otherwise cease dealing with the US Subsidiary.

2.4 Convertible Note

The Convertible Note shall be issued in form as attached to this Agreement as Schedule "D". The Convertible Note shall be secured by a guarantee of the Corporation and general security agreements registered against the assets of the Corporation and the Purchaser. Such security is to be subordinated only to the Permitted CEMATRIX Encumbrances. The Convertible Note shall be issued with the following terms:

- (a) the Convertible Note shall mature three (3) years from the Closing Date;
- (b) the Purchaser shall pay an annual interest rate of eight percent (8%) on the face value of the Convertible Note, such amount to be paid to the holder of the Convertible Note quarterly in USD;
- (c) the Convertible Note shall be convertible at the option of the holder to up to 13,373,684 CEMATRIX Shares at any time, in part or whole, at \$0.2375 (CDN) per CEMATRIX Share which Conversion Shares shall be fully registered and, subject to applicable hold periods, freely tradeable and transferrable at the time of conversion and issuance, subject to applicable Laws;
- (d) the Convertible Note is repayable, in part or whole, by the Purchaser, at any time after twelve (12) months from the Closing Date, upon thirty (30) days written notice to the Vendor with the following penalties:
 - (i) ten percent (10%) of the face value of the Convertible Note if repaid prior to twenty four (24) months from the Closing Date; and
 - (ii) five percent (5%) of the face value of the Convertible Note is repaid after twenty four (24) months from the Closing Date up to the date of maturity; and
- (e) the Convertible Note is subject to forced conversion by the Purchaser, upon a Change of Control, subject to the terms and conditions contained in the Convertible Note, at any time after twelve (12) months from the Closing Date, upon forty (40) days written notice to the Vendor with the following forced conversion premiums:
 - (i) ten percent (10%) of the face value of the Convertible Note, if such conversion occurs at any time after twelve (12) months and prior to twenty four (24) months from the date of issuance of the Convertible Note; or
 - (ii) five percent (5%) of the face value of the Convertible Note, if such conversion

occurs at any time after twenty four (24) months from the date of issuance of the Convertible Note until the initial date of maturity; and

- (f) notwithstanding the repayment and forced conversion provisions contained in Section 2.4(d) and 2.4(e), in the event the Corporation prepays or converts all or any portion of the Debenture and a Change of Control occurs, or an agreement which would result in a Change of Control is entered into by the Corporation, within ninety 90 days after the Holder receives the Redemption Amount or the Forced Conversion Shares, as the case may be, the Corporation agrees to pay to the Holder, concurrently with the Change of Control, the amount, if any, equal to (i) the excess, if any, of the value of a Common Share in such Change of Control over the Conversion Price in effect at the time of the Change of Control, or in the case of a Forced Conversion, the value of a Common Share at the time of a Forced Conversion, multiplied by (ii) the result obtained by dividing the Redemption Amount or the Forced Conversion Amount, as the case may be, by the Conversion Price in effect as of the Redemption Date or the Forced Conversion Date, as the case may be.

2.5 Vendor Payable

In order for the Corporation to retain Working Capital for continued operations of the Business post-Closing, the Vendor and the Corporation shall enter into a loan agreement for the loan of \$750,000 (USD) which shall include One Hundred Thousand Dollars (\$100,000) of cash by the Vendor to the Corporation in the form attached hereto as Schedule "E" (the "**Vendor Payable**"). The Vendor Payable shall be secured by the Corporation's accounts receivable and inventories and guaranteed by the Purchaser. Such security is to be subordinated only to the Permitted CEMATRIX Encumbrances. The Vendor Payable shall be repayable as follows:

- (a) quarterly payments of interest, to be fully repaid one (1) year from the Closing Date;
- (b) interest shall accrue at the prime rate listed at the Corporation's bank, JPMorgan Chase Bank, N.A., plus 2% per annum; and
- (c) the Vendor Payable may be repaid in full by the Corporation, at any time, without penalty.

2.6 Purchase Price Adjustments

- (a) As at the Closing Date, the Vendor shall prepare a working capital statement setting forth the calculation of Working Capital as of the Closing Date (the "**Draft Working Capital Statement**"), including, without limitation, details respecting all Accounts Receivable (including application of Percentage of Completion) and work-in-progress. To the extent the amount of Working Capital reflected in the Working Capital Statement differs from \$750,000 USD (the "**Target Working Capital Amount**"), any amounts of cash or cash equivalent instruments above the Target Working Capital Amount existing on the Closing Date shall be transferred to the Vendor, provided such total Working Capital Amount is \$50,000 USD greater than the Target Working Capital Amount (the "**Overage**"), and the Purchase Price to be paid at Closing will be increased or decreased accordingly by an equivalent amount remaining.
- (b) The Parties further agree to adjust the Purchase Price, following Closing, and on a dollar for dollar basis, to the extent the Working Capital is finally determined in accordance with the Accounting Standards to differ from the Target Working Capital Amount as follows:
- (i) Within (30) days following Closing, the Purchaser shall prepare a Working Capital Statement (the "**Working Capital Statement**"), which shall be provided to the Vendor, and the Vendor shall be given access to the Books and Records.

- (ii) The Vendor shall notify the Purchaser of any objections within a further fourteen (14) days following the receipt thereof, failing which the Revised Working Capital Statement shall be deemed to be a final statement setting forth the actual Working Capital as at the Closing Date. Should the Vendor notify the Purchaser of any objections to the Revised Working Capital Statement, the Vendor and the Purchaser will work expeditiously and in good faith and make commercially reasonable efforts in an attempt to resolve such objections within a further period of fourteen (14) days, failing which the objections shall be submitted by the Vendor and the Purchaser within a further seven (7) days for final determination to a third party accountant mutually selected by the Vendor and Purchaser (the "**Accountant**"). The Purchaser and the Vendor shall use commercially reasonable efforts to cause the Accountant to complete their work within thirty (30) days of their engagement. The Accountant shall allow each of the Purchaser and the Vendor to present their respective positions regarding such Working Capital Statement, and each of the Purchaser and the Vendor shall have the right to present additional documents, materials and other information and make an oral presentation to the Accountant (with copies of all such documents, materials and information being provided to the other Party, as the case may be), all of which shall be considered by the Accountant. Upon a determination being made by the Accountant, such Working Capital Statement shall be revised accordingly and it shall be final and binding upon the Parties, and not subject to appeal, absent manifest error. Fees and expenses of the Accountant will be divided between the Purchaser and the Vendor based on the percentage which the portion of the contested amount not awarded to each Party bears to the amount actually contested by such Party. However, the Purchaser and the Vendor shall each bear their own fees and expenses in presenting their respective cases to the Accountant. Promptly following resolution of any such dispute in accordance with the foregoing, the Purchaser shall deliver to the Vendor a final statement of Working Capital reflecting the resolution of any such objection.
- (c) Following Closing, further downward adjustment shall be made to the Purchase Price, on a dollar for dollar basis, if and to the extent the amount of the Accounts Receivable set out in the Working Capital Statement, as may be amended pursuant to Section 2.6(b), exceeds the amount collected by the Corporation on the Accounts Receivable as at the date that is one hundred and eighty (180) days following the Closing Date (the "**Accounts Receivable Adjustment Date**") or if there are any additional current liabilities of the Corporation, as of the Closing Date, which were not accounted for in the Draft Working Capital Statement or Revised Working Capital Statement, whichever is determined to be final. For the purposes of this Section 2.6(c), all monies received from or on behalf of any debtor who owes any of the Accounts Receivable will be applied first in payment of the oldest account remaining unpaid by such debtor unless the debtor specifically indicates that a payment should be made in respect of a specific Account Receivable in which case the payment will be applied to that particular Account Receivable. The Purchaser shall deliver to the Vendor as soon as possible after the Accounts Receivable Adjustment Date (and, in any event within five (5) Business Days thereafter) a statement (the "**Accounts Receivable Adjustment Statement**") setting out the amount by which the Purchase Price shall be adjusted for uncollected Accounts Receivable and unrecorded liabilities pursuant hereto. If the Vendor has any objections to the Accounts Receivable Adjustment Statement, the procedure set out under Section 2.6(b)(ii) shall apply hereto *mutatis mutandis*, with the necessary adaptations.
- (d) Any downward adjustments to the Purchase Price pursuant to Sections 2.6(b) or 2.6(c) shall reduce the amount owing under the Vendor Payable and the Earn-out. After the Accounts Receivable Adjustment Date, any uncollected Accounts Receivable shall then be assigned to the Vendor and the Purchaser shall use commercially reasonable efforts to collect said amounts which, upon receipt, shall be transferred to the Vendor.

- (e) Furthermore, once the Working Capital Amount consists of \$750,000 USD in cash, all additional cash or cash equivalents collected by Purchaser shall, upon receipt, be paid to Vendor, including the Overage.

ARTICLE 3 EMPLOYEES AND CONTINUED SERVICES

3.1 Employees

On or before the Closing Date, the Key Employees will be required by the Purchaser to have entered into employment agreements with the Corporation at their current levels of compensation, and on other terms and conditions satisfactory to the Parties, each acting reasonably.

3.2 [REDACTED]

In order to assist with the transition of ownership of the Corporation and the continued operation of the Business post-Closing, the Corporation shall enter into an employment agreement with Jordan Weiner for the continued provision of operation and management services to the Corporation on terms that are substantially similar to his current compensation paid by the Corporation. Such terms are anticipated to include the following:

- (a) provision of services by [REDACTED] for a term of three (3) years;
- (b) annual salary of \$ [REDACTED] (USD) [REDACTED], subject to any agreed upon bonus payments;
- (c) the option of the Corporation and [REDACTED] to extend the term of employment, based on new terms to be negotiated and agreed to not less than six (6) months prior to the end of the initial three (3) year term; and
- (d) continuation of other current benefits along with additional standard employment terms to be negotiated between the Purchaser and [REDACTED].

3.3 Vendor Appointed Director of the Purchaser

Subject to Exchange approval, the Vendor agrees to serve as a director of the Purchaser and continue to stand for nomination as director for a term of not less than three (3) years after the Closing Date. The board of directors of the Purchaser shall appoint the Vendor director as at Closing, subject to Exchange approval. Additionally, options shall be granted to the Vendor at the date of initial appointment of the Vendor for 150,000 CEMATRIX Shares which shall be exercisable at the market price as determined at the date of grant, which shall be the Closing Date, vesting as to one third (1/3) at the end of the first year, one third (1/3) at the end of the second year and one third (1/3) at the end of the third year. Any unvested Shares shall be forfeited upon Vendor not remaining a director of the Purchaser.

3.4 Vendor Consulting Agreement

In addition to his services as director of the Purchaser, the Vendor and the Corporation, shall enter into a separate consulting services agreement for the performance of consulting services to the Corporation and the Purchaser by the Vendor, which shall not be terminated except for good cause. Terms of such agreement to include the following:

- (a) provision of services by the Vendor for a term of three (3) years;
- (b) annual payment of \$ [REDACTED] (USD), payable quarterly;

- (c) additional daily or hourly rate, to be agreed upon, payable to the Vendor for each day or partial day worked by the Vendor when reasonably requested by management of the Purchaser, and agreed to by Vendor;
- (d) Options for 350,000 CEMATRIX Shares issued to the Vendor which shall be exercisable at the market price as determined as of the Closing Date, which shall be the Closing Date, vesting as to one third (1/3) at the end of the first year, one third (1/3) at the end of the second year and one third (1/3) at the end of the third year with all such shares being fully registered and, subject to applicable hold periods, freely tradable and assignable at the time that they are issued, subject to applicable Laws, conditional upon the Vendor remaining a consultant of the Purchaser;
- (e) the continuation of the Vendor's current ancillary benefits, including the continued use of a computer, mobile phone, existing Tesla automobile, to be returned to the Purchaser in similar condition, reasonable wear and tear accepted upon termination of the consulting services contract; and
- (f) other standard consulting terms to be negotiated by the parties, including, without limitation, acceleration in the event of a change in control of the Purchaser or termination without good cause..

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE VENDOR

4.1 Representations and Warranties of the Vendor.

The Vendor represents and warrants to the Purchaser as of the date hereof (unless otherwise specifically stated) as follows, and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with entering into this Agreement and the purchase by the Purchaser of the Purchased Shares, notwithstanding any investigation by, the Purchaser:

- (a) **Formation, capacity and power.** The Vendor has full legal capacity to enter into and perform his obligations under this Agreement and each Ancillary Agreement to which he is a party and the consummation of the transactions contemplated by such agreements have been, or will be on or prior to the Closing Date, duly authorized by all necessary action on the part of the Vendor.
- (b) **Execution and Binding Obligation.** This Agreement and each Ancillary Agreement has been duly executed and delivered by the Vendor and constitutes legal, valid and binding obligations of the Vendor and is enforceable against the Vendor subject only to any limitation under applicable laws relating to bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (c) **No Conflict.** The execution and delivery of and performance by the Vendor of this Agreement and each of the Ancillary Agreements to which the Vendor is a party, except as set forth in the Vendor Disclosure Schedule:
 - (i) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) to Vendor's Knowledge constitute or result in a breach or violation of, or conflict with or allow any Person to exercise any rights under, any of the terms or provisions of any Contract to which the Vendor or the Corporation is a party or pursuant to which any assets or property of the Vendor or the Corporation may be Materially affected;

- (ii) do not and will not result in a breach of, or cause the termination or revocation of, any Authorization held by the Vendor or the Corporation which will have a Material Adverse Effect or necessary to the ownership of the Purchased Shares; and
 - (iii) do not and will not result in the violation of any Law.
- (d) **Required Consents (Vendor).** Except as set forth in the Vendor Disclosure Schedule there is no requirement to obtain any consent, approval or waiver from any Person under any Material Contract to which the Vendor is a party for the completion of any of the transactions contemplated by this Agreement or any of the Ancillary Agreements, and the Vendor is not obligated to obtain the consent or authorization of, provide notice to, or make any filings with, any Person with respect to the transactions contemplated by this Agreement or any of the Ancillary Agreements, nor is any waiting period required to expire in order that the Vendor carry out its obligations under any such agreement.
- (e) **Authorized and Issued Capital of the Corporation.** The authorized and issued capital of the Corporation is comprised entirely of the Purchased Shares, which represents One Hundred (100%) percent of the issued and outstanding shares of the Corporation, and all such shares have been duly issued and outstanding as fully paid and non-assessable, and other than such shares, the Corporation has not issued any equity securities. The amount of the stated capital account in respect of all of the classes of shares of the Corporation has been maintained in accordance with applicable Laws. None of the Purchased Shares were issued in violation of any agreement, arrangement or commitment to which the Vendor or the Corporation is a party or is subject to or in violation of any pre-emptive or similar rights of any Person.
- (f) **Title to the Purchased Shares.** The Vendor is the legal, registered and beneficial owner of the Purchased Shares, legally and beneficially owning the portion thereof set out in the Recitals to this Agreement, with good and valid title thereto, free and clear of all Liens, except for the Tesla loan; and will transfer to the Purchaser good and valid title to the Purchased Shares free and clear of all Liens.
- (g) **No Options, etc. to Purchase Shares.** Except for the Purchaser's right under this Agreement no Person has any written or oral agreement, option, understanding or commitment or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming an agreement for (i) the purchase or acquisition from the Vendor of the Purchased Shares, or (ii) the purchase, subscription, allotment or issuance of any of the unissued shares or other securities of the Corporation. The Corporation does not have outstanding or authorized any stock appreciation, phantom stock, profit participation or similar rights, except as provided for in the Disclosure Schedule.
- (h) **Residence of the Vendor.** The Vendor is a resident of the United States of America.
- (i) **Brokers.** The Peakstone Group was engaged by the Vendor as broker with respect to the sale of the Corporation. The Vendor shall pay all finder's or other contingent fees or commissions or any similar charge owed to the Peakstone Group or any other party in connection with the transactions contemplated by this Agreement for which the Purchaser or the Corporation will be responsible or liable.
- (j) **Incorporation and Qualification.** The Corporation is a company incorporated under the laws of the State of California and has the power to own and operate its property, and carry on its business. The Corporation is qualified, licensed or registered to carry on business in every jurisdiction in which it carries on business, except if the failure to do so would not have a Material Adverse Change.
- (k) **Required Consents (Corporation).** To the Vendor's Knowledge, except as set out in the Vendor Disclosure Schedule, there is no requirement to obtain any consent, approval

or waiver from any Person under any Material Contract to which the Corporation is a party for the completion of any of the transactions contemplated by this Agreement or any of the Ancillary Agreements. There is no requirement to make any filing with, give any notice to, or obtain any Authorization as a condition to the lawful completion of the transactions contemplated by this Agreement.

- (l) **Shareholders Agreements.** The Vendor and the Corporation have not been subject to, or affected by, any shareholders' agreement, voting trust or similar arrangement with respect to the voting or ownership of shares or other securities of the Corporation, other than to the extent any such agreement, voting trust or similar arrangement is terminated on or prior to Closing.
- (m) **Subsidiaries.** At Closing, the Corporation will not, directly or indirectly, own or hold any shares or other ownership, equity or proprietary interest, or any interest convertible into or exchangeable or exercisable for same in any Person.
- (n) **Corporate Records.** The Corporate Records are complete and accurate in all Material respects for corporate proceedings and actions reflected in the Corporate Records have been conducted or taken in compliance with all applicable Laws and with the constating documents and by-laws of the Corporation.
- (o) **Conduct of Business in the Ordinary Course.** The Business has been carried on in the Ordinary Course since the Most Recent Year End, and will be carried on in the Ordinary Course to the Closing Date. The Corporation has not made any Material changes to its billing practices since the Most Recent Year End, and will not make any Material changes to its billing practices to the Closing Date.
- (p) **Compliance with Laws.** The Corporation is conducting and has always conducted the Business with all applicable Laws in all Material respects. The uses to which the Assets have been put are not in breach of any Laws or any Material Contracts to which the Corporation is a party.
- (q) **Authorizations.** The Corporation owns, holds, possesses or lawfully uses in the operation of the Business, all Authorizations which are Materially necessary for it to conduct the Business as presently or previously conducted or for the ownership and use of the Assets in compliance with all applicable Laws. All Authorizations Material to the Corporation or the Business are listed in the Vendor Disclosure Schedule. Each Authorization is valid, subsisting and in good standing. The Corporation is not in default or breach of any Material Authorization and to the Vendor's Knowledge, no proceeding is pending or threatened to revoke or limit any Authorization. All Material Authorizations are renewable by their terms in the Ordinary Course of business without the need for the Corporation to comply with any special rules or procedures, agree to any Materially different terms or conditions or pay any amounts other than routine filing fees.
- (r) **Sufficiency of Assets.** The Business is the only business operation carried on by the Corporation, and the Corporation has not ever carried on any other business operation. The Assets owned or leased by the Corporation immediately prior to the Closing include all rights and property necessary to enable the Corporation to conduct the Business after the Closing substantially in the same manner as it was conducted prior to the Closing.
- (s) **Title to Assets.** The Corporation owns (with good title) all of the properties and assets (whether real, personal or mixed and whether tangible or intangible) that they purport to own including the Assets and all the properties and assets reflected as being owned by the Corporation in its Books and Records. With the exception of the Permitted Liens, the Corporation has legal and beneficial ownership of the Assets free and clear of all Liens. No other Person owns any property or assets which are being used in the Business, except those being leased.

- (t) **No Options, etc. to Purchase Assets.** No Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase or other acquisition from the Corporation of any of the Assets, other than Inventory to be sold in the Ordinary Course.
- (u) **Condition of Tangible Assets.** Except as provided in the Vendor Disclosure Schedule, the structures, vehicles, trucks, equipment, computers, technical support, information technology systems and communications hardware and other tangible personal property of the Corporation are being sold in an "as is" condition without any warranty.
- (v) **Inventory.** The current Inventory of the Corporation existing on the Corporation's financial statement is good and usable, subject to write downs taken by the Corporation in the Ordinary Course. The Inventory levels of the Corporation has been, and are currently, maintained at levels sufficient for the continuation of the Business in the Ordinary Course. All such Inventory is owned by the Corporation free and clear of all Liens, and no Inventory is held on a consignment basis.
- (w) **Business Vehicles.** The vehicles listed in the Vendor Disclosure Schedule are used by the Corporation for the purposes of the Business. Other than vehicles listed in the Vendor Disclosure Schedule, there will be no other vehicles leased by or in the name of the Corporation at Closing.
- (x) **No Owned Property.** The Corporation is not the owner or lessee of, or are subject to any agreement or option to own, any real property or any interest in any real property other than the Business Premises.
- (y) **Leases.** The Corporation is not a party to, or under any agreement to become a party to, any lease, license or permit to use or occupy with respect to real property, other than the Lease. The Lease is in good standing, creates to the benefit of the Corporation a good and valid interest in or right to occupy the Business Premises and is in full force and effect without amendment. With respect to the Lease, all rents and fees, and or additional rents, fees or other amounts have been paid; no waiver, indulgence or postponement of the Corporation's or permittee's obligations has been granted by any landlord or permitor; there exists no event of default or event, occurrence, condition or act (including the purchase of the Purchased Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default under the Lease or would allow or permit any landlord or permitor to make any claims under the Lease, including with respect to any non-compliance with Environmental Laws, and, all of the covenants to be performed by any other party under the Lease have been fully performed. The Business Premises is adequate and suitable for the purposes for which it is presently being used and the Corporation has adequate rights of ingress and egress into the Business Premises for the operation of the Business in the Ordinary Course.
- (z) **Material Contracts.** Except for the Contracts described in the Vendor Disclosure Schedule (collectively, the "**Material Contracts**"), the Corporation is not a party to or bound by any Material Contract of any kind.
- (aa) **No Breach of Material Contracts.** The Corporation has performed all of the obligations required to be performed by it and is entitled to all benefits under the Material Contracts. To Vendor's knowledge, the Corporation is not alleged to be in default of any Material Contract. The Material Contracts are in full force and effect, unamended, and to Vendor's Knowledge, there exists no default or event of default or event, occurrence, condition or act (including the purchase of the Purchased Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default under any Material Contract. True, correct and complete copies of all Material Contracts have been made available to the Purchaser.

- (bb) **No Material Adverse Change.** Since the Most Recent Year End, there has been no Material Adverse Change in the affairs, business, assets, liabilities, operations, properties, results of operation, prospects or condition (financial or otherwise) of the Corporation and to the Vendor's Knowledge, no event has occurred which has had or has threatened to have a Material Adverse Effect on the Corporation, its business, assets, liabilities, operations, properties, results of operation, prospects or condition (financial or otherwise) or their value or utility to Purchaser.
- (cc) **Work Orders and Deficiencies.** To the Vendor's Knowledge, there are no outstanding work orders, non-compliance orders, deficiency notices or other such notices relative to the Assets or the Business which have been issued by any Governmental Entity. To the Vendor's Knowledge, there are no matters under discussion with any Governmental Entity relating to work orders, non-compliance orders, deficiency notices or other such notices. The Business is not being carried on, and none of the Assets is being operated in a manner that is materially in contravention with any Law. There are no amounts owing by the Corporation to any Governmental Entity or public utility, other than current accounts, which are not in arrears.
- (dd) **Intellectual Property.**
- (i) The Vendor Disclosure Schedule contains a list of all registered Intellectual Property owned by or licensed to the Corporation, or used by the Corporation in carrying on the Business.
- (ii) The Vendor Disclosure Schedule includes complete and accurate particulars of all registrations and applications for registration of the Intellectual Property owned by the Corporation. The owned Intellectual Property of the Corporation which has been registered or applied for has been properly maintained and renewed by the Corporation in accordance with all applicable Laws and has not been used or enforced, or failed to be used or enforced, in a manner that would result in the abandonment, cancellation or unenforceability of any rights in such Intellectual Property.
- (iii) Except as set forth in the Vendor Disclosure Schedule, the Corporation owns all right, title and interest in and to the Intellectual Property owned by the Corporation, free and clear of all Liens and the Corporation has the right to use all the Intellectual Property used by it in carrying on the Business. The Corporation has taken all reasonable steps to protect its rights in and to its owned Intellectual Property, in each case in accordance with industry practice.
- (iv) Except as set forth in the Vendor Disclosure Schedule, the Corporation is not a party to or bound by any Contract or other obligation that limits or impairs in any Material respect its ability to use, sell, transfer, assign or convey, or that otherwise affects: (i) any of the Intellectual Property owned by it or (ii) any of the Intellectual Property licensed to or used by it, the loss of which would have a Material Adverse Effect. Except as set forth in the Vendor Disclosure Schedule, the Corporation has not granted to any Person any right, license or permission to use all or any portion of, or otherwise encumbered any of its rights in, or to, any of the Intellectual Property owned by, licensed to or used by the Corporation. Except as set forth in the Vendor Disclosure Schedule, the Corporation is not obligated to pay any royalties, fees or other compensation to any Person in respect of its ownership, use or license of any Intellectual Property other than Software licensed by the Corporation.
- (v) To the Vendor's Knowledge, the operation of the Business does not infringe upon the Intellectual Property rights of any Person. To the Vendor's Knowledge, except as set forth in the Vendor Disclosure Schedule, no claims have been asserted or are threatened by any Person alleging that the conduct of the

Business, including the use of the Intellectual Property owned by, licensed to or used by the Corporation, infringes upon any of their Intellectual Property rights. To the Vendor's Knowledge, there are no valid grounds for any such bona fide claims by any such Persons alleging a conflict with or infringement of their Intellectual Property rights. To the Vendor's Knowledge, there is no state of facts that casts doubt on the validity or enforceability of any of the Intellectual Property owned by, licensed to or used by the Corporation.

- (vi) The transactions contemplated by this Agreement and the Ancillary Agreements and the continued operation of the Business will not violate or breach the terms of any Intellectual Property license, or entitle any other party to any such Intellectual Property license to terminate or modify it, or otherwise adversely affect the Corporation's rights under it.
 - (vii) The Intellectual Property owned by or licensed to the Corporation or which the Corporation otherwise has the right to use constitutes all Intellectual Property necessary for the conduct of the Business as presently conducted. Except as set forth in the Vendor Disclosure Schedule, following Closing, the Corporation will be entitled to continue to use, practice and exercise rights in, all of the Intellectual Property owned by, licensed to and used by it, to the same extent and in the same manner as used, practiced and exercised by the Corporation prior to Closing without financial obligation to any Person.
 - (viii) Except as set forth in the Vendor Disclosure Schedule, to the Vendor's Knowledge, no Person is currently infringing any of the Intellectual Property owned by, licensed to or used by the Corporation.
 - (ix) Except as set forth in the Vendor Disclosure Schedule, following the Closing, the Vendor will not, nor will any affiliate of the Vendor retain or use any of the Intellectual Property owned by, licensed to or used by the Corporation in connection with the Business.
 - (x) The Corporation's owned Intellectual Property has not been developed with the assistance or use of any funding from third parties or third party agencies, including funding from any Governmental Entity that provides such funding entity rights in the Intellectual Property so developed.
 - (xi) All of the Intellectual Property developed or created by employees of the Corporation involved with the development or creation of Intellectual Property has been assigned to the Corporation in writing in an enforceable agreement. Each such employee has waived its non-assignable rights (including moral rights) to any Intellectual Property created by it on behalf of the Corporation.
- (ee) **Claims Against the Corporation.** To the Vendor's Knowledge, there are no (i) actions, suits, proceedings or warranty claims, at law or in equity or otherwise, by any Person (including the Corporation), (ii) any grievance, arbitration or alternative dispute resolution process, or (iii) administrative or other proceeding by or before any Governmental Entity, pending, or, threatened against or affecting the Corporation, the Business or any of the Assets, and, to the Vendor's Knowledge, there is no valid basis for any such action, complaint, grievance, suit, proceeding, arbitration or investigation by or against the Corporation. The Corporation is not subject to any judgment, order or decree entered in any lawsuit or proceeding.
- (ff) **Claims Filed by the Corporation.** Except as set forth in the Vendor Disclosure Schedule, the Corporation is not a plaintiff or complainant in any action, suit or proceeding, grievance, arbitration or alternative dispute resolution process.

- (gg) **Books and Records.** All accounting and financial Books and Records have been accurately kept and completed in all Material respects. The Books and Records of the Corporation and other Material data and information are not recorded, stored, maintained, operated or otherwise wholly or partly dependent upon or held by any means (including any electronic, mechanical or photographic process, whether computerized or not) which will not be available to the Corporation in the Ordinary Course.
- (hh) **Financial Statements.** The Historical Financial Statements contain and reflect all adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Corporation, as required by the Accounting Standards. The Historical Financial Statements have been prepared in accordance with the Accounting Standard (except for footnotes) applied on a basis consistent with those of previous fiscal years and present fairly:
- (i) the assets, liabilities, financial position, results of operation and cash flows of the Corporation as at the respective dates of the relevant statements; and
 - (ii) the sales and earnings of the Corporation during the periods covered by the Historical Financial Statements.
- True, correct and complete copies of the Historical Financial Statements have been provided to the Purchaser.
- (ii) **Working Capital.** The working capital of the Corporation is consistent with amounts held in accordance with past practices. As of the Closing, there will be not less than \$750,000 USD of Working Capital.
- (jj) **Accounts Receivable.** All Accounts Receivable are without set-off or counterclaim and are collectable consistent with past practices.
- (kk) **No Liabilities.** Except for normal trade payables incurred in the Ordinary Course and not yet due and except as has been previously disclosed to the Purchaser and listed in the Disclosure Schedule, and which will be included in the calculation of Working Capital pursuant to the Working Capital Statement, and except for those disclosed in the Historical Financial Statements, Debt to be retired at Closing, and except for contractual liabilities incurred in the Ordinary Course under those Material Contracts set forth in the Vendor Disclosure Schedule and except for the Corporation's credit cards and the Tesla loan, the Corporation, to Vendor's knowledge, has no Material liabilities or obligations of any nature whatsoever, whether known, unknown, to become due, direct, indirect, absolute, contingent or otherwise and whether or not required to be accrued on the Historical Financial Statements. For greater certainty, all accounts payable of the Corporation as of the Closing Date, shall be paid in the normal course consistent with past practices.
- (ll) **Bank Accounts and Powers of Attorney.** A correct and complete list showing the name of each bank in which the Corporation has an account or safe deposit box and the names of all Persons authorized to draw on the account or to have access to the safety deposit box is set out in the Vendor Disclosure Schedule. No Person holds any power of attorney from the Corporation.
- (mm) **Environmental Matters.**
- (i) The Corporation and the Business are in Material compliance with all Environmental Laws. The Corporation does not and has not previously owned any real property, nor does it or has it leased any real property other than the Business Premises.

- (ii) No Hazardous Materials have been used, stored, or handled by the Corporation on the Business Premises or any other property over which the Corporation has or had charge, management or control except as used, stored or handled in the Ordinary Course of the Business in compliance with all Environmental Laws.
 - (iii) The Business Premises has never been used by the Corporation, or, to the Vendor's knowledge, any Person as a waste disposal site or as a licensed landfill, nor, to the Vendor's knowledge, does it have asbestos-containing materials, PCBs, regulated radioactive substances or aboveground or underground storage systems, active or abandoned, located on, at or under it.
 - (iv) To the knowledge of the Vendor, and except as provided in the Vendor Disclosure Schedule, no properties adjacent to the Business Premises are contaminated with Hazardous Materials which require remediation under Environmental Laws.
 - (v) The Corporation has not transported, removed or disposed of any waste to a location outside of the United States of America or to a location that is not duly authorized by the appropriate Governmental Entity to receive such waste.
 - (vi) The Corporation has not been requested by any Governmental Entity to change or alter its operations on the Business Premises in order to be in compliance with Environmental laws.
 - (vii) The Corporation has not received and has no basis to expect receipt of (and no Person for whose conduct the Corporation is or may be held responsible has received or has a basis to expect receipt of) any written directive, inquiry, notice, order, warning, request or other communication from any Governmental Entity or other Persons that relates to any alleged actual or potential violation or failure to comply with any Environmental Laws, or of any alleged actual or potential obligation to undertake or bear the cost of any environmental liabilities, including performing any environmental closure, decommissioning, rehabilitation, restoration, management or post-remedial investigations, on, about, or in connection with any real property.
 - (viii) The Vendor has not received notice that any real property currently or formerly owned, operated or leased by the Corporation is listed on, or has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA, or any similar state list.
- (nn) **Employees.**
- (i) Schedule "F" attached hereto sets forth in table form the: (A) name (collectively the "**Employees**"); (B) job title and description; (B) date of hire (or duration of employment, if different); (D) vacation entitlement; (E) employee benefit entitlement if different than general benefits provided to all employees or those arising pursuant to Applicable Law; and (F) rate of remuneration of each employee of the Corporation (including bonus and commission entitlement and the total amount earned by each employee in the last fiscal year based on Internal Revenue Service filing information) and lists any agreements, including any and all amendments and supplement thereto, with any employee, copies of which have been provided to the Purchaser.
 - (ii) No employee of the Corporation has any agreement as to length of notice or severance payment required to terminate his or her employment, other than such as results by Law from the employment of an employee without an agreement as to notice or severance.

- (iii) The Vendor is not aware of any employees who intend to terminate their employment prior to the Closing Date and shall advise the Purchaser of such knowledge as soon as reasonably practical after it becomes known.
- (iv) Other than the collective bargaining agreements set out in the Vendor Disclosure Schedule, the Corporation is not a party to or bound by any collective bargaining agreement, and no collective agreement is currently being negotiated by the Corporation or any other Person in respect of employees of the Corporation. Other than as may be set out in such collective bargaining agreements set out in the Vendor Disclosure Schedule, the Corporation has not agreed to recognize any union or other collective bargaining representative, nor has any union or other collective bargaining representative been certified as the exclusive bargaining representative of the Corporation's employees. To the Vendor's Knowledge, no labour union or representative of the employees of the Corporation claims to be seeking to represent employees of the Corporation other than those that are parties to executed collective bargaining agreements identified in the Vendor Disclosure Schedule. To the Vendor's Knowledge, no union organizational campaign or representation petitions or applications are currently pending with respect to any of the employees of the Corporation and the Corporation has not received any notice in respect thereof. The collective bargaining agreements set out in the Vendor Disclosure Schedule have been duly approved or ratified by the Corporation and there are no written or oral agreements which modify the terms of any such collective bargaining agreement. No collective bargaining agreements or other labour contracts relating to employees of the Corporation are being negotiated by the Corporation.
- (v) The Corporation is in compliance and has always been in compliance with all terms and conditions of employment agreements and collective bargaining agreements, and all Material Laws respecting employment and or labour, including pay equity, wages and hours of work and occupational health and safety and to the Vendor's Knowledge, there are no outstanding claims, complaints, investigations or orders under any such Laws. All employees of the Corporation classified as exempt under the Fair Labor Standards Act and state and local wage and hour laws are properly classified. The Corporation is in compliance with and has complied with all immigration laws, including Form I-9 requirements and any applicable E-Verify obligations. The Corporation has no plans to undertake any action in the future that would trigger the WARN Act. With respect to each Contract with a Governmental Entity, the Corporation is and has been in compliance with Executive Order No. 11246 of 1965 ("**E.O. 11246**"), Section 503 of the Rehabilitation Act of 1973 ("**Section 503**") and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 ("**VEVRAA**"), including all implementing regulations. The Corporation maintains and complies with affirmative action plans in compliance with E.O. 11246, Section 503 and VEVRAA, including all implementing regulations. The Corporation is not, and has not been for the past three (3) years, the subject of any audit, investigation or enforcement action by any Governmental Entity in connection with any Contract with a Governmental Entity or related compliance with E.O. 11246, Section 503 or VEVRAA. The Corporation has not been debarred, suspended or otherwise made ineligible from doing business with the United States government or any government contractor.
- (vi) The Corporation has not and is not engaged in any unfair labour practice and to the Vendor's Knowledge, no unfair labour practice complaint, grievance, arbitration proceeding or charges of violation of individual collective rights is pending or threatened against the Corporation, nor has any notice been received by the Corporation of any threatened or actual charges or complaints.

- (vii) There is no labour strike or labour dispute, slowdown, lockout or stoppage actually pending or to the Vendor's Knowledge, threatened against or affecting the Corporation, and the Corporation has not experienced any labour strikes or labour disputes, slowdowns, lockouts or stoppages within the last three (3) years that had a Material Adverse Effect on the Corporation. To the Vendor's Knowledge, no union or collective bargaining representative has applied to have the Corporation declared a related or successor employer pursuant to applicable labour Laws.
 - (viii) All employees and former employees of the Corporation have been, or will have been on or before the Closing, paid, or adequate amounts shall have been accrued for wages, salaries, commissions, bonuses, vacation pay, severance and termination pay, sick pay, and other compensation, for all services performed by them or that was accrued by them up to the Closing, in accordance with the obligations of the Corporation under any employment or labour practices and policies or any collective bargaining agreement or individual agreement to which the Corporation is a party, or by which the Corporation may be bound.
 - (ix) As at the date of Closing, to the Vendor's Knowledge the Corporation will not have any liabilities or obligations with respect to any previous employees or independent contractors or consultants of any nature whatsoever.
 - (x) There are no outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any workplace safety and insurance legislation and the Corporation has not been reassessed in any Material respect under such legislation during the past three (3) years and no audit of the Corporation is currently being performed pursuant to any applicable workplace safety and insurance legislation. To the Vendor's Knowledge, there are no claims or potential claims which may Materially adversely affect the Corporation's accident cost experience in respect of the Business.
 - (xi) To the Vendor's Knowledge , there are no outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or owing pursuant to any Laws or to any Governmental Entity.
 - (xii) To the Vendor's Knowledge, there are no charges pending under applicable occupational health and safety legislation ("OHS"). There are no outstanding orders issued under OHS and there are no appeals of any orders under OHS currently outstanding.
- (oo) **Employee Plans.**
- (i) Other than the Employee Plans set forth in the Vendor Disclosure Schedule, the Corporation has no Employee Plans.
 - (ii) With respect to each Employee Plan, the Vendor has made available to the Purchaser accurate, current and complete copies of each of the following: (A) where the Employee Plan has been reduced to writing, the plan document together with all amendments; (B) where the Employee Plan has not been reduced to writing, a written summary of all material plan terms; (C) where applicable, copies of any trust agreements or other funding arrangements, custodial agreements, insurance policies and contracts, administration agreements and similar agreements, and investment management or investment advisory agreements, now in effect or required in the future as a result of the transactions contemplated by this Agreement or otherwise; (D) copies of any summary plan descriptions, summaries of material modifications, summaries of benefits and coverage, COBRA communications, employee handbooks and any other written communications (or a description of any oral

communications) relating to any Employee Plan; (ED) in the case of any Employee Plan that is intended to be qualified under Section 401(a) of the Code, a copy of the most recent determination, opinion or advisory letter from the Internal Revenue Service and any legal opinions issued thereafter with respect to such Employee Plan's continued qualification; (FE) in the case of any Employee Plan for which a Form 5500 must be filed, a copy of the two most recently filed Forms 5500, with all corresponding schedules and financial statements attached; (G) actuarial valuations and reports related to any Employee Plans with respect to the two most recently completed plan years; (viiiF) the most recent nondiscrimination tests performed under the Code; and (ixG) copies of material notices, letters or other correspondence from the Internal Revenue Service, Department of Labor, Department of Health and Human Services, Pension Benefit Guaranty Corporation or other Governmental Authority relating to the Employee Plan.

- (iii) (iii) Except as set forth in the Vendor Disclosure Schedule, each Employee Plan and any related trust (other than any multiemployer plan within the meaning of Section 3(37) of ERISA (each a "Multiemployer Plan")) has been established, administered and maintained in material compliance accordance with its terms and in compliance with all applicable Laws (including ERISA and, the Code and any applicable local Laws). Each Employee Plan that is intended to be qualified within the meaning of Section 401(a) of the Code (a "Qualified Benefit Plan") is so qualified and received a favorable and current determination letter from the Internal Revenue Service with respect to the most recent five year filing cycle, or with respect to a prototype or volume submitter plan, can rely on an opinion letter from the Internal Revenue Service to the prototype plan or volume submitter plan sponsor, to the effect that such Qualified Benefit Plan is so qualified and that the plan and the trust related thereto are exempt from federal income taxes under Sections 401(a) and 501(a), respectively, of the Code, and, to the Vendor's Knowledge, nothing has occurred that could reasonably be expected to adversely affect the qualified status of any Qualified Benefit Plan. To the Vendor's Knowledge, nothing has occurred with respect to any Employee Plan that has subjected or could reasonably be expected to subject the Corporation or any of its ERISA Affiliates or, with respect to any period on or after the Closing Date, Purchaser or any of its Affiliates, to a penalty under Section 502 of ERISA or to tax or penalty under Sections 4975 or 4980H of the Code.
- (iv) No pension plan (other than a Multiemployer Plan) which is subject to minimum funding requirements, including any multiple employer plan, (each, a "**Single Employer Plan**") in which employees of the Corporation or any ERISA Affiliate participate or have participated has an "accumulated funding deficiency", whether or not waived, or is subject to a lien for unpaid contributions under Section 303(k) of ERISA or Section 430(k) of the Code. No Single Employer Plan covering employees of the Corporation which is a defined benefit plan has an "adjusted funding target attainment percentage," as defined in Section 436 of the Code, less than 80%. Except as set forth in the Vendor Disclosure Schedules, all benefits, contributions and premiums relating to each Employee Plan have been timely paid in accordance with the terms of such Employee Plan and all applicable Laws and accounting principles, and all benefits accrued under any unfunded Employee Plan have been paid, accrued or otherwise adequately reserved to the extent required by, and in accordance with, the Accounting Standard.
- (v) Neither the Corporation nor any of its ERISA Affiliates has (i) incurred or reasonably expects to incur, either directly or indirectly, any material Liability under Title I or Title IV of ERISA or related provisions of the Code or applicable local Law relating to employee benefit plans; (ii) failed to timely pay premiums to

the Pension Benefit Guaranty Corporation; (iii) withdrawn from any Employee Plan; (iv) engaged in any transaction which would give rise to liability under Section 4069 or Section 4212(c) of ERISA; (v) incurred taxes under Section 4971 of the Code with respect to any Single Employer Plan; or (vi) participated in a multiple employer welfare arrangements (MEWA).

- (vi) With respect to each Employee Plan (i) no such plan is a Multiemployer Plan, and (A) all contributions required to be paid by the Corporation or its ERISA Affiliates have been timely paid to the applicable Multiemployer Plan; (B) neither the Corporation nor any ERISA Affiliate has incurred any withdrawal liability under Title IV of ERISA which remains unsatisfied, and (C) a complete withdrawal from all such Multiemployer Plans at the effective time would not result in any material liability to the Corporation and no Multiemployer Plan is in critical, endangered or seriously endangered status or has suffered a mass withdrawal; (ii) no such plan is a "multiple employer plan" within the meaning of Section 413(c) of the Code or a "multiple employer welfare arrangement" (as defined in Section 3(40) of ERISA); (iii) no Action has been initiated by the Pension Benefit Guaranty Corporation to terminate any such plan or to appoint a trustee for any such plan; (iv) no such plan or the plan of any ERISA Affiliate maintained or contributed to within the last six (6) years is a Single Employer Plan subject to Title IV of ERISA; and (v) no "reportable event," as defined in Section 4043 of ERISA, with respect to which the reporting requirement has not been waived has occurred with respect to any such plan.
- (vii) Except as set forth in the Vendor Disclosure Schedule, there is no pending or, to the Vendor's Knowledge, threatened claims, actions, suits, audits, proceedings, investigations or other action relating to an Employee Plan (other than routine claims for benefits), and no Employee Plan has within the three (3) years prior to the date hereof been the subject of an examination or audit by a Governmental Entity.
- (viii) Each Employee Plan that is subject to Section 409A of the Code has been administered in compliance with its terms and the operational and documentary requirements of Section 409A of the Code and all applicable regulatory guidance (including notices, rulings and proposed and final regulations) thereunder. The Corporation does not have any obligation to gross up, indemnify or otherwise reimburse any individual for any excise taxes, interest or penalties incurred pursuant to Section 409A of the Code.
- (pp) **Insurance.** The Vendor Disclosure Schedule contains correct and complete copies of insurance policies which are maintained by the Corporation. The Corporation is not in Material default with respect to any of the provisions contained in the insurance policies, the payment of any premiums under any insurance policy and has not failed to give any notice or to present any claim under any insurance policy in a due and timely fashion. To the Vendor's Knowledge, there are no circumstances in respect of which any Person could make a claim under any insurance policy. To Vendor's Knowledge, there has not been any Material Adverse Change in the relationship of the Corporation with their insurers, the availability of coverage, or in the premiums payable pursuant to the policies. No claims are pending under any policies of insurance maintained by or for the benefit of the Corporation. Copies of all insurance policies of the Corporation and the most recent inspection reports received from insurance underwriters have been delivered to the Purchaser.
- (qq) **Customers and Suppliers.** The Vendor Disclosure Schedule contains a true and correct list setting forth the twelve (12) largest customers and the three (3) largest suppliers of the Corporation by dollar amount for the year ending December 31, 2017. The Vendor has no reason to believe that the benefits of any relationship with any of the major

customers or suppliers of the Corporation will not continue after the Closing Date in substantially the same manner as prior to the date of this Agreement.

(rr) **Taxes.**

- (i) The Corporation has filed or caused to be filed with the appropriate Governmental Entity, within the times and in the manner prescribed by applicable Law, all federal, state, local and foreign Tax Returns which are required to be filed by or with respect to it. The information contained in such Tax Returns is correct and complete in all Material respects and such Tax Returns reflect accurately all liability for Taxes of the Corporation for the periods covered thereby.
- (ii) The Corporation has paid all Taxes which are due and payable within the time required by applicable Law, and has paid all assessments and reassessments it has received in respect of Taxes. The Corporation has made full and adequate provision in the Books and Records and Historical Financial Statements for all Taxes which are not yet due and payable under applicable Law. The Corporation has not received any refund of Taxes to which they are not entitled.
- (iii) The liability for Taxes of the Corporation has been assessed by all relevant Governmental Entities for all periods where such assessment would be conducted by such relevant Governmental Entities. There are no outstanding agreements, arrangements, waivers or objections extending the statutory period or providing for an extension of time with respect to the assessment or reassessment of Taxes or the filing of any Tax Return by, or any payment of Taxes by the Corporation. The Corporation has not received any ruling from any Governmental Entity in respect of Taxes nor signed any agreements in respect of Taxes with any Governmental Entity and, without limiting the generality of the foregoing, the Corporation is not a party to or bound by any obligation under any Tax sharing or allocation agreement or similar contract or arrangement (whether or not written) or owe any amount under any such agreement (excluding for this purpose any agreement entered into in the Ordinary Course, the primary purpose of which does not relate to Tax, such as a credit agreement or a lease).
- (iv) There are no claims, actions, suits, audits, proceedings, investigations or other action that have been commenced or, to the Vendor's Knowledge, threatened or pending, against the Corporation in respect of Taxes against the Corporation in respect of Taxes and, the Corporation has not received notice that any such claim, action, suit, audit, proceeding, investigation or other action may be asserted against the Corporation by a Governmental Entity. The Corporation is not negotiating any final or draft assessment or reassessment in respect of Taxes with any Governmental Entity. The Corporation has not received any written notice from any Governmental Entity that an assessment or reassessment is proposed or may be proposed in respect of any Taxes. There are no facts to the Vendor's Knowledge which would constitute grounds for the assessment or reassessment of Taxes payable by the Corporation, except in respect of Taxes that are provided for in the Books and Records and the Historical Financial Statements.
- (v) The Corporation has withheld and collected all amounts required by applicable Law to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Entity within the time prescribed under any applicable Law.
- (vi) The Corporation has not, and has never been deemed to have for purposes of the Tax Act and applicable Law, acquired or had the use of property for proceeds greater than the fair market value thereof from, or disposed of property for

proceeds less than the fair market value thereof to, or received or performed services or had the use of property for other than the fair market value from or to, or paid or received interest or any other amount other than at a fair market value rate to or from, any Person with whom they do not deal at arm's length within the meaning of the Tax Act.

- (vii) The Corporation is not subject to any liability for Taxes of any other Person.
- (viii) The Corporation has not entered into any joint venture, partnership or other arrangement or contract that is treated as a partnership for income tax purposes in any jurisdiction.
- (ix) No claim has ever been made in writing by a Governmental Entity in respect of Taxes in a jurisdiction where the Corporation does not file Tax Returns to the effect that the Corporation is or may be subject to Tax by that jurisdiction.
- (x) The Vendor is not a "foreign person" as that term is used in Treasury Regulations Section 1.1445-2. The Corporation is not, nor has it been, a United States real property holding corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(a) of the Code.
- (ss) **Privacy.** The Corporation is, and has been, conducting the Business in compliance with all applicable Laws governing privacy and the protection of personal information. The Corporation has a privacy policy which governs the collection, use and disclosure of personal information and the Corporation is in compliance with such policy.
- (tt) **Unlawful Contribution, Payment or Benefit.** The Vendor, the Corporation, or to the Vendor's Knowledge any of the employees, as applicable, have not at any time made any unlawful contribution to any political candidate or party, or failed to disclose fully any contribution in violation of the Law, made any payment to federal, state or municipal governmental, regulatory or administrative officer or official, or other Person charged with similar public or quasi-public duties, other than payments required or permitted by the Laws of United States or any jurisdiction thereof, or made any payment or granted any other benefit to any officers, directors or employees of a customer, a Vendor or a business partner of the Corporation for the purpose or effect of inducing such customer, Vendor or business partner to enter into or continue a business relationship with the Vendor or the Corporation or to purchase from or sell to the Vendor or the Corporation goods or services.
- (uu) **Investments.** The Corporation does not hold any investment in mutual fund accounts or other similar fund accounts or marketable securities.
- (vv) **Due To or From Related Parties.** Other than the Vendor Payable to the Corporation listed on the Vendor Disclosure Schedule, there are no advances or other Debt existing between the Corporation and the Vendor, or to the Vendor's Knowledge, any other Person not dealing at arm's length with the Corporation other than the Vendor Payable.
- (ww) **Full Disclosure.** No covenant, agreement, obligation, representation or warranty given by the Corporation or the Vendor contained in this Agreement or any Ancillary Agreement and any certificates or furnished by them to the Purchaser pursuant hereto contains any untrue statement of a Material fact There is no fact known to the Corporation or the Vendor which Materially adversely affects the operations or the Business .

**ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

5.1 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants as of the date hereof (unless otherwise specifically stated) as follows, and acknowledges and agrees that the Vendor is relying on such representations and warranties in connection with the sale of the Purchased Shares:

- (a) **Formation, capacity and power.** The Purchaser has full corporate power and authority to enter into and perform its obligations under this Agreement and each of the Ancillary Agreements to which it is a party, and the execution and delivery of and performance by the Purchaser of this Agreement and the Ancillary Agreements to which it is a party, and the consummation of the transactions contemplated by such agreements have been, or will be on or prior to the Closing Date, duly authorized by all necessary corporate action on the part of the Purchaser.
- (b) **Execution and Binding Obligation.** This Agreement and each Ancillary Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation and is enforceable against the Purchaser subject only to any limitation under applicable laws relating to bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (c) **No Conflict.** The execution and delivery of and performance by the Purchaser of this Agreement and each of the Ancillary Agreements to which the Purchaser is a party:
 - (i) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) constitute or result in a breach or violation of, or conflict with or allow any Person to exercise any rights under, any of the terms or provisions of any Contract to which the Purchaser is a party or pursuant to which the Purchaser's assets or property may be affected, or in the case of a Purchaser that is a corporation, its constating documents, bylaws or any resolutions of its directors or shareholders; and
 - (ii) do not and will not result in the violation of any Law.
- (d) **Required Consents.** Other than the consents required from the [REDACTED], there is no requirement to obtain any consent, approval or waiver from any Person under any Contract to which the Purchaser is a party for the completion of any of the transactions contemplated by this Agreement or any of the Ancillary Agreements, other than the Exchange and any required regulatory approvals, and the Purchaser is not obligated to obtain the consent or authorization of, provide notice to, or make any filings with, any Person with respect to the transactions contemplated by this Agreement or any of the Ancillary Agreements, nor is any waiting period required to expire in order that the Purchaser carry out its obligations under any such agreement.
- (e) **Residence of the Purchaser.** The Purchaser is not a non-resident of Canada within the meaning of the Tax Act.
- (f) **No Brokers.** The Purchaser has not hired any broker, finder or investment banker or other person who is directly or indirectly entitled to any brokerage, finder's or other contingent fee or commission or any similar charge in connection with the transactions contemplated by this Agreement for which the Vendor will be responsible or liable.

- (g) **Compliance with Laws.** The Purchaser is conducting and has always conducted business with all applicable Laws in all Material respects.
- (h) **Taxes.** The Purchaser filed or caused to be filed with the appropriate Governmental Entity, within the times and in the manner prescribed by applicable Law, all federal, provincial, state, local and foreign Tax Returns which are required to be filed by or with respect to it. The information contained in such Tax Returns is correct and complete in all Material respects and such Tax Returns reflect accurately all Material liability for Taxes of the Corporation for the periods covered thereby. The Purchaser has paid all Taxes which are due and payable within the time required by the applicable Laws in all Material respects, and has paid all assessments and reassessments it has received in respect of Taxes.
- (i) **Full Disclosure.** No covenant, agreement, obligation, representation or warranty given by the Purchaser contained in this Agreement or any Ancillary Agreement and any certificates or other documents referred to herein or furnished by the Purchaser pursuant hereto contains any untrue statement of a Material fact.
- (j) **Valid Issuance of Securities.** The Closing Shares are duly authorized and, when issued in accordance with this Agreement, are registered, will be duly and validly issued and transferable, fully paid and nonassessable, free and clear of all Liens except for restrictions on transfer imposed by applicable securities Laws. The CEMATRIX Shares issuable upon conversion of the Convertible Note (the "**Conversion Shares**") have been duly reserved for issuance, and upon issuance in accordance with the terms of the Convertible Note, will be validly issued, freely transferable after any holding period required by applicable securities laws, registered, fully paid and nonassessable, free and clear of all Liens except for restrictions on transfer imposed by applicable securities laws. The Purchaser has reserved from its duly authorized capital stock the maximum number of CEMATRIX Shares issuable upon conversion of the Convertible Note. The Closing Shares and the Conversion Shares are not and will not be subject to the preemptive rights of any holders of any security of the Purchaser or similar contractual rights granted by the Purchaser. All corporate and other action required to be taken for the authorization, issuance and sale of the Closing Shares, Conversion Shares, and the Stock Options has been duly and validly taken. No approval or consent of any holders of securities of the Purchaser is required in connection with the authorization and issuance of the Closing Shares or the Conversion Shares.
- (k) **Purchaser Filings.** The Purchaser has timely filed all reports, registrations, schedules, forms, statements and other documents, together with any amendments required to be made with respect thereto, that it was required to file with the Exchange or the Alberta Securities Commission, or with other Governmental Entities or pursuant to applicable federal, state or provincial securities Laws (the "**Purchaser Filings**"). No publicly available final registration statement, prospectus, report, form, schedule, release or proxy material (including any financial statements or schedules included or incorporated by reference therein) filed by the Purchaser pursuant to the applicable securities Laws of the province of Alberta or other Governmental Entities and the respective regulations and rules made thereunder, including the regulations and rules of the Exchange, together with all applicable published policy statements, notices, blanket orders and rulings and all discretionary orders or rulings, if any, of the Alberta Securities Commission or other Governmental Entities and the Exchange (collectively, "**Canadian Securities Laws**") (collectively, the "**Purchaser Securities Documents**"), as of their respective dates, or if amended or superseded prior to the date of this Agreement, as of the date of such amendment or applicable subsequent filing, contained a Material misrepresentation (as defined under Canadian Securities Laws). As of their respective filing dates, or if amended or superseded prior to the date of this Agreement, as of the date of the last such amendment or applicable subsequent filing, all Purchaser Securities Documents complied as to form in all Material respects with the applicable requirements of Canadian Securities Laws. The Purchaser Filings contain complete and accurate

descriptions in all Material respects of the business of the Purchaser, taken as a whole. The Purchaser has not filed any confidential material change report with the Canadian Securities Commission which as of the date hereof remains confidential.

- (l) **Financial Statements.** The Purchaser financial statements contain and reflect all adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of Purchaser in accordance with the International Financial Reporting Standards. The Purchaser financial statements have been prepared in accordance with the International Financial Reporting Standards applied on a basis consistent with those of previous fiscal years and present fairly:
- (i) the assets, liabilities (whether accrued, absolute, contingent or otherwise), financial position, results of operation and cash flows of the Purchaser as at the respective dates of the relevant statements; and
 - (ii) the sales and earnings of the Purchaser during the periods covered by the Purchaser financial statements.
- True, correct and complete copies of the Purchaser financial statements have been provided to the Vendor.
- (m) **Compliance with Continued Listing Requirements.** The Purchaser is in Material compliance with applicable Exchange listing requirements, there are no proceedings pending or, to the Purchaser's knowledge, threatened against the Purchaser relating to the continued listing of the CEMATRIX Shares on the Exchange, and the Purchaser has not received any currently pending notice of the delisting of CEMATRIX Shares from the Exchange.
- (n) **No Liabilities.** Except as disclosed in the Purchaser Securities Documents, and except for normal trade payables incurred in the Ordinary Course and not yet due and except for contractual liabilities incurred in the Ordinary Course of Business, the Purchaser has no Material liabilities or obligations of any nature whatsoever, whether known, unknown, to become due, direct, indirect, absolute, contingent or otherwise and whether or not required to be accrued on the Purchaser Financial Statements.
- (o) **Claims Against the Purchaser.** To the knowledge of the Purchaser there are no: (i) actions, suits, proceedings or warranty claims, at law or in equity or otherwise, by any Person (including the Purchaser), (ii) any grievance, arbitration or alternative dispute resolution process, or (iii) administrative or other proceeding by or before any Governmental Entity, pending, or, threatened against or affecting the Purchaser, the Purchaser's business or any of the Purchaser's assets, and, there is no valid basis for any such action, complaint, grievance, suit, proceeding, arbitration or investigation by or against the Purchaser. The Purchaser is not subject to any judgment, order or decree entered in any lawsuit or proceeding nor has the Purchaser settled any claim prior to being prosecuted in respect of it.
- (p) **No Material Adverse Change.** Since December 31, 2017, there has been no Material Adverse Change in the affairs, business, assets, liabilities, capital structure, operations, properties, results of operation, prospects or condition (financial or otherwise) of the Purchaser and no event has occurred which has had or has threatened to have a material adverse effect on the Purchaser, its business, assets, liabilities, operations, properties, results of operation, prospects or condition (financial or otherwise).

ARTICLE 6
PRE-CLOSING COVENANTS

6.1 Conduct of Business Prior to Closing.

The Vendor shall cause the Corporation to, and the Corporation shall, during the Interim Period:

- (a) conduct the Business in the Ordinary Course, and, without limiting the generality of the foregoing:
 - (i) ensure that no action is taken in respect of the following matters without the consent of the Purchaser:
 - (A) the incurring of any Debt other than in the Ordinary Course and for which adjustment to the Purchase Price is to be made pursuant hereto;
 - (B) the entry into any Contract outside of the Ordinary Course the incurring of any commitment involving any capital expenditure outside of the Ordinary Course);
 - (C) the sale, consumption or disposition of or transferring possession of any of the Assets, except in the Ordinary Course;
 - (D) the writing off as uncollectible any Accounts Receivable which individually or in the aggregate is Material to the Corporation; and
 - (E) the cancellation or waiver of any claims or rights;
 - (ii) take good care of all the Assets, do all necessary repairs and maintenance to such Assets as are used by the Corporation in the operations of the Business, and take reasonable care to protect and safeguard the Assets, all in the Ordinary Course and consistent with existing practice;
 - (iii) effect the collection of the Accounts Receivable in accordance with its existing practices in that respect; and
 - (iv) maintain in full force and effect insurance policies heretofore maintained;
- (b) ensure that no action is taken in respect of the following matters:
 - (i) amending the bylaws, articles or constating documents of the Corporation;
 - (ii) anything that would or would likely result in a breach of any representation or warranty of any of the Vendor provided in this Agreement or any Ancillary Agreement to which the Vendor is a party;
 - (iii) the making of any election related to Taxes, or changing such election;
 - (iv) the settlement of any Tax claim, audit, proceeding or re-assessment; and or
 - (v) the amendment of any Tax Return or change in any manner of reporting income or claiming deductions for Tax purposes.

6.2 Access for Due Diligence.

- (a) Prior to Closing, the Vendor shall, and shall cause the Corporation to:

- (i) permit the Purchaser and its counsel, auditors or other representatives, during the Due Diligence Period, without undue interference to the ordinary conduct of the business upon reasonable notice of the Corporation, to have reasonable access to: (i) the Business Premises; (ii) the Assets and any information relating to the Corporation, including all Books and Records and all legal, financial, regulatory, environmental compliance and associated liabilities; (iii) all Contracts the Corporation is party to; and (iv) the employees and senior personnel of the Corporation;
 - (ii) furnish to the Purchaser or its counsel, auditors or other representatives such financial and operating data and other information with respect to the Assets and Business as the Purchaser shall from time to time reasonably request; and
 - (iii) upon reasonable notice and after discussion with the Vendor, permit the Purchaser and its counsel, auditors and other representatives to have any discussions with any lessor of the Business Premises or any Governmental Entity that the Purchaser may, in its sole discretion, consider necessary for the continued operation of the Business.
- (b) No investigations made by or on behalf of the Purchaser or information received by the Purchaser in the course of its due diligence investigations, whether under this Section 6.2 or any other provision of this Agreement, shall have the effect of waiving, diminishing the scope of, or otherwise affecting any representation, warranty or agreement to indemnify made in this Agreement.

6.3 Notice of Untrue Representation or Warranty.

Each Party shall promptly notify the other Party upon any representation or warranty made by such notifying Party contained in this Agreement becoming untrue or incorrect during the Interim Period. Any such notification shall set out particulars of the untrue or incorrect representation or warranty and details of any actions being taken by the notifying Party, or the Corporation, as the case may be, to rectify that state of affairs.

6.4 Filings and Required Consents.

The Vendor and the Purchaser shall, as and where applicable, cause Purchaser and Corporation to: (i) make, or cause to be made, all such filings and submissions under all Laws applicable to it, as may be required for it to consummate the purchase and sale of the Purchased Shares in accordance with the terms of this Agreement and the Ancillary Agreements; (ii) use commercially reasonable efforts to obtain, or cause to be obtained, all third party consents and Authorizations necessary or advisable to be obtained by it in order to consummate such transactions and (iii) take, or use its commercially reasonable efforts to cause to be taken, all other actions necessary, proper or advisable in order for it to fulfill its obligations under this Agreement. Each Party will coordinate and cooperate with one another in exchanging such information and supplying such assistance as may be reasonably requested by each other in connection with the foregoing, including providing each other with all notices and information supplied to or filed with any Governmental Entity, and all notices and correspondence received from any Governmental Entity.

6.5 Survival of Contracts.

The Vendor will, and will cause the Corporation to, use commercially reasonable efforts to cooperate with the Purchaser to obtain, on or prior to the Closing Date, all consents, approvals and waivers that are required by the terms of the Lease and Contracts to which the Corporation or the Vendor is a party in order to complete the transactions contemplated by this Agreement. Such consents, approvals and waivers will be upon such terms as are acceptable to the Purchaser, acting reasonably.

6.6 Satisfaction of Conditions.

Each Party shall cooperate fully in the other Party's efforts to satisfy the conditions in Article 7, provided, however, that no Party shall be required to make a Material expenditure or disclose its confidential information to assist another Party in its efforts to satisfy such conditions.

6.7 Exclusive Dealing.

During the Interim Period, the Vendor undertakes to refrain from, directly or indirectly, instituting or conducting discussions or negotiations with any other Person, or soliciting or entertaining any inquires or proposals relating to the possible sale or other disposition of the Corporation, its share capital or any substantial part of its assets or businesses.

6.8 Trading

During the Interim Period, the Vendor undertakes to refrain from, directly or indirectly, acquiring CEMATRIX Shares through the public market.

6.9 Listing and TSXV Acceptance

The Purchaser shall use all commercially reasonable efforts to obtain the final acceptance of the Exchange in respect of the transactions contemplated by this Agreement upon notice of issuance, exercise or conversion, as applicable, subject to the making of certain prescribed filings as soon as possible following the Closing.

6.10 Vendor Guarantees

The Purchaser shall, within 6 months of the Closing Date, ensure that the Vendor has been released from any and all personal guarantees and obligations of the Corporation incurred for the Corporation's business, including, without limitation, any credit card and bond guarantees.

**ARTICLE 7
CONDITIONS OF CLOSING****7.1 Conditions for the Benefit of the Purchaser.**

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

(a) Truth of Representations and Warranties and Performance of Covenants

- (i) The representations and warranties of the Vendor, contained in this Agreement shall have been true and correct in all respects on the date hereof and shall be true and correct in all respects on the Closing Date with the same force and effect as if made at and as of the Closing Date and as though Closing Date was substituted for the date hereof or similar terms throughout such representations and warranties, except for any representation or warranty which was made as at a specific date other than the date hereof, which representation or warranty shall remain true and correct as at such specific date; and
- (ii) The covenants contained in this Agreement to be performed by the Vendor, on or prior to the Closing Date, shall have been performed and the Vendor shall not be in breach of any agreement on the part of the Vendor contained in this Agreement, or any Ancillary Agreement to which the Vendor is a party,

and the Purchaser shall have received a certificate from the Vendor confirming the foregoing, signed by the Vendor, in form and substance reasonably satisfactory to the Purchaser and the Purchaser's counsel (the "**Vendor's Closing Certificate**"). The receipt of the Vendor's Closing Certificate and the consummation of Closing shall not constitute a waiver by the Purchaser or an amendment of any of the representations and warranties or covenants of the Vendor which are contained in this Agreement.

- (b) **Deliveries.** The Vendor shall deliver or cause to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser, acting reasonably, or, if applicable, in the form provided for as a Schedule to this Agreement:
- (i) share certificates representing the Purchased Shares duly endorsed in blank for transfer, or affidavit of lost certificate and accompanied by irrevocable stock transfer powers duly executed in blank, in *either* case, by the holders of record;
 - (ii) certified copies of the constating documents and by-laws of the Corporation, duly executed by an executive officer of the Corporation;
 - (iii) a certificate of status, compliance, good standing or similar certificate with respect to the Corporation issued by the appropriate government officials of the jurisdiction of incorporation or its current existence, dated within three (3) Business Days of the Closing Date;
 - (iv) a certificate of the Vendor certifying, as of the Closing, that the representations and warranties set forth in Section 4.1 of this Agreement are true and correct in all respects and the Vendor has performed or complied with all terms, covenants and conditions of the Agreement in all respects;
 - (v) all certified resolutions of the directors of the Corporation approving the entering into and completion of the transactions contemplated by this Agreement and each of the Ancillary Agreements, duly executed by an executive officer of the Corporation;
 - (vi) proof of discharge of Liens or other registrations, or no interest letters from the applicable secured party, if accepted by the Purchaser;
 - (vii) the Corporate Records and such documents as reasonably required by the Purchaser to rectify any deficiencies in the Corporation's minute book to the satisfaction of the Purchaser, acting reasonably.
 - (viii) the Draft Working Capital Statement setting forth the calculation of Working Capital as of the Closing Date, which provides for not less than \$750,000 of Working Capital, and which shall include, without limitation, details respecting all Accounts Receivable and work-in-progress;
 - (ix) all required consents and Authorizations listed in the Vendor Disclosure Schedule;
 - (x) amendment of the Lease duly executed by Depot Place, LLC and the Corporation;
 - (xi) evidence of removal of Persons authorized to draw on the bank accounts of the Corporation, having access to any safe deposit box of the Corporation, and evidence of appointment of Persons selected by the Purchaser effective as at the Closing;

- (xii) a resignation of the Vendor, as director and officer of the Corporation, and the Mutual Release, all duly executed by all such resigning directors and officers of the Corporation;
 - (xiii) the Mutual Release duly executed by the Corporation;
 - (xiv) the ██████████ Employment Agreement duly executed by ██████████;
 - (xv) the Consulting Services Agreement duly executed by the Vendor;
 - (xvi) the Non-Competition, Non-Solicitation and Confidentiality Agreement, duly executed by the Vendor;
 - (xvii) the Vendor Payable, duly executed by the Vendor;
 - (xviii) the Convertible Note duly executed by the Vendor; and
 - (xix) such necessary deeds, conveyances, assurances, transfers and assignments or any other instruments necessary or reasonably required to transfer the Purchased Shares with a good title, free and clear of all Liens on any of the Purchased Shares.
- (c) **No Legal Action.** No action or proceeding shall be pending or threatened by any Person (other than by or on behalf of the Purchaser or any of its Affiliates) in any jurisdiction, to enjoin, restrict or prohibit the transaction of purchase and sale contemplated by this Agreement or the right of the Corporation or the Purchaser to conduct the Business after Closing on substantially the same basis as previously conducted.
- (d) **No Material Adverse Change.** Since the date of the Most Recent Year End, there shall have been no Material Adverse Change in the business, physical conditions of the Assets, liabilities, operations, properties, results of operation, prospects or condition (financial or otherwise) of the Corporation; and without restricting the foregoing, no major loss of customers and no Material decrease in profitability margins shall have occurred; and no event shall have occurred which would be reasonably likely to have a Material Adverse Effect on the business, physical conditions of the Assets, liabilities, operations, properties, results of operation, prospects or condition (financial or otherwise) of the Corporation, but excluding in all cases any Material Adverse Effect resulting from changes in general economic conditions, general changes in the industry(ies) in which the Corporation is engaged and general changes in technology.
- (e) **Financing.** The Purchaser shall have obtained financing for the Purchase Price on satisfactory terms and conditions, as determined in its sole discretion.
- (f) **Working Capital.** The Corporation shall have no less than \$750,000 of Working Capital as at the Closing Date.
- (g) **Exchange Approval.** The Corporation shall have received the necessary approvals for the transactions contemplated by this Agreement from the Exchange and the Purchaser shall be satisfied that, upon Closing, all regulatory requirements have been or are capable of being satisfied.

7.2 Conditions for the Benefit of the Vendor.

The purchase and sale of the Purchased Shares is subject to the following conditions to be fulfilled or performed at or prior to the Closing Date, which conditions are for the exclusive benefit of the Vendor and may only be waived, in whole or in part, by the Vendor in writing in the Vendor's sole discretion:

(a) **Truth of Representations and Warranties and Performance of Covenants.**

- (i) The representations and warranties of the Purchaser made pursuant to this Agreement shall have been true and correct in all respects on the date hereof and shall be true and correct in all respects on the Closing Date with the same force and effect as if made at and as of the Closing Date and as though the Closing Date was substituted for the date hereof or similar terms throughout such representations and warranties (except for any representation or warranty which was made as at a specific date other than the date hereof, which representation or warranty shall remain true and correct as at such specific date); and
- (ii) the covenants contained in this Agreement to be performed by the Purchaser on or prior to the Closing Date shall have been performed and the Purchaser shall not be in Material breach of any agreement on its part contained in this Agreement,

and the Vendor shall have received a certificate confirming the foregoing, signed by the Purchaser (or an executive officer of the Purchaser in the case of a corporation), in form and substance reasonably satisfactory to the Vendor's counsel (the "**Purchaser's Closing Certificate**"). The receipt of the Purchaser's Closing Certificate and the consummation of Closing shall not constitute a waiver by the Vendor or an amendment of any of the representations and warranties or covenants of the Purchaser which are contained in this Agreement.

- (b) **Exchange Approval.** The Purchaser shall have received the necessary approvals for the transactions contemplated by this Agreement from the Exchange and the Vendor shall be satisfied that, upon Closing, all regulatory requirements have been or are capable of being satisfied including, without limitation, the Conditional Approval, in writing by the TSX as provided for below in Section 7.2 (c) (xi).

- (c) **Deliveries.** The Purchaser shall deliver or cause to be delivered to the Vendor the following in form and substance satisfactory to the Vendor, acting reasonably, or, if applicable, in the form provided for as a Schedule to this Agreement:

- (i) a certified copy of all resolutions approving the entering into and completion of the transactions contemplated by this Agreement and each of the Ancillary Agreement to which the Purchaser is a party, and (ii) a recent certificate of status, compliance, good standing or similar certificate with respect to the Purchaser issued by the appropriate government officials of the jurisdiction of its incorporation or current existence, as the case may be, dated within three (3) Business Days of the Closing Date;
- (ii) a certificate of an officer of the Purchaser certifying, as of the Closing, that the representations and warranties set forth in Section 5.1 of this Agreement are true and correct in all respects and the Purchaser has performed or complied with all terms, covenants and conditions of the Agreement in all respects;
- (iii) amendment of the Lease duly executed by Depot Place, LLC and the Corporation;
- (iv) the Mutual Release duly executed by the Vendor;
- (v) the Consulting Services Agreement duly executed by the Corporation and the Purchaser;
- (vi) the Vendor Payable and the security, duly executed by the Corporation and the Purchaser;

- (vii) the Convertible Note and the security, duly executed by the Corporation and the Purchaser;
 - (viii) all certified resolutions of the directors of the Purchaser approving the entering into and completion of the transactions contemplated by this Agreement and each of the Ancillary Agreements, duly executed by an executive officer of the Corporation; and
 - (ix) the ██████ Employment Agreement duly executed by Purchaser and the Corporation.
 - (x) a Conditional Approval in writing by the TSX of this transaction and the share price provided for in this Agreement for the Cematrix shares being paid to the Vendor pursuant to Section 2.2 (a) (iii) of this Agreement and the underlying conversion shares for the Convertible Note being issued to the Vendor pursuant to Section 2.2 (a) (ii) and Section 2.4 of this Agreement.
 - (xi) All required consents.
- (d) **No Legal Action.** No action or proceeding shall be pending or threatened by any Person (other than by or on behalf of the Vendor, the Corporation or any of their respective Affiliates) in any jurisdiction, to enjoin, restrict or prohibit the transaction of purchase and sale contemplated by this Agreement.
- (e) **Financing.** The Purchaser shall have obtained financing for the Purchase Price.
- (f) **No Material Adverse Change.** Since December 31, 2017, there has been no material adverse change in the affairs, business, assets, liabilities, operations, properties, results of operation, prospects or condition (financial or otherwise) of the Purchaser and no event has occurred which has had or has threatened to have a material adverse effect on the Purchaser, its business, assets, liabilities, operations, properties, results of operation, prospects or condition (financial or otherwise).

ARTICLE 8 TERMINATION

8.1 Termination Rights.

This Agreement may, by notice in writing given prior to or on the Closing Date, be terminated:

- (a) by mutual consent of the Vendor and the Purchaser;
- (b) by the Vendor on the one hand, or the Purchaser on the other, if the Closing has not occurred by the end of the day on the Closing Date, provided that the Vendor or the Purchaser, as the case may be, shall not be entitled to terminate this Agreement if they failed to perform any one of their respective obligations or covenants under this Agreement required to be performed at or prior to Closing and the Closing has not occurred because of such failure;
- (c) by the Vendor on the one hand, or the Purchaser on the other, by written notice to the other Party if any condition inserted for such Party's benefit in Article 7 are not satisfied on or before the Closing Date or other date required by such condition;
- (d) by the Purchaser if it is not satisfied, in its sole discretion, with the results of its due diligence on the Corporation and its business, Assets and liabilities, and with respect to the Purchased Shares, and have provided the Vendor written notice, on or before April 9, 2018; and

- (e) by the Vendor on the one hand, or the Purchaser on the other, if there has been a Material breach of any provision of this Agreement by the other Party(ies) and such breach has not been waived by the non-breaching Party(ies).

8.2 Effect of Termination.

- (a) The Parties' respective rights of termination under this Article 8 shall be in addition to any other rights they may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. Except as may be specifically provided otherwise, nothing in this Article 8 shall limit or affect any other rights or causes of action any Party may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement. If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver shall be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.
- (b) If this Agreement is terminated pursuant to Section 8.1, all obligations of the Parties under this Agreement will terminate, except that if this Agreement is terminated by a Party because of a breach of this Agreement by another Party or because a condition for the benefit of the terminating Party has not been satisfied because the other Party has failed to perform any of its obligations or covenants under this Agreement which are reasonably capable of being performed or caused to be performed by such Party, the terminating Party's right to pursue all legal remedies will survive such termination unimpaired.

ARTICLE 9 CLOSING

9.1 Date, Time and Place of Closing.

The Closing contemplated by this Agreement will take place on the Closing Date in accordance with trust conditions acceptable to the Vendor's counsel and the Purchaser's counsel or at such place, on such other date and at such other time as may be agreed upon in writing between the Vendor and the Purchaser, or by their respective counsel.

9.2 Closing Procedures.

Subject to satisfaction or waiver by the relevant Party of the conditions of closing, at Closing, the Vendor shall deliver actual possession of the Purchased Shares to the Purchaser and upon such delivery the Purchaser shall pay or satisfy the Purchase Price in accordance with Section 2.2.

9.3 Delivery and Execution

Unless the Parties specifically agree otherwise any agreement, document, certificate or instrument to be executed and delivered at or prior closing by any of the Parties hereto may be executed in as many counterparts as are necessary and all counterparts together shall constitute one document, and any signature thereon may be evidenced by a facsimile or electronic (portable document format (PDF) or Tagged Image File Format (TIFF)) copy thereof bearing such signature, and such signature shall be valid and binding as if an original executed copy of thereof has been delivered.

**ARTICLE 10
TAX MATTERS**

10.1 Liabilities for Taxes.

Taxes for periods ending on or before the Closing Date, and for the pre-closing portion of any period that includes but does not end on the Closing Date, shall be the responsibility of the Vendor.

10.2 Tax Returns.

- (a) The Vendor shall cause to be prepared and filed on a timely basis all Tax Returns (if any) for the Corporation for any taxation year or period which ends before the Closing Date and for which Tax Returns have not been filed as of the Closing Date. The Purchaser shall have an opportunity to review those Tax Returns and shall receive a copy of the final filed version of those Tax Returns.
- (b) Any Tax Return to be prepared pursuant to the provisions of Section 10.2(a) shall be prepared in a manner consistent with practices followed in prior years with respect to similar Tax Returns of the Corporation provided such historical practices are proper.
- (c) From and after the Closing Date, the Purchaser shall duly and timely make, prepare and file all Tax Returns required to be so made, prepared and filed by the Corporation for any period beginning on or after the Closing.

10.3 Assistance and Cooperation of Vendor.

After Closing, the Vendor shall:

- (a) cooperate in all commercially reasonable respects with the Purchaser and make available to the Purchaser in a timely fashion such data and other information as may reasonably be required for the preparation of any of those Tax Returns referred to in Section 10.2;
- (b) provide timely notice to the Purchaser in writing of any pending or threatened Tax audits or assessment of the Corporation for taxation year or other periods for which the Purchaser or the Corporation may have a liability under this Article 10;
- (c) cooperate in a timely manner with the Purchaser in preparing for any audits of, or disputes with taxing authorities regarding, any Tax Returns of the Corporation;
- (d) make available to the Purchaser in connection with any Tax claim or audit, in a timely manner as reasonably requested all information, records, and documents relating to Taxes and Tax planning of the Corporation or the Assets or the Business, and, without limiting the generality of the foregoing, within 30 days furnish the Purchaser with copies of all correspondence received from any taxing authority in connection with any Tax audit or information request with respect to any taxation year or other period of the Corporation prior to the Closing Date;
- (e) timely provide to the Purchaser powers of attorney or similar authorizations necessary to carry out the purposes of this Article 10; and
- (f) retain and maintain accounting and Tax records and information, consistent with taxing authority guidelines, to the extent those records and information relate to the Corporation or any of the Assets and the Business until 120 days following the expiration of the applicable statute of limitations period.

10.4 Tax Elections.

The parties agree that no elections shall be made under Section 336(e) or 338 of the United States Internal Revenue Code.

**ARTICLE 11
POST-CLOSING COVENANTS OF THE PARTIES****11.1 Filings and Authorizations.**

The Vendor and the Purchaser, as promptly as commercially practicable after the Closing, will make, or cause to be made, all filings and submissions under all Laws applicable to it, that are required for it to consummate the transactions contemplated by this Agreement.

11.2 Further Assurances.

From time to time after the Closing Date, each Party shall, at the request of any other Party, execute and deliver such additional conveyances, transfers and other assurances as may be reasonably required to effectively transfer the Purchased Shares to the Purchaser and carry out the intent of this Agreement and any Ancillary Agreement.

11.3 Waiver, Extension.

The Purchaser covenants and agrees that it will not waive or extend, or agree to waive or extend, the limitation on any time period by which the Internal Revenue Service or any other Governmental Entity can assess or reassess Taxes, without the prior written consent of the Purchaser, such consent not to be unreasonably withheld.

11.4 Set Off

Notwithstanding anything to the contrary contained herein, the Purchaser shall have the right to set off any amounts due and owing by the Vendor pursuant to this Agreement against amounts payable under the Earn-out or the Vendor Payable. For greater certainty, such right of set off applies to any adjustments made to the Purchase Price in favour of the Purchaser pursuant to Section 2.7.

**ARTICLE 12
INDEMNIFICATION****12.1 Indemnification.**

- (a) Subject to Section 12.3, the Vendor shall indemnify and save the Purchaser, the Corporation and their respective shareholders, directors, officers and agents harmless of and from any losses, liabilities, obligations, claims, damages, expenses, penalties, fines, interests or judgements of any kind or nature whatsoever (including legal fees on a solicitor client full-indemnity basis, accountants' and experts' fees, disbursements of counsel and other costs and expenses incurred in pursuing or defending claims under this Agreement or any Ancillary Agreement, and whether or not involving a third-party claim (the "**Damages**") suffered by, imposed upon or asserted against any such Person as a result of, in respect of, connected with, or arising out of, under, or pursuant to:
 - (i) any non-compliance with Environmental Laws relating to the Lease or the environmental condition of the Business Premises existing or caused by Vendor prior to Closing;
 - (ii) failure of the Vendor to perform or fulfill any covenant or obligation the Vendor has under this Agreement;

- (iii) Breach or inaccuracy of any representation or warranty of the Vendor contained in this Agreement;
- (iv) any failure of the Vendor to transfer good and valid title to the Purchased Shares to the Purchaser, free and clear of all Liens and any failure to transfer One Hundred (100%) percent of all of the issued and outstanding shares of the Corporation to the Purchaser;
- (v) any, conditions or occurrences in existence on or prior to the Closing Date, relating to the Corporation, the Business or the Assets, even though the Damages in respect of such fact, circumstance, event, condition or occurrence may be suffered or otherwise occur after the Closing Date, including, without limitation, (i) the termination of any employee of the Corporation, including without limitation all severance pay and termination pay; (ii) all income Taxes of the Corporation for taxation years of the Corporation ending, or portions thereof nationally ending, on or before the Closing Date; and (iii) all Taxes attributable to periods ending, or portions thereof notionally ending, on or before the Closing Date; and or
- (vi) any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Vendor or the Corporation.

12.2 Indemnification by Purchaser

- (a) Subject to Section 12.3(a)(i)(C), the Purchaser indemnifies and saves the Vendor harmless of and from any Damages suffered by, imposed upon or asserted against any such Person as a result of, in respect of, connected with, or arising out of, under, or pursuant to:
 - (i) failure of the Purchaser to perform or fulfill any covenant or obligation the Purchaser has under this Agreement;
 - (ii) breach or inaccuracy of any representation or warranty of the Purchaser contained in this Agreement;
 - (iii) any, conditions or occurrences in existence after the Closing Date, relating to the Corporation, the Business or the Assets, including, without limitation, (i) the termination of any employee of the Corporation, including without limitation all severance pay and termination pay; (ii) all income Taxes of the Corporation for taxation years of the Corporation ending, or portions thereof nationally ending after the Closing Date; and (iii) all Taxes attributable to periods ending after the Closing Date; and
 - (iv) All guarantees and liabilities of Vendor incurred for the Corporation's business in the Ordinary Course including without limitation for guarantees with respect to any performance bonds and credit cards.
- (b) Subject to Section 12.3 (a)(i)(C), the Purchaser indemnifies and saves the Vendor harmless of and from any Damages suffered by, imposed upon or asserted against the Vendor as a result of, in respect of, connected with, or arising out of, under, or pursuant to any personal guarantees of the Vendor for the obligations of the Corporation incurred for the Corporation's business, including without limitation any credit card and bond guarantees. Such indemnity shall survive until such time as all personal guarantees and obligations of the Corporation incurred by the Vendor have been removed and /or satisfied.

12.3 Limitations.

- (a) Notwithstanding the Closing and any investigation made by or on behalf of the Purchaser, the covenants of the Vendor contained in this Agreement, and the representations and warranties of the Vendor, shall survive the Closing and continue in full force and effect as follows:
- (i) the representations and warranties of the Vendor shall survive the Closing and eighteen (18) months and shall expire at that time except in respect of any claim of which written notice is given to the Vendor prior to that time, except that:
 - (A) the representations and warranties set out in Section 4.1(pp) [Taxes] shall survive Closing and continue in full force and effect until three (3) months after the expiration of the period during which any tax assessment may be issued by a Governmental Entity in respect of any taxation year to which such representations and warranties extend, and shall expire at that time except in respect of any claim of which written notice is given to the Vendor prior to that time. A tax assessment includes any assessment, reassessment or other form of recognized document assessing liability for Taxes under applicable Law;
 - (B) the representations and warranties set out in Sections 4.1(a), (b), (e) and (f) (the "**Fundamental Representations**") shall survive Closing and continue in full force and effect indefinitely;
 - (C) a claim for any breach of any of the representations and warranties of the Vendor contained in this Agreement involving fraud or fraudulent misrepresentation shall survive the Closing and continue in full force and effect for five (5) years; and
 - (D) no amounts shall be payable pursuant to the indemnity unless the total of all losses exceed the amount of One Hundred Thousand Dollars (\$100,000) in which event only that amount in excess of Fifty Thousand Dollars (\$50,000) shall be payable.
 - (b) The liability of the Vendor under Section 12.1 shall not in any event exceed an amount in excess of \$1,500,000.
 - (c) In determining the amount for which an Indemnified Party is entitled to indemnification under this Section, the gross amount thereof will be reduced by (i) any insurance proceeds actually received by the Indemnified Party with respect to such matter (net of any related deductibles) and (ii) the tax benefits realizable by the Indemnified Party arising from the incurrence or payment of such indemnified amount. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for tax purposes, unless otherwise required by law.
 - (d) In no event shall any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple. The Parties agree that, from and after the Closing, the sole and exclusive remedies of the Parties arising out of or otherwise in respect of the matters set forth in this Agreement (including representations, warranties, covenants and agreements) and the transactions contemplated hereby, whether based in contract or tort or pursuant to any other theory of liability, shall be the Indemnities set forth herein.

12.4 INDEMNIFICATION PROCEDURES

- (a) **Proceedings.** In the event that any claim or demand is made, suit or proceeding is instituted, or damages are incurred against any party, which, if valid or prosecuted successfully, would be a matter for which such party (the "**Indemnified Party**") is entitled to indemnification under this Agreement, then the Indemnified Party, promptly after becoming aware thereof, will give written notice to the other party (the "**Indemnifying Party**") of such claim, suit, occurrence or proceeding (the "**Indemnity Notice**"). Such Indemnity Notice shall set forth in reasonable detail the nature and basis of the matter sought to be indemnified against and, if possible, the amount or reasonable estimated amount sought from the Indemnifying Party. All claims shall be subject to the limitations set forth in this Agreement, and no claim shall be brought by any Indemnified Party against any Indemnifying Party under this Agreement beyond the survival periods set forth in this Agreement. If the Indemnified Party and Indemnifying Parties fail to reach a mutually acceptable resolution of such claim, either party shall have the right to commence arbitration proceedings for the enforcement of its rights hereunder in accordance with this Agreement.
- (b) **Defense of Third Party Claims.** In connection with any claim, action, suit or demand by a third party arising after the Closing for which an Indemnifying Party is obligated to provide indemnification under the terms of this Agreement, the Indemnifying Party, at its sole expense, may, at its option, upon written notice to the Indemnified Party within thirty (30) days after the Indemnified Party notified the Indemnifying Party of such third party claim, action, suit or demand, assume the defense of any such claim proceeding. If the Indemnifying Party assumes the defense of any such claim proceeding, the Indemnifying Party shall select counsel, reasonably acceptable to the Indemnified Party, to conduct the defense of such claim or legal proceedings, and at the Indemnifying Party's sole cost and expense shall take all steps necessary in the defense thereof. The Indemnified Party shall cooperate with the Indemnifying Party in the preparation for the defense of any claim, action, suit or proceeding, including making available evidence within the control of the Indemnified Party and persons needed as witnesses who are employed by the Indemnified Party, in each case, as reasonably needed for such defense. In no event shall any Indemnifying Party consent to a settlement of, or the entry of any judgment arising from, any such claim or legal proceeding without the prior written consent of the Indemnified Party which consent shall not be unreasonably denied or delayed. In the event that the Indemnified Party rejects a settlement offer negotiated by the Indemnifying Party that provides that the fact and terms and conditions of the settlement will be kept confidential by the parties thereto and does not include an admission of guilt or other liability, then the extent of the Indemnifying Party's indemnification obligation shall be limited to all costs, fees and expenses incurred to the date of rejection of the settlement offer plus the proposed settlement amount. The Indemnified Party shall be entitled to participate in the defense of any such action, with its own counsel and at its own expense. If the Indemnifying Party does not assume the defense of any such claim or litigation resulting therefrom in accordance with the terms hereof, the Indemnified Party may defend against such claim or litigation in such manner as it may deem reasonably appropriate, and seek reimbursement for any such Damages in accordance with the terms of this Agreement.

Any amount paid by the Vendor to the Purchaser pursuant to this Article 12 shall constitute an adjustment to the Purchase Price.

ARTICLE 13 MISCELLANEOUS

13.1 Risk of Loss.

- (a) From the date hereof until the time Closing is actually completed on the Closing Date, the assets and operations of the Corporation shall be and shall remain at the risk of the

Corporation, and indirectly, the Vendor. If, prior to such time, all or any Material portion of the Assets are destroyed or damaged by fire or other casualty or shall be expropriated or seized by any Governmental Entity, then the Purchaser shall have the option on or prior to the Closing:

- (i) to terminate this Agreement forthwith upon written notice to the Vendor to such effect;
- (ii) to reduce that portion of the Purchase Price reasonably allocable to such assets by an amount equal to the cost of repair or, if destroyed or damaged beyond repair or expropriated or seized, by an amount equal to the market value of the assets so damaged, destroyed, expropriated or seized; or
- (iii) to proceed with the Closing without reduction of the Purchase Price, in which case all proceeds of insurance or compensation for expropriation or seizure shall be payable to the Corporation and all right, title and interest of the Vendor or to any such amounts not paid by the Closing Date shall be assigned to the Corporation pursuant to an agreement of assignment in form and substance satisfactory to the legal counsel of the Purchaser, acting reasonably.

13.2 Notices.

Any notice, direction or other communication (each a "**Notice**") given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

to the Vendor, at:

Attention: Ed Weiner
[REDACTED]
[REDACTED]
[REDACTED]

With a copy to, which shall not constitute notice:

Reed Smith LLP
10 South Wacker Drive
Chicago, Illinois 60606-7507
Attention: Lewis Greenblatt
Email: LGreenblatt@ReedSmith.com

to the Purchaser at:

CEMATRIX Corporation
5440 53 St SE,
Calgary, Alberta T2C 4B6
Email: Jeff.Kendrick@cematrix.com
Attn: Jeffrey Kendrick

with a copy to, which shall not constitute notice:

McLeod Law LLP
Centennial Place, West Tower, Suite 2110, 250 - 5th Street SW
Calgary, Alberta T2P 0R4
Attention: Maria Nathanail
Email: mnathanail@mcLeod-law.com

A Notice is deemed to be delivered and received: (i) if sent by personal delivery, same day service courier, fax or email, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by overnight courier, on the next Business Day. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel, except in the case of the Vendor's solicitor, as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a Party.

13.3 Time of the Essence.

Time is of the essence in this Agreement.

13.4 Brokers.

The Vendor shall indemnify and save harmless the Purchaser and the Corporation from and against any and all claims, losses and costs whatsoever for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Vendor or the Corporation. These indemnities are not subject to any of the limitations set out in Article 12.

13.5 Specific Performance.

Failure to comply with the terms and conditions of this Agreement will give rise to irreparable injury to the Purchaser inadequately compensable in damages. The Purchaser may, in addition to any other remedy, enforce the performance of this Agreement by way of injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damages (and without the requirement of posting a bond or other security) and, notwithstanding that damages may be readily quantifiable, the Vendor agrees not to plead sufficiency of damages as a defence in any such proceeding.

13.6 Third Party Beneficiaries.

Except as otherwise provided herein, the Vendor and the Purchaser intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties. Except for the Indemnified Persons or as otherwise provided herein, no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties reserve their right to, by agreement of the Purchaser and the Vendor, vary or rescind the rights at any time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person, including any Indemnified Person.

13.7 Expenses.

Except as otherwise expressly provided in this Agreement each Party will pay for its own costs and expenses incurred in connection with this Agreement and the transactions contemplated by them. For greater certainty, the Corporation shall not incur any costs or expenses in connection with this Agreement unless satisfied in full by the Vendor on or prior to Closing. The fees and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Agreement, and the transactions contemplated by this Agreement, including the fees and expenses of legal counsel, investment advisers and accountants.

13.8 Announcements.

No press release, public statement or announcement or other public disclosure (a "**Public Statement**") with respect to this Agreement or the transactions contemplated in this Agreement may be made by the Vendor without the prior written consent and approval of the Purchaser. No Public

Statement with respect to this Agreement or the transactions contemplated in this Agreement may be made by the Purchaser without providing a copy of such form to the Vendor forty-eight (48) hours prior to release for the Vendor's review, unless the Public Statement is required by Law or a Governmental Entity, in which case the Purchaser shall use their commercially reasonable efforts to provide a copy to the Vendor as soon as practically possible.

13.9 Amendments.

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

13.10 Waiver.

No waiver of any of the provisions of this Agreement or any Ancillary 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.

13.11 Non-Merger.

Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the Closing. Notwithstanding the Closing or any investigation made by or on behalf of any Party, the covenants, representations and warranties shall continue in full force and effect. Closing shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

13.12 Entire Agreement.

Except as otherwise indicated in this Section, this Agreement, together with the Ancillary Agreements, constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement and the Ancillary Agreements.

13.13 Successors and Assigns.

This Agreement becomes effective only when executed by the Vendor and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Vendor, the Purchaser and their respective successors and permitted assigns.

13.14 Severability.

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

13.15 GOVERNING LAW

- (a) This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of Alberta

13.16 RESOLUTION OF DISPUTES

- (a) Any dispute, controversy or claim arising with respect to this Agreement or the transactions contemplated thereby, or the interpretation, making, performance, breach or termination thereof (a "**Dispute**"), shall be resolved in accordance with the terms of this Section 13.16. Each Party shall, from time to time, designate a separate representative (a "**Dispute Representative**") who shall have the authority to represent such Party and resolve and settle any such Dispute. The Parties hereto agree to attempt to resolve all such Disputes equitably and in a good faith manner.
- (b) If any Dispute is not resolved within thirty (30) days from the date on which such Dispute is submitted to the Dispute Representatives, such dispute shall be finally settled by binding arbitration under the Arbitration Act of Alberta as presently in force (the "**Rules**"), to be conducted by a panel of three (3) arbitrators unless the parties mutually agree otherwise. Each Party shall appoint one of the arbitrators within ten (10) Business Days after the thirty (30) day period for dispute resolution and the third arbitrator will be appointed by the first two (2) arbitrators. The arbitrator designated by any Party need not be neutral. In the event that any Party fails or refuses timely to name its arbitrator within the time specified herein, a judge sitting on the Court of Queen's Bench of Alberta shall (immediately upon notice from the other Party) appoint an arbitrator for the Party that has failed to appoint its arbitrator. To the extent practical, the arbitrators shall schedule the hearing to commence within sixty (60) days after the arbitrators have been impaneled. Judgment on the award rendered may be entered in any court having jurisdiction thereof. The place of arbitration shall be Calgary, Alberta.

[Balance of page intentionally left blank. Signatures on following page.]

13.17 Counterparts.

This Agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one document. Any signature may be evidenced by a facsimile or electronic (portable document format (PDF) or Tagged Image File Format (TIFF)) copy of this Agreement bearing such signature, and such signature shall be valid and binding as if an original executed copy of this Agreement has been delivered.

IN WITNESS WHEREOF the Parties have executed this Agreement on the date first written above.

[Redacted]

WITNESS

"Edward Weiner"

EDWARD WEINER

CEMATRIX CORPORATION

Per: *"Jeffrey Kendrick"*

 Jeffrey Kendrick, President

Per: *"James Chong"*

 James Chong, CFO

VENDOR DISCLOSURE SCHEDULE

- Permitted Liens
- Required Consents (Vendor) (section 4.1(d))
- Required Consents (Corporation) (section 4.1(k))
- Authorizations (section 4.1(r))
- Business Vehicles (section 4.1(x))
- Material Contracts (section 4.1(aa))
- Licenses and Software (section 4.1(ee))
- Liabilities (section 4.1(ll))
- Bank Accounts (section 4.1(mm))
- Collective Bargaining Agreements (section 4.1(oo))
- Employee Plans (section 4.1(pp))
- Insurance Policies (section 4.1(qq))
- London Relief Sewer Tunnel Project in Cleveland, OH

PURCHASER DISCLOSURE SCHEDULE

CEMATRIX Permitted Liens

[Redacted]

Purchaser projects (section 2.4(e))

[Redacted]

SCHEDULE "A"
ASSETS

[Redacted]

SCHEDULE "B"
NON-COMPETITION, NON-SOLICITATION AND CONFIDENTIALITY AGREEMENT

[Redacted]

**SCHEDULE "C"
MUTUAL RELEASE**

WAIVER AND MUTUAL RELEASE

WHEREAS CEMATRIX Corporation ("**CEMATRIX**") and Edward Weiner ("**Weiner**") entered into a share purchase agreement dated April 30, 2018 (the "**Share Purchase Agreement**") in which CEMATRIX agreed to purchase from Weiner all of the issued and outstanding shares of MixOnSite USA, Inc. ("**MOS**");

IN CONSIDERATION of the payments made by CEMATRIX to Weiner pursuant to the terms of the Share Purchase Agreement, the mutual promises and covenants contained herein and therein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Weiner, and his heirs, executors, administrators, successors and assigns does hereby fully, forever, irrevocably and unconditionally waive, release, remise and forever discharge CEMATRIX and MOS and their respective assigns, predecessors, affiliates, insurers, officers, directors, servants, agents and employees (collectively, the "**CEMATRIX Parties**") of and from all actions, causes of actions, suits, debts, duties, accounts, bonds, covenants, contracts, claims and demands whatsoever, whether in law or equity, whether derivative, direct or indirect, whether fixed, contingent or liquidated, or whether known or unknown, which Weiner now has or hereafter can, shall or may have for or by reason of or in any way arising out of including all claims for monies, advances, participation in profits or earnings or other remuneration from or in respect of:

- (a) Weiner's position as a director, shareholder and officer of MOS;
- (b) Weiner's position as an employee of MOS; and
- (c) that may be or could have been asserted against the CEMATRIX Parties relating to acts or omissions occurring prior to the Closing (as such term is defined in the Share Purchase Agreement);

other than any claims and demands whatsoever which Weiner now has or hereafter can, shall or may have for or by reason arising out of the provisions of:

- (d) the Share Purchase Agreement; and
- (e) the Vendor Consulting Agreement dated May 31, 2018.
- (f) the Ancillary Agreements

Weiner hereby agrees and undertakes that he will not make any claim, assert any cause of action, initiate or cause to be initiated any proceedings against any person, partnership, corporation or other entity who or which might claim contribution, indemnity or other relief against the CEMATRIX Parties under the provisions of any statute, or at law in respect of the subject matter of this Waiver and Mutual Release.

Weiner shall save, defend, indemnify, and hold harmless the CEMATRIX Parties from and against any and all losses, damages, liabilities, deficiencies, claims, interest, awards, judgments, penalties, costs and expenses (including reasonable attorneys' fees, costs and other out-of-pocket expenses incurred in investigating or defending the foregoing) to the extent resulting from any breach of any covenant or agreement by Weiner contained in this Waiver and Mutual Release.

IN CONSIDERATION of the sum of \$10.00 lawful money of Canada now paid by Weiner to CEMATRIX and MOS, the mutual promises and covenants contained herein and in

the Share Purchase Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CEMATRIX and MOS and their respective assigns, predecessors, affiliates, insurers, officers, directors, servants, agents and employees do hereby fully, forever, irrevocably and unconditionally release, remise and forever discharge Weiner and his heirs, executors, administrators, successors and assigns (collectively, the "**Weiner Parties**") of and from all actions, causes of actions, suits, debts, duties, accounts, bonds, covenants, contracts, claims and demands whatsoever, whether in law or equity, whether derivative, direct or indirect, whether fixed, contingent or liquidated, or whether known or unknown, which CEMATRIX or MOS now has or hereafter can, shall or may have for or by reason of or in any way arising out of including all claims for monies, advances, participation in profits or earnings or other remuneration from or in respect of:

- (a) Weiner's position as a director, shareholder and officer of MOS; and
- (b) Weiner's position as an employee of MOS;

other than any claims and demands whatsoever which CEMATRIX or MOS now has or hereafter can, shall or may have for or by reason arising out of the provisions of:

- (c) the Share Purchase Agreement; and
- (d) the Vendor Consulting Agreement dated April 30, 2018.
- (e) the Ancillary Agreements

CEMATRIX and MOS hereby agree and undertake that neither of them will make any claim, assert any cause of action, initiate or cause to be initiated any proceedings against any person, partnership, corporation or other entity who or which might claim contribution, indemnity or other relief against the Weiner Parties under the provisions of any statute, or at law in respect of the subject matter of this Waiver and Mutual Release.

CEMATRIX and MOS shall save, defend, indemnify, and hold harmless the Weiner Parties from and against any and all losses, damages, liabilities, deficiencies, claims, interest, awards, judgments, penalties, costs and expenses (including reasonable attorneys' fees, costs and other out-of-pocket expenses incurred in investigating or defending the foregoing) to the extent resulting from any breach of any covenant or agreement by CEMATRIX and/or MOS contained in this Waiver and Mutual Release.

This Waiver and Mutual Release, together with the agreements and documents referred to herein, embodies the entire agreement and understanding between the parties hereto relating to the subject matter hereof and supersedes any prior agreements and understandings relating to the subject matter hereof.

This Waiver and Mutual Release may be amended, modified or superseded, and any of the terms or conditions hereof may be waived only by a written instrument executed by the parties hereto. No waiver of any nature, in any one or more instances, shall be deemed to be or construed as a further or continued waiver of any condition or any breach of any other provision of this Waiver and Mutual Release.

This Release shall inure to the benefit of each of the parties hereto and their respective successors and assigns, and shall be binding upon each of the parties hereto and their respective successors and assigns.

This Waiver and Mutual Release and the rights and duties of the parties under it shall be governed by and construed in accordance with the laws of the Province of Alberta and the Country of Canada without regard to the conflict of law principles thereof.

The provisions of this Waiver and Mutual Release shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Waiver and Mutual Release, or the application thereof to any person or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Waiver and Mutual Release and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction. The language of all parts of this Waiver and Mutual Release shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties.

Signature Page to Follow

DATED the ____ day of May, 2018

EDWARD WEINER

WITNESS

CEMATRIX CORPORATION

MIXONSITE USA, INC.

Per: _____
Name
Title

Per: _____
Name
Title

Per: _____
Name
Title

Per: _____
Name
Title

**SCHEDULE "D"
CONVERTIBLE NOTE**

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY SHALL NOT TRADE THE SECURITY BEFORE OCTOBER 1, 2018.

**CEMATRIX CORPORATION
\$1,250,000 (USD)
SECURED CONVERTIBLE DEBENTURE**

WHEREAS pursuant to a share purchase agreement (the "**Share Purchase Agreement**") dated April 30th, 2018 between CEMATRIX Corporation (the "**Corporation**") and Edward Weiner (the "**Vendor**"), the Vendor agreed to sell and the Corporation agreed to purchase all of the issued and outstanding shares of MixOnSite USA, Inc. ("**MOS**");

AND WHEREAS in partial satisfaction of the purchase price of the Purchase Agreement (the "**Purchase Price**"), the Corporation agreed to issue debentures in the aggregate amount of \$2,500,000;

AND WHEREAS, the Corporation was instructed by the Vendor to issue \$1,250,000 of the Debenture to [REDACTED] (the "**Holder**");

AND WHEREAS the Holder is prepared to accept, and has subscribed for, the Debenture in satisfaction of that portion of the Purchase Price;

AND WHEREAS the Corporation is duly authorized to create and issue this Debenture and all necessary resolutions of the directors of the Corporation have been duly passed and confirmed and other proceedings taken to make this Debenture, when signed by the Corporation, a valid, binding and legal obligation of the Corporation with the benefits and subject to the terms hereof;

NOW THEREFORE it is hereby covenanted, agreed and declared as follows:

**ARTICLE 1
INTERPRETATION**

1.1 **Definitions.** In this Debenture, including the preamble, unless there is something in the subject matter or context inconsistent therewith, the following expressions shall have the following meanings namely:

- (a) "**Business Day**" means any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions are closed in Calgary, Alberta;
- (b) "**Change of Control**" means the occurrence of any of the following events:
 - (1) the sale, transfer or other disposition in one or a series of related transactions, of all or substantially all of the assets of the Corporation;
 - (2) the issuance, sale, transfer or other disposition (including, without limitation, any merger, amalgamation, or consolidation) in one or a series of related transactions of; (i) more than 50% of the voting shares of the Corporation; or (ii) the issuance or

acquisition of shares having the right to approve major decisions affecting the Corporation;

(3) the first day on which a majority of the members of the Board of Directors of the Corporation is changed; or

(4) the adoption by the shareholders of the Corporation of a plan for liquidation or dissolution of the Corporation.

(a) **"Change of Control for Value"** means the occurrence of any of the following events:

(1) the sale, transfer or other disposition in one or a series of related transactions, of all or substantially all of the assets of the Corporation, as long as the sale, transfer or other disposition of all of the assets is for fair value, which results in a distribution to the common shares equal to or greater than the Conversion Price;

(2) the issuance, sale, transfer or other disposition (including, without limitation, any merger, amalgamation, or consolidation) in one or a series of related transactions of; (i) more than 50% of the voting shares of the Corporation as long as the deemed value of the common shares is in excess of the Conversion Price; or (ii) the issuance or acquisition of shares having the right to approve major decisions affecting the Corporation, in either case as long as the deemed value of the voting shares is in excess of the Conversion Price;

(b) **"Common Shares"** means the common shares of the Corporation as such shares are constituted on the date hereof;

(c) **"Corporation"** means **CEMATRIX Corporation** a corporation existing under the laws of the Province of Alberta and its successors and assigns;

(d) **"Conversion Notice"** has the meaning ascribed to that term in Section 5.1 hereof;

(e) **"Conversion Price"** means the price per Debenture Share at which the Principal Sum and all accrued and outstanding interest thereon under this Debenture shall from time to time be convertible into Common Shares pursuant to a Holder Conversion, which, with respect to the Principal Sum so converted, shall be CDN\$0.2375 (which shall be converted into U.S. dollars at the conversion rate, on the date of the Letter of Intent, of USD \$0.1859) which amount was determined on such date as the Letter of Intent was entered into.;

(f) **"Debenture Shares"** means the Common Shares issuable upon the due conversion of this Debenture;

(g) **"this Debenture"**, the **"Debenture"**, **"herein"**, **"hereby"**, **"hereof"**, **"hereto"**, **"hereunder"** and similar expressions mean or refer to this Unsecured Convertible Debenture and any deed or instrument supplemental or ancillary thereto and any schedules hereto or thereto and not to any particular article, section, subsection, clause, subclause or other portion hereof;

(h) **"Event of Default"** means any of the events specified in Section 7.1 hereof;

(i) **"Forced Conversion"** has the meaning ascribed to that term in Section 2.5 hereof;

- (j) **"Forced Conversion Amount"** has the meaning ascribed to that term in Section 2.5 hereof;
- (k) **"Forced Conversion Date"** has the meaning ascribed to that term in Section 2.5 hereof;
- (l) **"Forced Conversion Notice"** has the meaning ascribed to that term in Section 2.5 hereof;
- (m) **"Forced Conversion Shares"** has the meaning ascribed to that term in Section 2.5 hereof;
- (n) **"Holder"** or **"Debenture holder"** means Pamela Weiner, an individual resident in Buffalo Grove, Illinois, together with her successors and assigns;
- (o) **"Holder Conversion"** has the meaning ascribed to that term in Section 5.1 hereof;
- (p) **"Indebtedness"** has the meaning ascribed to that term in Section 2.1 hereof;
- (q) **"Letter of Intent"** means the letter of intent entered into between the Corporation and the Vendor on February 23, 2018;
- (r) **"Maturity Date"** means the earlier of:
 - (i) the date upon which an Event of Default that has not been waived by the Holder occurs and the Holder gives notice of its intention to accelerate the payment of all amounts owing hereunder; and
 - (ii) three years from the date hereof, unless renewed in accordance with Section 10.2 hereof or otherwise extended by agreement between the Holder and the Corporation; and
 - (iii) at the election of the Holder, upon a Change of Control, with the Prepayment Premiums provided for in Section 2.4.
- (s) **"person"** means an individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative, or any group or combination thereof;
- (t) **"Principal Sum"** has the meaning ascribed to that term in Section 2.1 hereof;
- (u) **"Redemption Amount"** has the meaning ascribed to that term in Section 2.3 hereof;
- (v) **"Redemption Date"** has the meaning ascribed to that term in Section 2.3 hereof;
- (w) **"Redemption Notice"** has the meaning ascribed to that term in Section 2.3 hereof;
- (x) **"Share Purchase Agreement"** means the Share Purchase Agreement made effective as of the 30th day of April, 2018 between the Corporation and the Vendor; and
- (y) **"TSXV"** or **"Exchange"** means the TSX Venture Exchange.

1.2 **Gender.** Whenever used in this Debenture, words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender.

- 1.3 **Numbering of Articles, etc.** Unless otherwise stated, a reference herein to a numbered or lettered article, section, subsection, clause, subclause or schedule refers to the article, section, subsection, clause, subclause or schedule bearing that number or letter in this Debenture.
- 1.4 **Day not a Business Day.** In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day. If the payment of any amount is deferred for any period, then such period shall be included for purposes of the computation of any interest payable hereunder.
- 1.5 **Computation of Time Period.** Except to the extent otherwise provided herein, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".
- 1.6 **Currency.** All references to dollars or to "\$" shall be references to United States dollars unless otherwise specified.

ARTICLE 2 PROMISE TO PAY

- 2.1 **Indebtedness.** The Corporation, for value received, and in consideration of the premises hereby acknowledges itself indebted and promises and covenants to pay to the Holder:
- (a) the principal sum of \$1,250,000 USD (the "**Principal Sum**") outstanding on the Maturity Date or sooner in accordance with Sections 2.2 or 2.3;
 - (b) interest on any monies owing by the Corporation to the Holder hereunder, all as specifically calculated hereunder; and
 - (c) all other monies which may be owing by the Corporation to the Holder pursuant to this Debenture,
- (collectively, the "**Indebtedness**").
- 2.2 **Payment.** The Corporation shall pay in cash or other form of payment effecting immediately available funds, on the Maturity Date, the outstanding Indebtedness owing to the Holder in full, unless the Corporation has received from the Holder a Conversion Notice pursuant to Section 5.1 hereof, in which event the balance of the Indebtedness, if any, shall be paid on the Maturity Date.
- All amounts payable under this Debenture shall, unless otherwise stated, be payable at the registered address of the Holder or at such other place as the Holder may designate in writing from time to time.
- 2.3 **Prepayment.** Provided that no Event of Default has occurred and is continuing, the Corporation may prepay the Principal Sum in whole or in part (in a minimum amount of not less than USD \$250,000 and in integral multiples of USD \$250,000) prior to the Maturity Date at the Corporation's option at any time, after twelve (12) months from the date of issuance of the Debenture, on not less than forty (40) days' prior written notice to the Holder (each a "**Redemption Notice**"). Each Redemption Notice sent to the Holder shall state:

- (a) the date on which such redemption is to occur (the "**Redemption Date**"), which shall be not less than ninety (90) days after any Redemption Notice; and
- (b) the amount of the prepayment (the "**Redemption Amount**") equal to the sum of the following: (i) the portion of Principal Sum to be prepaid; (ii) accrued and unpaid interest on that portion of the Principal Sum to be prepaid to the Redemption Date; (iii) any prepayment premium as required by Section 2.4; and (iv) in the event the whole Principal Sum is to be prepaid, all of the other monies which may be owing by the Corporation to the Holder pursuant hereto.

The Redemption Notice having been given as aforesaid, the Redemption Amount shall, on the Redemption Date, become due and payable and on and after such date the Redemption Amount shall only bear interest if the Corporation shall default in the payment of the Redemption Amount on the Redemption Date. In the event the whole Principal Sum is prepaid, the Holder shall surrender this Debenture to the Corporation upon the payment of the Redemption Amount, and this Debenture shall be cancelled and of no further force or effect.

In addition, and for greater certainty, until the Redemption Amount has actually been paid in accordance with this Section 2.3, the Holder retains the right to convert the Redemption Amount to Debenture Shares in accordance with Article 5 hereof, except that if the Holder exercises its right to convert after receipt of a notice of redemption from the Corporation, the Debenture Shares issuable upon such conversion will be issued and delivered to the Holder on the Redemption Date.

2.4 **Prepayment Premiums.** In the event the Corporation prepays all or any portion of the Debenture, the Corporation will be required to pay to the Holder the following premium:

- (a) ten percent (10%) of the Principal Sum prepaid, if such prepayment occurs at any time after twelve (12) months and prior to twenty four (24) months from the date of issuance of the Debenture; or
- (b) five percent (5%) of the Principal Sum prepaid, if such prepayment occurs at any time after twenty four (24) months from the date of issuance of the Debenture until the initial Maturity Date.

2.5 **Forced Conversion.** The Corporation shall not be permitted to force a conversion before twelve (12) months from the date of issuance of the Debenture. In the event that a Change of Control for Value occurs, after twelve (12) months from the date of issuance of the Debenture, provided that no Event of Default has occurred and is continuing, the Corporation is entitled to issue a notice in writing (the "**Forced Conversion Notice**") whereupon the Corporation may, at its option, force the conversion (the "**Forced Conversion**") of the Forced Conversion Amount in whole or in part, into Conversion Shares prior to the Maturity Date at any time, on not less than forty (40) days' prior written notice to the Holder. Each Forced Conversion Notice sent to the Holder shall state:

- (a) the date on which such conversion is to occur (the "**Forced Conversion Date**"), which shall be not less than forty (40) days after any Forced Conversion Notice;
- (b) the number of Conversion shares being issued ("**Forced Conversion Shares**") equal to (a) the aggregate sum of the following: (i) the portion of the Principal Sum being converted pursuant to this Section, (ii) accrued and unpaid Interest, and (iii) any applicable forced

conversion premiums as required by Section 2.6 (the “**Forced Conversion Amount**”) divided by (b) the Conversion Price.

- (c) The delivery of the Forced Conversion Notice duly executed by the Corporation and the surrender of the Debenture shall be deemed to constitute a contract between the Holder and the Corporation whereby: (i) the Holder subscribes for the number of Debenture Shares set forth in the Forced Conversion Notice respecting such Forced Conversion; (ii) the Holder releases the Corporation from all liability with respect to the portion of the Principal Sum forced to convert into Debenture Shares (but only to the extent of forced conversion); and (iii) the Corporation agrees that the surrender of the Debenture pursuant to the Forced Conversion constitutes full payment of the subscription price for the Debenture Shares issuable upon such Forced Conversion and that the Debenture Shares will be issued as fully paid and non-assessable Common Shares in the capital of the Corporation effective the date the Forced Conversion Notice is received;
- (d) Upon receipt by the Holder of a Forced Conversion Notice, subject to Section 5.3 hereto, the Corporation shall subject to receipt of all required regulatory approvals, if any, issue or cause to be issued and deliver or cause to be delivered to the Holder as soon as practicable thereafter a certificate or certificates in the name or names of the person or persons specified by the Holder for the number of Debenture Shares deliverable pursuant to such Forced Conversion. Upon completion of the forced conversion transaction, the rights of the Holder to receive, in respect of the amount so converted, the Forced Conversion Amount thereon, shall cease and the Holder or the other person or persons in whose name or names any certificate or certificates for Common Shares shall be deliverable upon such Forced Conversion shall be deemed to have become the holder or holders of record of such Common Shares represented thereby.
- (e) Provided, however, such Forced Conversion shall not result in the Holder owning in excess of twenty percent (20%) of the outstanding Common Shares without having first received all regulatory and shareholder approvals, as applicable.

2.6 Forced Conversion Premiums. In the event the Corporation elects to force the conversion of the Debenture, the Corporation will be required to pay to the Holder the following premium:

- (a) ten percent (10%) of the Principal Sum, if such conversion occurs at any time after twelve (12) months and prior to twenty four (24) months from the date of issuance of the Debenture; or
- (b) five percent (5%) of the Principal Sum, if such conversion occurs at any time after twenty four (24) months from the date of issuance of the Debenture until the initial Maturity Date.

2.7 Change of Control. In the event the Corporation prepays or converts all or any portion of the Debenture and a Change of Control occurs, or an agreement which would result in a Change of Control is entered into by the Corporation, within ninety (90) days after the Holder receives the Redemption Amount or the Forced Conversion Shares, as the case may be, the Corporation agrees to pay to the Holder, concurrently with the Change of Control, the amount, if any, equal to (i) the excess, if any, of the value of a Common Share in such Change of Control over the Conversion Price in effect at the time of the Change of Control, or in the case of a Forced Conversion, the value of a Common Share at the time of a Forced Conversion, multiplied by (ii) the result obtained by dividing the Redemption Amount or the Forced Conversion Amount, as the

case may be, by the Conversion Price in effect as of the Redemption Date or the Forced Conversion Date, as the case may be.

ARTICLE 3 INTEREST

- 3.1 **Calculation and Payment of Interest, etc.** The Principal Sum from time to time outstanding, any accrued interest and other monies due and payable hereunder shall accrue interest at the rate of 8.00% per annum, calculated and compounded monthly and payable quarterly in arrears, not in advance, on the first day of each calendar quarter, beginning July 1, 2018, from the date of initial issuance of this Debenture (or from and including the last interest payment date to which interest shall have been paid), as well after as before maturity and both before and after demand, default and judgment, with interest on overdue interest at the same rate, and on all other amounts owing hereunder. Interest payable under this Debenture shall be paid in accordance with Section 2.2, 2.3 or 2.5. Except as provided in Sections 2.2 and 2.3 and 2.5 and Article 5, all interest due on this Debenture will be payable in cash. Interest on this Debenture shall cease to accrue on the date of Conversion or Forced Conversion (to the extent of Conversion or Forced Conversion as the case may be), and receipt by the Holder of the Conversion Shares or the Forced Conversion Shares, as the case may be, and the Redemption Date (to the extent of the Redemption Amount) unless payment is improperly withheld or refused.

For the purposes of the *Interest Act* (Canada) and disclosure thereunder, whenever any interest or any fee to be paid hereunder or in connection herewith is to be calculated on the basis of a 360-day or 365-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365, as applicable. The rates of interest under this Debenture are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Debenture.

The Corporation confirms that it fully understands and is able to calculate the rate of interest applicable to the amounts owing under this Debenture based on the methodology for calculating per annum rates provided for in this Debenture. The Holder agrees that if requested in writing by the Corporation it will calculate the nominal and effective per annum rate of interest on any amount outstanding at the time of such request and provide such information to the Corporation promptly following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve the Corporation of any of its obligations under this Debenture, nor result in any liability to the Holder. The Corporation hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to the Debenture, that the interest payable under the Debenture and the calculation thereof has not been adequately disclosed to the Corporation, whether pursuant to section 4 of the *Interest Act* (Canada) or any other applicable law or legal principle.

If any provision of this Debenture would oblige the Corporation to make any payment of interest or other amount payable to the Holder in an amount or calculated at a rate which would be prohibited by applicable law or would result in a receipt by the Holder of "interest" at a "criminal rate" (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Holder of "interest" at a "criminal rate".

- 3.2 **No Merger In Judgement.** The covenant of the Corporation to pay interest at the rate provided herein shall not merge in any judgement in respect of any obligation of the Corporation hereunder and such judgement shall bear interest in the manner set out in this Article 3 and be payable on the same days when interest (whether hereunder or otherwise) is payable hereunder.

ARTICLE 4 SECURED DEBENTURE

- 4.1 **Security.** This Debenture shall be a Secured Convertible Debenture and the Corporation shall provide security for payment of the Indebtedness in the form of a general security agreement over the assets of the Corporation as well as a guarantee by MOS and a general security agreement over the assets of MOS. Such security is to be fully subordinated to the Corporation's loan entered into in respect of the Share Purchase Agreement with the Business Development Corporation (the "**BDC Loan**") and to the Corporation's senior indebtedness owing to Canadian Western Bank (together with any refinancing thereof, the "**Senior Debt**"), in each case subject to the right of the Corporation to make and the Holder to receive payments hereunder prior to an event of default occurring with respect to the BDC Loan or Senior Debt.

ARTICLE 5 CONVERSION OF DEBENTURE

- 5.1 **Conversion.** Subject to and upon compliance with the provisions of this Article 5, and subject to the Holder holding 20% or less of the outstanding Common Shares, the Holder may, at its election, upon surrender (either in person, by mail (postage prepaid) or other means of delivery) of this Debenture along with a completed notice of conversion (the "**Conversion Notice**") in the form attached hereto as **Schedule "A"** at the principal office of the Corporation in the City of Calgary, Alberta, at any time prior to the Maturity Date elect to convert the Principal Sum and all accrued and unpaid interest thereon or any portion thereof into Debenture Shares (a "**Holder Conversion**") at the Conversion Price per Debenture Share, being an amount of shares of not more than 6,686,842 Common Shares, subject to adjustment pursuant to Section 5.2 and not including Common Shares resulting from the conversion of outstanding interest. The delivery of the Conversion Notice duly executed by the Holder and the surrender of the Debenture shall be deemed to constitute a contract between the Holder and the Corporation whereby: (i) the Holder subscribes for the number of Debenture Shares set forth in the Conversion Notice respecting such Holder Conversion; (ii) the Holder releases the Corporation from all liability with respect to the portion of the Principal Sum converted into Debenture Shares (but only to the extent of conversion); and (iii) the Corporation agrees that the surrender of the Debenture for Holder Conversion constitutes full payment of the subscription price for the Debenture Shares issuable upon such Holder Conversion and that the Debenture Shares will be issued as fully paid and non-assessable Common Shares in the capital of the Corporation effective the date the Conversion Notice is received.

Upon receipt by the Corporation of a Conversion Notice, subject to Section 5.3 hereto, the Corporation shall subject to receipt of all required regulatory approvals, if any, issue or cause to be issued and deliver or cause to be delivered to the Holder as soon as practicable thereafter a certificate or certificates in the name or names of the person or persons specified in the Conversion Notice for the number of Debenture Shares deliverable pursuant to such Holder Conversion. Upon completion of the conversion transaction, the rights of the Holder to receive, in respect of the amount so converted, the Principal Sum and interest thereon, shall cease and the Holder or the other person or persons in whose name or names any certificate or certificates for Common Shares shall be deliverable upon such Holder Conversion shall be

deemed to have become the holder or holders of record of such Common Shares represented thereby.

Any part of the Principal Sum and all accrued and unpaid interest may be converted as provided herein and all references in this Debenture to conversion shall be deemed to include conversion of such parts. In the event the Holder converts only part of the Principal Sum and all accrued and unpaid interest it shall, upon the exercise of its right of conversion, surrender this Debenture to the Corporation, and the Corporation shall cancel the same and shall, without charge, forthwith certify and deliver to the Holder a new Debenture Certificate in the aggregate principal amount equal to the unconverted part of the Principal Sum and all accrued and unpaid interest.

5.2 Adjustment.

- (a) If and whenever the Corporation shall: (i) subdivide or redivide the outstanding Common Shares into a greater number of Common Shares; (ii) reduce, combine or consolidate the outstanding Common Shares into a smaller number of Common Shares; (iii) issue any Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend, the number of Common Shares which may be acquired pursuant to this Article 5 on and at any time after the effective date of such subdivision, redivision, reduction, combination or consolidation or on the record date for such issue of Common Shares by way of a stock dividend, as the case may be, shall be increased, in the case of the events referred to in (i) and (iii) above, in the proportion which the number of Common Shares outstanding before such subdivision, redivision or dividend bears to the number of Common Shares outstanding after such subdivision, redivision or dividend, or shall be decreased, in the case of the events referred to in (ii) above, in the proportion which the number of Common Shares outstanding before such reduction, combination, or consolidation bears to the number of Common Shares outstanding after such reduction, combination or consolidation, and in each case the price at which the Holder Conversion shall occur will be adjusted to reflect the change in the number of Debenture Shares that become issuable under this Article 5. Any such issue of Common Shares by way of a stock dividend shall be deemed to have been made on the record date fixed for such stock dividend for the purpose of calculating the number of outstanding Common Shares under this Section 5.2(a) or Section 5.2(c).
- (b) In the case of any reclassification of, or other change in, the outstanding Common Shares other than a subdivision, redivision, reduction, combination or consolidation, subject to the approval of the TSXV, the Holder shall be entitled to receive upon conversion pursuant to Article 5, and shall accept in lieu of the number of Debenture Shares to which it was theretofore entitled upon such conversion, the kind and amount of shares and other securities or property which the Holder would have been entitled to receive as a result of such reclassification if, on the effective date thereof, it had been the registered holder of the number of Debenture Shares to which it was theretofore entitled upon conversion. If necessary, appropriate adjustments shall be made in the application of the provisions set forth in this Article 5 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Article 5 shall thereafter correspondingly be made applicable as nearly as may be possible in relation to any shares or other securities or property thereafter deliverable upon the conversion of this Debenture. Any such adjustments shall be made by and set forth in a supplemental certificate approved by the directors of the Corporation, after reasonable consultation with the Holder.

- (c) If and whenever the Corporation shall issue or distribute to all or substantially all the holders of Common Shares: (i) shares of the Corporation of any class; (ii) rights, options or warrants (that shall not have expired unexercised, unconverted or unexchanged at the time a Holder converts this Debenture, in whole or in part); (iii) evidences of indebtedness; or (iv) any other assets or securities and if such issuance or distribution does not result in an adjustment as provided for in Section 5.2(a) or Section 5.2(b), subject to the approval of the TSXV, the price at which the Principal Sum and accrued interest may be converted into Debenture Shares pursuant to Article 5 shall, after reasonable consultation with the Holder (such adjustment to be set forth in a supplemental certificate approved by the directors of the Corporation), be adjusted effective immediately before the record date at which the holders of Common Shares are determined for purposes of any such issuance or distribution as aforesaid in such manner as the directors of the Corporation determine to be appropriate on a basis consistent with this Section 5.2.
- (d) If and whenever at any time after the date hereof, the Corporation takes any action to which the foregoing anti-dilution adjustments, in the opinion of the board of directors of the Corporation, acting reasonably and in good faith, are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder in accordance with the intent and purposes thereof, then subject to the approval of the TSXV, the Corporation shall execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid in such a manner as the board of directors of the Corporation may determine to be equitable in the circumstances, acting reasonably and in good faith. The failure of the taking of action by the board of directors of the Corporation to so provide for any adjustment on or prior to the effective date of any action or occurrence giving rise to such state of facts will be conclusive evidence, absent manifest error, that the board of directors has determined that it is equitable to make no adjustment in the circumstances.
- (e) If, at any time, the Holder exercises its conversion rights after the record date and before the occurrence of an event for which this Section 5.2 requires that an adjustment shall become effective, the Corporation may defer issuing to the Holder the additional Common Shares issuable upon such conversion or by reason of the adjustment required by such event, until the occurrence of such event. The Corporation shall deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such additional Common Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Common Shares declared in favour of the holders of Common Shares on and after the date of conversion or such later date as such Holder would, but for the provisions of this Section 5.2, have become the holder of record of such additional Common Shares.
- (f) If a dispute shall at any time arise with respect to adjustments of the Conversion Price or the number of Debenture Shares issuable upon the conversion of this Debenture, such disputes shall be determined by a firm of independent chartered accountants accredited by the Canadian Public Accountability Board as may be agreed by the directors and the Holder, and any such determination shall, absent manifest error, be conclusive evidence of the correctness of any adjustment made pursuant to Subsection 5.2 hereof and shall be binding upon the Corporation and the Holder.

5.3 No Fractional Common Shares. Notwithstanding anything herein contained, the Corporation shall in no case be required to issue fractional Debenture Shares or to pay any cash adjustment in lieu of any fractional Debenture Share upon the conversion of the Debenture. Any fractions will

be rounded to the nearest whole number with fractions of one-half or greater being rounded to the next higher whole number and fractions of less than one-half being rounded to the next lower whole number.

- 5.4 **Reservation of Common Shares.** The Corporation shall at all times while the Debenture remains convertible into Debenture Shares as herein provided, reserve and keep available out of its authorized but unissued share capital, for the purpose of effecting the conversion of the Debenture, such number of Common Shares as shall from time to time be sufficient to effect the conversion of the Debenture.

ARTICLE 6 REPRESENTATIONS AND COVENANTS

- 6.1 **Corporation Representations.** The Corporation hereby represents and warrants:

- (a) The Corporation is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.
- (b) The transactions contemplated by this Debenture are within the Corporation's corporate powers and have been duly authorized by all necessary corporate and shareholder action, as applicable. This Debenture has been duly executed and delivered by the Corporation and constitutes legal, valid and binding obligations of the Corporation, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.
- (c) The Conversion Shares have been duly reserved for issuance and upon issuance, will be validly issued, registered, freely transferred, fully paid and non-assessable, free and clear of all liens, except for restrictions transfer imposed by applicable securities law.
- (d) The Corporation has complied with all requirements of the TSXV in respect of this Debenture, the Conversion Shares and the transactions contemplated hereby, including, without limitation, obtaining the necessary approvals.
- (e) The Corporation is not an "insolvent person" within the meaning of the *Bankruptcy and Insolvency Act* (Canada).

- 6.2 **Corporation Covenants.** The Corporation hereby covenants and agrees:

- (a) to observe all of the covenants of the Corporation set out in the Share Purchase Agreement and all other agreements executed by the Corporation in favour of the Vendors in connection therewith;
- (b) to use commercially reasonable efforts to forthwith obtain such regulatory, stock holder and other approvals and fulfill such undertakings as may be necessary for the Corporation to issue the Debenture Shares and have the Debenture Shares approved for listing on the TSXV;

- (c) so long as any amounts remain outstanding hereunder, not to do any of the following without the prior express written consent of the Holder:
 - (i) grant liens or security interests on the assets, property or undertaking of the Corporation except in favour of the Business Development Bank of Canada to secure the BDC Loan (as defined below) and in favour of the holder of the Senior Debt (as defined below);
 - (ii) other than in the ordinary course of business, transfer shares between the Corporation and any of its subsidiaries, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its affiliates if such action would materially diminish the value of such property or assets;
 - (iii) take any step that would limit its ability to issue the Debenture Shares;
 - (iv) amend its constating documents, by-laws or shareholder agreement in a manner that would adversely affect the Holder or the Corporation's duty or ability to satisfy its obligations hereunder.
- (d) The Corporation agrees to give the Holder written notice at least thirty (30) days prior to the record date of any dividend or other distribution to be made to any equity holder of the Corporation or any Change of Control or other fundamental change affecting the Corporation.

ARTICLE 7 DEFAULT

- 7.1 **Acceleration of Maturity on Default.** Upon the happening of any one or more of the following events (herein called "**Events of Default**") namely:
- (a) if the Corporation does not pay when due any principal, interest or other amount payable by it under this Debenture at the place and in the currency in which such amount is expressed to be payable;
 - (b) if the Corporation fails to observe or defaults under any covenant or agreement of the Corporation set out in this Debenture;
 - (c) any representation or warranty made by the Corporation in or in connection with this Debenture or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed to be made;
 - (d) if the Corporation fails to observe or defaults under any covenant or agreement of the Corporation in respect of the BDC Loan or the Senior Debt;
 - (e) if the Corporation admits in writing that it is insolvent or cannot pay its debts as they generally become due; makes a general assignment for the benefit of creditors; or any proceeding is instituted by it seeking relief as debtor, or to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts or for an order for similar relief under any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including under any statutes

relating to the incorporation of companies) or seeking appointment of a receiver or trustee, or other similar official for it or for any substantial part of its properties or assets; or any corporate or partnership action is taken to authorize any of the actions referred to in this Section 7.1(e);

- (f) if any proceedings are instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts or for an order for similar relief under any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including under any statutes relating to the incorporation of companies) or seeking appointment of a receiver, trustee or other similar official for it or for any substantial part of its properties or assets;
- (g) if any proceedings with respect to the Corporation are commenced under the *Companies Creditors Arrangement Act* (Canada);
- (h) if the Corporation takes any corporate proceedings for its dissolution, liquidation or if the corporate existence of the Corporation shall be terminated by expiration, forfeiture or otherwise, or if the Corporation ceases or threatens to cease, to carry on all or a material part of its business; or
- (i) if there is an enforcement action filed by the TSXV or any securities or other governmental entities or regulators, which may have the effect of materially adversely affecting the Corporation, including, without limitation, any delisting or similar action.

then in each and every such event, the Principal Sum and interest on the Debenture may, at the option of the Holder (and, in the case of clause (e) through (h) above shall automatically) forthwith become immediately due and payable to the Holder, anything herein contained to the contrary notwithstanding, and the Corporation shall forthwith pay to the Holder of the Debenture the amount of the Principal Sum and interest then accrued but unpaid on the Debenture including, without limitation, any prepayment of Premium provided for in Section 2.4, and all other moneys payable under the provisions hereof together with interest at the rate of interest borne by the Debenture on such Principal Sum and interest from the date of the said Event of Default until payment is received by the Holder.

- 7.2 **Waiver of Corporation's Rights.** To the full extent that it may lawfully do so, the Corporation for itself and its successors and assigns hereby waives and disclaims any benefit of, and shall not have or assert any right under, any statute or rule of law pertaining to the marshaling of assets, discussion, division or other matter whatever, to defeat, reduce or affect the rights of the Holder under the terms of this Debenture.

ARTICLE 8 WAIVER

- 8.1 **Waiver.** The Holder may waive any breach of any of the provisions contained in this Debenture or any default by the Corporation in the observance or performance of any covenant, condition or obligation required to be observed or performed by it under the terms of this Debenture. No waiver, consent, act or omission by the Holder shall extend to or be taken in any manner whatsoever to affect any other or subsequent breach or default or the rights resulting therefrom and no waiver or consent by the Holder shall bind the Holder unless it is in writing. The inspection or approval by the Holder of any document or matter or thing done by the Corporation

shall not be deemed to be a warranty or holding out of the adequacy, effectiveness, validity or binding effect of such document, matter or thing or a waiver of the Corporation's obligations.

ARTICLE 9 OTHER RIGHTS OF THE HOLDER

- 9.1 **Rights of Set-Off.** The Corporation acknowledges and agrees that the Principal Sum and the other obligations hereunder shall be paid, satisfied and discharged to the Holder without regard to such dealings as may from time to time occur as between anyone or more of the Holder, the Corporation and any other person and without regard to such equities or rights of set-off or counterclaim which may from time to time exist between anyone or more of the Holder, the Corporation or any other person, and that the Principal Sum and other obligations hereof shall be paid without regard to any equities between the Corporation and the Holder hereof or any set-off or cross-claims and the receipt of the Holder for the payment of the Principal Sum will be a good discharge to the Corporation in respect thereof.
- 9.2 **No Merger.** Neither the taking of any judgement nor the exercise of any rights hereunder shall operate to extinguish the obligation of the Corporation to pay the monies under this Debenture and shall not operate as a merger of any covenant in this Debenture, and the acceptance of any payment shall not constitute or create a novation, and the taking of a judgement or judgements under a covenant herein contained shall not operate as a merger of those covenants and affect the Holder's right to interest under this Debenture.

ARTICLE 10 MISCELLANEOUS

- 10.1 **Transfer of Debenture.** Other than transfers to family members, this Debenture may not be transferred or assigned by the Holder, in whole or in part, at any time, without the consent of the Corporation, such consent to not be unreasonably withheld.
- 10.2 **Time.** Time shall be of the essence of this Debenture.
- 10.3 **Governing Law.** This Debenture shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the laws of Canada applicable therein but the reference to such laws shall not, by conflict of laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of Alberta. The Corporation and the Holder hereby irrevocably attorn to the jurisdiction of the Courts of the Province of Alberta.
- 10.4 **Severability.** If any one or more of the provisions or parts thereof contained in this Debenture should be or become invalid, illegal or unenforceable, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, severable therefrom and the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed.
- 10.5 **Headings.** The headings of the articles, sections, subsections and clauses of this Debenture have been inserted for convenience and reference only and do not define, limit, alter or enlarge the meaning of any provision of this Debenture.
- 10.6 **Binding Effect.** This Debenture and all of its provisions shall enure to the benefit of the Holder, its successors and assigns, and shall be binding upon the Corporation and its successors and

permitted assigns. The expression the "Holder" as used herein shall include the Holder's assigns whether immediate or derivative.

**ARTICLE 11
NOTICE**

11.1 **Notices.** Any notice, direction or other communication (each a "Notice") given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile (but not by electronic mail) and addressed:

to the Holder, at:

Attention: [REDACTED]
[REDACTED]
[REDACTED]

to the Corporation at:

Attn: Jeffrey Kendrick
5440 53 St SE,
Calgary, Alberta T2C 4B6
Email: Jeff.Kendrick@cematrix.com

IN WITNESS WHEREOF the Corporation has duly executed these presents as of the _____ day of May, 2018 by its duly authorized officer.

CEMATRIX CORPORATION

Per: _____
Jeffrey Kendrick, President and CEO

Per: _____
James Chong, CFO

**SCHEDULE "A"
CONVERSION FORM**

TO: CEMATRIX CORPORATION (the "Corporation")

The undersigned registered holder of the secured convertible debenture (the "Debenture") represented by the within certificate hereby elects to convert the Debenture (or USD\$ _____ of the Principal Sum and all accrued and unpaid interest thereunder) on the terms specified in the within Debenture certificate, which certificate is hereby tendered to the Corporation and which will, upon due issuance of the Debenture Shares aforesaid, be null and void.

The Debenture Shares subscribed for will be issued as set forth below and will be mailed to the address set forth below.

DATED this _____ day of _____, 20 ____ .

WITNESS

NOTES: 1. If Debenture Shares are to be transferred to a person other than the registered holder, the signature must be guaranteed by a Canadian Schedule I chartered bank or by an eligible guarantor institution with membership in an approved Signature Guarantee Medallion Program.

2. If and so long as the outstanding Common Shares are registered and recorded in the name of CDS under a book-entry system, a Holder who converts a Debenture in whole or in part into Debenture Shares shall execute such additional documents and do or cause to be done such additional acts and things as may reasonably be necessary or desirable to cause the Debenture Shares issued upon such conversion to be registered and recorded in the name, and deposited with, CDS under such book-entry system.

(Print name in which Debenture Shares are to be issued, delivered and registered)

Name: _____

(Address)

(City, Province and Postal Code)

Name of guarantor: _____

Authorized signature: _____

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY SHALL NOT TRADE THE SECURITY BEFORE OCTOBER 1, 2018.

**CEMATRIX CORPORATION
\$1,250,000 (USD)
SECURED CONVERTIBLE DEBENTURE**

WHEREAS pursuant to a share purchase agreement (the "**Share Purchase Agreement**") dated April 30th, 2018 between CEMATRIX Corporation (the "**Corporation**") and Edward Weiner (the "**Holder**"), the Holder agreed to sell and the Corporation agreed to purchase all of the issued and outstanding shares of MixOnSite USA, Inc. ("**MOS**");

AND WHEREAS in partial satisfaction of the purchase price of the Purchase Agreement (the "**Purchase Price**"), the Corporation agreed to issue debentures in the aggregate amount of \$2,500,000

AND WHEREAS, the Corporation was instructed by the Holder to issue \$1,250,000 of the Debenture to Pamela Weiner and \$1,250,000 to the Holder;

AND WHEREAS as the Holder has the potential to own more than 20% of the issued and outstanding common shares of the Corporation (the "**Common Shares**"), the TSX Venture Exchange (the "**TSXV**" or the "**Exchange**") requires the Holder to provide an undertaking stating that he will not exercise his Holder Conversion if such conversion would result in the Holder owning in excess of 20% of the outstanding Common Shares or reduce the number of post conversion Common Shares owned by the Holder prior to conversion of this Debenture;

AND WHEREAS the Corporation is duly authorized to create and issue this Debenture and all necessary resolutions of the directors of the Corporation have been duly passed and confirmed and other proceedings taken to make this Debenture, when signed by the Corporation, a valid, binding and legal obligation of the Corporation with the benefits and subject to the terms hereof;

NOW THEREFORE it is hereby covenanted, agreed and declared as follows:

**ARTICLE 1
INTERPRETATION**

- 1.1 **Definitions.** In this Debenture, including the preamble, unless there is something in the subject matter or context inconsistent therewith, the following expressions shall have the following meanings namely:
- (a) "**Business Day**" means any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions are closed in Calgary, Alberta;
 - (b) "**Change of Control**" means the occurrence of any of the following events:

- (1) the sale, transfer or other disposition in one or a series of related transactions, of all or substantially all of the assets of the Corporation;
 - (2) the issuance, sale, transfer or other disposition (including, without limitation, any merger, amalgamation, or consolidation) in one or a series of related transactions of; (i) more than 50% of the voting shares of the Corporation; or (ii) the issuance or acquisition of shares having the right to approve major decisions affecting the Corporation;
 - (3) the first day on which a majority of the members of the Board of Directors of the Corporation is changed; or
 - (4) the adoption by the shareholders of the Corporation of a plan for liquidation or dissolution of the Corporation.
- (a) **"Change of Control for Value"** means the occurrence of any of the following events:
- (1) the sale, transfer or other disposition in one or a series of related transactions, of all or substantially all of the assets of the Corporation, as long as the sale, transfer or other disposition of all of the assets is for fair value, which results in a distribution to the common shares equal to or greater than the Conversion Price;
 - (2) the issuance, sale, transfer or other disposition (including, without limitation, any merger, amalgamation, or consolidation) in one or a series of related transactions of; (i) more than 50% of the voting shares of the Corporation as long as the deemed value of the common shares is in excess of the Conversion Price; or (ii) the issuance or acquisition of shares having the right to approve major decisions affecting the Corporation, in either case as long as the deemed value of the voting shares is in excess of the Conversion Price;
- (b) **"Common Shares"** means the common shares of the Corporation as such shares are constituted on the date hereof;
- (c) **"Corporation"** means **CEMATRIX Corporation** a corporation existing under the laws of the Province of Alberta and its successors and assigns;
- (d) **"Conversion Notice"** has the meaning ascribed to that term in Section 5.1 hereof;
- (e) **"Conversion Price"** means the price per Debenture Share at which the Principal Sum and all accrued and outstanding interest thereon under this Debenture shall from time to time be convertible into Common Shares pursuant to a Holder Conversion, which, with respect to the Principal Sum so converted, shall be CDN\$0.2375 (which shall be converted into U.S. dollars at the conversion rate, on the date of the Letter of Intent, of USD \$0.1859) which amount was determined on such date as the Letter of Intent was entered into.;
- (f) **"Debenture Shares"** means the Common Shares issuable upon the due conversion of this Debenture;
- (g) **"this Debenture"**, the **"Debenture"**, **"herein"**, **"hereby"**, **"hereof"**, **"hereto"**, **"hereunder"** and similar expressions mean or refer to this Unsecured Convertible Debenture and any deed or instrument supplemental or ancillary thereto and any schedules hereto or thereto

- and not to any particular article, section, subsection, clause, subclause or other portion hereof;
- (h) "**Event of Default**" means any of the events specified in Section 7.1 hereof;
 - (i) "**Forced Conversion**" has the meaning ascribed to that term in Section 2.5 hereof;
 - (j) "**Forced Conversion Amount**" has the meaning ascribed to that term in Section 2.5 hereof;
 - (k) "**Forced Conversion Date**" has the meaning ascribed to that term in Section 2.5 hereof;
 - (l) "**Forced Conversion Notice**" has the meaning ascribed to that term in Section 2.5 hereof;
 - (m) "**Forced Conversion Shares**" has the meaning ascribed to that term in Section 2.5 hereof;
 - (n) "**Holder**" or "**Debenture holder**" means Edward Weiner, an individual resident in Buffalo Grove, Illinois, together with his successors and assigns;
 - (o) "**Holder Conversion**" has the meaning ascribed to that term in Section 5.1 hereof;
 - (p) "**Indebtedness**" has the meaning ascribed to that term in Section 2.1 hereof;
 - (q) "**Letter of Intent**" means the letter of intent entered into between the Corporation and the Holder on February 23, 2018;
 - (r) "**Maturity Date**" means the earlier of:
 - (i) the date upon which an Event of Default that has not been waived by the Holder occurs and the Holder gives notice of its intention to accelerate the payment of all amounts owing hereunder; and
 - (ii) three years from the date hereof, unless renewed in accordance with Section 10.2 hereof or otherwise extended by agreement between the Holder and the Corporation; and
 - (iii) at the election of the Holder, upon a Change of Control, with the Prepayment Premiums provided for in Section 2.4.
 - (s) "**person**" means an individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative, or any group or combination thereof;
 - (t) "**Principal Sum**" has the meaning ascribed to that term in Section 2.1 hereof;
 - (u) "**Redemption Amount**" has the meaning ascribed to that term in Section 2.3 hereof;
 - (v) "**Redemption Date**" has the meaning ascribed to that term in Section 2.3 hereof;
 - (w) "**Redemption Notice**" has the meaning ascribed to that term in Section 2.3 hereof;

- (x) **"Share Purchase Agreement"** means the Share Purchase Agreement made effective as of the 30th day of April, 2018 between the Corporation and the Holder; and
 - (y) **"TSXV"** or "Exchange" means the TSX Venture Exchange.
- 1.2 **Gender.** Whenever used in this Debenture, words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender.
- 1.3 **Numbering of Articles, etc.** Unless otherwise stated, a reference herein to a numbered or lettered article, section, subsection, clause, subclause or schedule refers to the article, section, subsection, clause, subclause or schedule bearing that number or letter in this Debenture.
- 1.4 **Day not a Business Day.** In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day. If the payment of any amount is deferred for any period, then such period shall be included for purposes of the computation of any interest payable hereunder.
- 1.5 **Computation of Time Period.** Except to the extent otherwise provided herein, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".
- 1.6 **Currency.** All references to dollars or to "\$" shall be references to United States dollars unless otherwise specified.

ARTICLE 2 PROMISE TO PAY

- 2.1 **Indebtedness.** The Corporation, for value received, and in consideration of the premises hereby acknowledges itself indebted and promises and covenants to pay to the Holder:
- (a) the principal sum of \$1,250,000 USD (the "**Principal Sum**") outstanding on the Maturity Date or sooner in accordance with Sections 2.2 or 2.3;
 - (b) interest on any monies owing by the Corporation to the Holder hereunder, all as specifically calculated hereunder; and
 - (c) all other monies which may be owing by the Corporation to the Holder pursuant to this Debenture,
- (collectively, the "**Indebtedness**").
- 2.2 **Payment.** The Corporation shall pay in cash or other form of payment effecting immediately available funds, on the Maturity Date, the outstanding Indebtedness owing to the Holder in full, unless the Corporation has received from the Holder a Conversion Notice pursuant to Section 5.1 hereof, in which event the balance of the Indebtedness, if any, shall be paid on the Maturity Date.

All amounts payable under this Debenture shall, unless otherwise stated, be payable at the registered address of the Holder or at such other place as the Holder may designate in writing from time to time.

2.3 **Prepayment.** Provided that no Event of Default has occurred and is continuing, the Corporation may prepay the Principal Sum in whole or in part (in a minimum amount of not less than USD \$250,000 and in integral multiples of USD \$250,000) prior to the Maturity Date at the Corporation's option at any time, after twelve (12) months from the date of issuance of the Debenture, on not less than forty (40) days' prior written notice to the Holder (each a "**Redemption Notice**"). Each Redemption Notice sent to the Holder shall state:

- (a) the date on which such redemption is to occur (the "**Redemption Date**"), which shall be not less than ninety (90) days after any Redemption Notice; and
- (b) the amount of the prepayment (the "**Redemption Amount**") equal to the sum of the following: (i) the portion of Principal Sum to be prepaid; (ii) accrued and unpaid interest on that portion of the Principal Sum to be prepaid to the Redemption Date; (iii) any prepayment premium as required by Section 2.4; and (iv) in the event the whole Principal Sum is to be prepaid, all of the other monies which may be owing by the Corporation to the Holder pursuant hereto.

The Redemption Notice having been given as aforesaid, the Redemption Amount shall, on the Redemption Date, become due and payable and on and after such date the Redemption Amount shall only bear interest if the Corporation shall default in the payment of the Redemption Amount on the Redemption Date. In the event the whole Principal Sum is prepaid, the Holder shall surrender this Debenture to the Corporation upon the payment of the Redemption Amount, and this Debenture shall be cancelled and of no further force or effect.

In addition, and for greater certainty, until the Redemption Amount has actually been paid in accordance with this Section 2.3, the Holder retains the right to convert the Redemption Amount to Debenture Shares in accordance with Article 5 hereof, except that if the Holder exercises its right to convert after receipt of a notice of redemption from the Corporation, the Debenture Shares issuable upon such conversion will be issued and delivered to the Holder on the Redemption Date.

2.4 **Prepayment Premiums.** In the event the Corporation prepays all or any portion of the Debenture, the Corporation will be required to pay to the Holder the following premium:

- (a) ten percent (10%) of the Principal Sum prepaid, if such prepayment occurs at any time after twelve (12) months and prior to twenty four (24) months from the date of issuance of the Debenture; or
- (b) five percent (5%) of the Principal Sum prepaid, if such prepayment occurs at any time after twenty four (24) months from the date of issuance of the Debenture until the initial Maturity Date.

2.5 **Forced Conversion.** The Corporation shall not be permitted to force a conversion before twelve (12) months from the date of issuance of the Debenture. In the event that a Change of Control for Value occurs, after twelve (12) months from the date of issuance of the Debenture, provided that no Event of Default has occurred and is continuing, the Corporation is entitled to issue a notice in writing (the "**Forced Conversion Notice**") whereupon the Corporation may, at its option, force the conversion (the "**Forced Conversion**") of the Forced Conversion Amount in whole or in part, into Conversion Shares prior to the Maturity Date at any time, on not less than forty (40) days' prior written notice to the Holder. Each Forced Conversion Notice sent to the Holder shall state:

- (a) the date on which such conversion is to occur (the "**Forced Conversion Date**"), which shall be not less than forty (40) days after any Forced Conversion Notice;
- (b) the number of Conversion shares being issued ("**Forced Conversion Shares**") equal to (a) the aggregate sum of the following: (i) the portion of the Principal Sum being converted pursuant to this Section, (ii) accrued and unpaid Interest, and (iii) any applicable forced conversion premiums as required by Section 2.6 (the "**Forced Conversion Amount**") divided by (b) the Conversion Price.
- (c) The delivery of the Forced Conversion Notice duly executed by the Corporation and the surrender of the Debenture shall be deemed to constitute a contract between the Holder and the Corporation whereby: (i) the Holder subscribes for the number of Debenture Shares set forth in the Forced Conversion Notice respecting such Forced Conversion; (ii) the Holder releases the Corporation from all liability with respect to the portion of the Principal Sum forced to convert into Debenture Shares (but only to the extent of forced conversion); and (iii) the Corporation agrees that the surrender of the Debenture pursuant to the Forced Conversion constitutes full payment of the subscription price for the Debenture Shares issuable upon such Forced Conversion and that the Debenture Shares will be issued as fully paid and non-assessable Common Shares in the capital of the Corporation effective the date the Forced Conversion Notice is received;
- (d) Upon receipt by the Holder of a Forced Conversion Notice, subject to Section 5.3 hereto, the Corporation shall subject to receipt of all required regulatory approvals, if any, issue or cause to be issued and deliver or cause to be delivered to the Holder as soon as practicable thereafter a certificate or certificates in the name or names of the person or persons specified by the Holder for the number of Debenture Shares deliverable pursuant to such Forced Conversion. Upon completion of the forced conversion transaction, the rights of the Holder to receive, in respect of the amount so converted, the Forced Conversion Amount thereon, shall cease and the Holder or the other person or persons in whose name or names any certificate or certificates for Common Shares shall be deliverable upon such Forced Conversion shall be deemed to have become the holder or holders of record of such Common Shares represented thereby.
- (e) Provided, however, such Forced Conversion shall not result in the Holder owning in excess of twenty percent (20%) of the outstanding Common Shares without having first received all regulatory and shareholder approvals, as applicable.

2.6 **Forced Conversion Premiums.** In the event the Corporation elects to force the conversion of the Debenture, the Corporation will be required to pay to the Holder the following premium:

- (a) ten percent (10%) of the Principal Sum, if such conversion occurs at any time after twelve (12) months and prior to twenty four (24) months from the date of issuance of the Debenture; or
- (b) five percent (5%) of the Principal Sum, if such conversion occurs at any time after twenty four (24) months from the date of issuance of the Debenture until the initial Maturity Date.

2.7 **Change of Control.** In the event the Corporation prepays or converts all or any portion of the Debenture and a Change of Control occurs, or an agreement which would result in a Change of Control is entered into by the Corporation, within ninety (90) days after the Holder receives the Redemption Amount or the Forced Conversion Shares, as the case may be, the Corporation

agrees to pay to the Holder, concurrently with the Change of Control, the amount, if any, equal to (i) the excess, if any, of the value of a Common Share in such Change of Control over the Conversion Price in effect at the time of the Change of Control, or in the case of a Forced Conversion, the value of a Common Share at the time of a Forced Conversion, multiplied by (ii) the result obtained by dividing the Redemption Amount or the Forced Conversion Amount, as the case may be, by the Conversion Price in effect as of the Redemption Date or the Forced Conversion Date, as the case may be.

ARTICLE 3 INTEREST

- 3.1 **Calculation and Payment of Interest, etc.** The Principal Sum from time to time outstanding, any accrued interest and other monies due and payable hereunder shall accrue interest at the rate of 8.00% per annum, calculated and compounded monthly and payable quarterly in arrears, not in advance, on the first day of each calendar quarter, beginning July 1, 2018, from the date of initial issuance of this Debenture (or from and including the last interest payment date to which interest shall have been paid), as well after as before maturity and both before and after demand, default and judgment, with interest on overdue interest at the same rate, and on all other amounts owing hereunder. Interest payable under this Debenture shall be paid in accordance with Section 2.2, 2.3 or 2.5. Except as provided in Sections 2.2 and 2.3 and 2.5 and Article 5, all interest due on this Debenture will be payable in cash. Interest on this Debenture shall cease to accrue on the date of Conversion or Forced Conversion (to the extent of Conversion or Forced Conversion as the case may be), and receipt by the Holder of the Conversion Shares or the Forced Conversion Shares, as the case may be, and the Redemption Date (to the extent of the Redemption Amount) unless payment is improperly withheld or refused.

For the purposes of the *Interest Act* (Canada) and disclosure thereunder, whenever any interest or any fee to be paid hereunder or in connection herewith is to be calculated on the basis of a 360-day or 365-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365, as applicable. The rates of interest under this Debenture are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Debenture.

The Corporation confirms that it fully understands and is able to calculate the rate of interest applicable to the amounts owing under this Debenture based on the methodology for calculating per annum rates provided for in this Debenture. The Holder agrees that if requested in writing by the Corporation it will calculate the nominal and effective per annum rate of interest on any amount outstanding at the time of such request and provide such information to the Corporation promptly following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve the Corporation of any of its obligations under this Debenture, nor result in any liability to the Holder. The Corporation hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to the Debenture, that the interest payable under the Debenture and the calculation thereof has not been adequately disclosed to the Corporation, whether pursuant to section 4 of the *Interest Act* (Canada) or any other applicable law or legal principle.

If any provision of this Debenture would oblige the Corporation to make any payment of interest or other amount payable to the Holder in an amount or calculated at a rate which would be prohibited by applicable law or would result in a receipt by the Holder of "interest" at a "criminal

rate" (as such terms are construed under the *Criminal Code* (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Holder of "interest" at a "criminal rate".

- 3.2 **No Merger In Judgement.** The covenant of the Corporation to pay interest at the rate provided herein shall not merge in any judgement in respect of any obligation of the Corporation hereunder and such judgement shall bear interest in the manner set out in this Article 3 and be payable on the same days when interest (whether hereunder or otherwise) is payable hereunder.

ARTICLE 4 SECURED DEBENTURE

- 4.1 **Security.** This Debenture shall be a Secured Convertible Debenture and the Corporation shall provide security for payment of the Indebtedness in the form of a general security agreement over the assets of the Corporation as well as a guarantee by MOS and a general security agreement over the assets of MOS. Such security is to be fully subordinated to the Corporation's loan entered into in respect of the Share Purchase Agreement with the Business Development Corporation (the "**BDC Loan**") and to the Corporation's senior indebtedness owing to Canadian Western Bank (together with any refinancing thereof, the "**Senior Debt**"), in each case subject to the right of the Corporation to make and the Holder to receive payments hereunder prior to an event of default occurring with respect to the BDC Loan or Senior Debt.

ARTICLE 5 CONVERSION OF DEBENTURE

- 5.1 **Conversion.** Subject to and upon compliance with the provisions of this Article 5, and subject to the Holder holding 20% or less of the outstanding Common Shares, the Holder may, at its election, upon surrender (either in person, by mail (postage prepaid) or other means of delivery) of this Debenture along with a completed notice of conversion (the "**Conversion Notice**") in the form attached hereto as **Schedule "A"** at the principal office of the Corporation in the City of Calgary, Alberta, at any time prior to the Maturity Date elect to convert the Principal Sum and all accrued and unpaid interest thereon or any portion thereof into Debenture Shares (a "**Holder Conversion**") at the Conversion Price per Debenture Share, being an amount of shares of not more than 6,686,842 Common Shares, subject to adjustment pursuant to Section 5.2 and not including Common Shares resulting from the conversion of outstanding interest. The delivery of the Conversion Notice duly executed by the Holder and the surrender of the Debenture shall be deemed to constitute a contract between the Holder and the Corporation whereby: (i) the Holder subscribes for the number of Debenture Shares set forth in the Conversion Notice respecting such Holder Conversion; (ii) the Holder releases the Corporation from all liability with respect to the portion of the Principal Sum converted into Debenture Shares (but only to the extent of conversion); and (iii) the Corporation agrees that the surrender of the Debenture for Holder Conversion constitutes full payment of the subscription price for the Debenture Shares issuable upon such Holder Conversion and that the Debenture Shares will be issued as fully paid and non-assessable Common Shares in the capital of the Corporation effective the date the Conversion Notice is received.

Upon receipt by the Corporation of a Conversion Notice, subject to Section 5.3 hereto, the Corporation shall subject to receipt of all required regulatory approvals, if any, issue or cause to be issued and deliver or cause to be delivered to the Holder as soon as practicable thereafter a certificate or certificates in the name or names of the person or persons specified in the

Conversion Notice for the number of Debenture Shares deliverable pursuant to such Holder Conversion. Upon completion of the conversion transaction, the rights of the Holder to receive, in respect of the amount so converted, the Principal Sum and interest thereon, shall cease and the Holder or the other person or persons in whose name or names any certificate or certificates for Common Shares shall be deliverable upon such Holder Conversion shall be deemed to have become the holder or holders of record of such Common Shares represented thereby.

Any part of the Principal Sum and all accrued and unpaid interest may be converted as provided herein and all references in this Debenture to conversion shall be deemed to include conversion of such parts. In the event the Holder converts only part of the Principal Sum and all accrued and unpaid interest it shall, upon the exercise of its right of conversion, surrender this Debenture to the Corporation, and the Corporation shall cancel the same and shall, without charge, forthwith certify and deliver to the Holder a new Debenture Certificate in the aggregate principal amount equal to the unconverted part of the Principal Sum and all accrued and unpaid interest.

5.2 Adjustment.

- (a) If and whenever the Corporation shall: (i) subdivide or redivide the outstanding Common Shares into a greater number of Common Shares; (ii) reduce, combine or consolidate the outstanding Common Shares into a smaller number of Common Shares; (iii) issue any Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend, the number of Common Shares which may be acquired pursuant to this Article 5 on and at any time after the effective date of such subdivision, redivision, reduction, combination or consolidation or on the record date for such issue of Common Shares by way of a stock dividend, as the case may be, shall be increased, in the case of the events referred to in (i) and (iii) above, in the proportion which the number of Common Shares outstanding before such subdivision, redivision or dividend bears to the number of Common Shares outstanding after such subdivision, redivision or dividend, or shall be decreased, in the case of the events referred to in (ii) above, in the proportion which the number of Common Shares outstanding before such reduction, combination, or consolidation bears to the number of Common Shares outstanding after such reduction, combination or consolidation, and in each case the price at which the Holder Conversion shall occur will be adjusted to reflect the change in the number of Debenture Shares that become issuable under this Article 5. Any such issue of Common Shares by way of a stock dividend shall be deemed to have been made on the record date fixed for such stock dividend for the purpose of calculating the number of outstanding Common Shares under this Section 5.2(a) or Section 5.2(c).
- (b) In the case of any reclassification of, or other change in, the outstanding Common Shares other than a subdivision, redivision, reduction, combination or consolidation, subject to the approval of the TSXV, the Holder shall be entitled to receive upon conversion pursuant to Article 5, and shall accept in lieu of the number of Debenture Shares to which it was theretofore entitled upon such conversion, the kind and amount of shares and other securities or property which the Holder would have been entitled to receive as a result of such reclassification if, on the effective date thereof, it had been the registered holder of the number of Debenture Shares to which it was theretofore entitled upon conversion. If necessary, appropriate adjustments shall be made in the application of the provisions set forth in this Article 5 with respect to the rights and interests thereafter of the Holder to the end that the provisions set forth in this Article 5 shall thereafter

correspondingly be made applicable as nearly as may be possible in relation to any shares or other securities or property thereafter deliverable upon the conversion of this Debenture. Any such adjustments shall be made by and set forth in a supplemental certificate approved by the directors of the Corporation, after reasonable consultation with the Holder.

- (c) If and whenever the Corporation shall issue or distribute to all or substantially all the holders of Common Shares: (i) shares of the Corporation of any class; (ii) rights, options or warrants (that shall not have expired unexercised, unconverted or unexchanged at the time a Holder converts this Debenture, in whole or in part); (iii) evidences of indebtedness; or (iv) any other assets or securities and if such issuance or distribution does not result in an adjustment as provided for in Section 5.2(a) or Section 5.2(b), subject to the approval of the TSXV, the price at which the Principal Sum and accrued interest may be converted into Debenture Shares pursuant to Article 5 shall, after reasonable consultation with the Holder (such adjustment to be set forth in a supplemental certificate approved by the directors of the Corporation), be adjusted effective immediately before the record date at which the holders of Common Shares are determined for purposes of any such issuance or distribution as aforesaid in such manner as the directors of the Corporation determine to be appropriate on a basis consistent with this Section 5.2.
- (d) If and whenever at any time after the date hereof, the Corporation takes any action to which the foregoing anti-dilution adjustments, in the opinion of the board of directors of the Corporation, acting reasonably and in good faith, are not strictly applicable, or if strictly applicable would not fairly adjust the rights of the Holder in accordance with the intent and purposes thereof, then subject to the approval of the TSXV, the Corporation shall execute and deliver to the Holder an amendment hereto providing for an adjustment in the application of such provisions so as to adjust such rights as aforesaid in such a manner as the board of directors of the Corporation may determine to be equitable in the circumstances, acting reasonably and in good faith. The failure of the taking of action by the board of directors of the Corporation to so provide for any adjustment on or prior to the effective date of any action or occurrence giving rise to such state of facts will be conclusive evidence, absent manifest error, that the board of directors has determined that it is equitable to make no adjustment in the circumstances.
- (e) If, at any time, the Holder exercises its conversion rights after the record date and before the occurrence of an event for which this Section 5.2 requires that an adjustment shall become effective, the Corporation may defer issuing to the Holder the additional Common Shares issuable upon such conversion or by reason of the adjustment required by such event, until the occurrence of such event. The Corporation shall deliver to the Holder an appropriate instrument evidencing the Holder's right to receive such additional Common Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Common Shares declared in favour of the holders of Common Shares on and after the date of conversion or such later date as such Holder would, but for the provisions of this Section 5.2, have become the holder of record of such additional Common Shares.
- (f) If a dispute shall at any time arise with respect to adjustments of the Conversion Price or the number of Debenture Shares issuable upon the conversion of this Debenture, such disputes shall be determined by a firm of independent chartered accountants accredited by the Canadian Public Accountability Board as may be agreed by the directors and the Holder, and any such determination shall, absent manifest error, be conclusive evidence of

the correctness of any adjustment made pursuant to Subsection 5.2 hereof and shall be binding upon the Corporation and the Holder.

- 5.3 **No Fractional Common Shares.** Notwithstanding anything herein contained, the Corporation shall in no case be required to issue fractional Debenture Shares or to pay any cash adjustment in lieu of any fractional Debenture Share upon the conversion of the Debenture. Any fractions will be rounded to the nearest whole number with fractions of one-half or greater being rounded to the next higher whole number and fractions of less than one-half being rounded to the next lower whole number.
- 5.4 **Reservation of Common Shares.** The Corporation shall at all times while the Debenture remains convertible into Debenture Shares as herein provided, reserve and keep available out of its authorized but unissued share capital, for the purpose of effecting the conversion of the Debenture, such number of Common Shares as shall from time to time be sufficient to effect the conversion of the Debenture.
- 5.5 **TSX Venture Exchange.** As a result of securities laws applicable to the Corporation and the Holder, the Holder shall not be eligible to exercise any conversion rights under this Debenture, and the Corporation shall not convert same, until any undertaking provided by the Holder to the Exchange is satisfied.

ARTICLE 6 REPRESENTATIONS AND COVENANTS

- 6.1 **Corporation Representations.** The Corporation hereby represents and warrants:
- (a) The Corporation is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.
 - (b) The transactions contemplated by this Debenture are within the Corporation's corporate powers and have been duly authorized by all necessary corporate and shareholder action, as applicable. This Debenture has been duly executed and delivered by the Corporation and constitutes legal, valid and binding obligations of the Corporation, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.
 - (c) The Conversion Shares have been duly reserved for issuance and upon issuance, will be validly issued, registered, freely transferred, fully paid and non-assessable, free and clear of all liens, except for restrictions transfer imposed by applicable securities law.
 - (d) The Corporation has complied with all requirements of the TSXV in respect of this Debenture, the Conversion Shares and the transactions contemplated hereby, including, without limitation, obtaining the necessary approvals.
 - (e) The Corporation is not an "insolvent person" within the meaning of the *Bankruptcy and Insolvency Act* (Canada).
- 6.2 **Corporation Covenants.** The Corporation hereby covenants and agrees:

- (a) to observe all of the covenants of the Corporation set out in the Share Purchase Agreement and all other agreements executed by the Corporation in favour of the Vendors in connection therewith;
- (b) to use commercially reasonable efforts to forthwith obtain such regulatory, stock holder and other approvals and fulfill such undertakings as may be necessary for the Corporation to issue the Debenture Shares and have the Debenture Shares approved for listing on the TSXV;
- (c) so long as any amounts remain outstanding hereunder, not to do any of the following without the prior express written consent of the Holder:
 - (i) grant liens or security interests on the assets, property or undertaking of the Corporation except in favour of the Business Development Bank of Canada to secure the BDC Loan (as defined below) and in favour of the holder of the Senior Debt (as defined below);
 - (ii) other than in the ordinary course of business, transfer shares between the Corporation and any of its subsidiaries, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its affiliates if such action would materially diminish the value of such property or assets;
 - (iii) take any step that would limit its ability to issue the Debenture Shares;
 - (iv) amend its constating documents, by-laws or shareholder agreement in a manner that would adversely affect the Holder or the Corporation's duty or ability to satisfy its obligations hereunder.
- (d) The Corporation agrees to give the Holder written notice at least thirty (30) days prior to the record date of any dividend or other distribution to be made to any equity holder of the Corporation or any Change of Control or other fundamental change affecting the Corporation.

6.3 Holder Covenants. The Holder hereby covenants and agrees

- (a) To provide the Exchange with an undertaking, in form satisfactory to the Exchange, undertaking that the Holder shall not be eligible to exercise any conversion rights if such conversion would result in the Holder owning in excess of 20% of the outstanding Common Shares; and
- (b) to observe all of the covenants of the Holder set out in all other agreements executed by the Holder in favour of the Corporation in connection herewith.

**ARTICLE 7
DEFAULT**

- 7.1 Acceleration of Maturity on Default.** Upon the happening of any one or more of the following events (herein called "**Events of Default**") namely:

- (a) if the Corporation does not pay when due any principal, interest or other amount payable by it under this Debenture at the place and in the currency in which such amount is expressed to be payable;
- (b) if the Corporation fails to observe or defaults under any covenant or agreement of the Corporation set out in this Debenture;
- (c) any representation or warranty made by the Corporation in or in connection with this Debenture or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed to be made;
- (d) if the Corporation fails to observe or defaults under any covenant or agreement of the Corporation in respect of the BDC Loan or the Senior Debt;
- (e) if the Corporation admits in writing that it is insolvent or cannot pay its debts as they generally become due; makes a general assignment for the benefit of creditors; or any proceeding is instituted by it seeking relief as debtor, or to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts or for an order for similar relief under any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including under any statutes relating to the incorporation of companies) or seeking appointment of a receiver or trustee, or other similar official for it or for any substantial part of its properties or assets; or any corporate or partnership action is taken to authorize any of the actions referred to in this Section 7.1(e);
- (f) if any proceedings are instituted against the Corporation seeking to adjudicate it as bankrupt or insolvent, or seeking liquidation, winding-up, reorganization, arrangement, adjustment or composition of it or its debts or for an order for similar relief under any law relating to bankruptcy, insolvency, reorganization or relief of debtors (including under any statutes relating to the incorporation of companies) or seeking appointment of a receiver, trustee or other similar official for it or for any substantial part of its properties or assets;
- (g) if any proceedings with respect to the Corporation are commenced under the *Companies Creditors Arrangement Act* (Canada);
- (h) if the Corporation takes any corporate proceedings for its dissolution, liquidation or if the corporate existence of the Corporation shall be terminated by expiration, forfeiture or otherwise, or if the Corporation ceases or threatens to cease, to carry on all or a material part of its business; or
- (i) if there is an enforcement action filed by the TSXV or any securities or other governmental entities or regulators, which may have the effect of materially adversely affecting the Corporation, including, without limitation, any delisting or similar action.

then in each and every such event, the Principal Sum and interest on the Debenture may, at the option of the Holder (and, in the case of clause (e) through (h) above shall automatically) forthwith become immediately due and payable to the Holder, anything herein contained to the contrary notwithstanding, and the Corporation shall forthwith pay to the Holder of the Debenture the amount of the Principal Sum and interest then accrued but unpaid on the Debenture including, without limitation, any prepayment of Premium provided for in Section

2.4, and all other moneys payable under the provisions hereof together with interest at the rate of interest borne by the Debenture on such Principal Sum and interest from the date of the said Event of Default until payment is received by the Holder.

- 7.2 **Waiver of Corporation's Rights.** To the full extent that it may lawfully do so, the Corporation for itself and its successors and assigns hereby waives and disclaims any benefit of, and shall not have or assert any right under, any statute or rule of law pertaining to the marshaling of assets, discussion, division or other matter whatever, to defeat, reduce or affect the rights of the Holder under the terms of this Debenture.

ARTICLE 8 WAIVER

- 8.1 **Waiver.** The Holder may waive any breach of any of the provisions contained in this Debenture or any default by the Corporation in the observance or performance of any covenant, condition or obligation required to be observed or performed by it under the terms of this Debenture. No waiver, consent, act or omission by the Holder shall extend to or be taken in any manner whatsoever to affect any other or subsequent breach or default or the rights resulting therefrom and no waiver or consent by the Holder shall bind the Holder unless it is in writing. The inspection or approval by the Holder of any document or matter or thing done by the Corporation shall not be deemed to be a warranty or holding out of the adequacy, effectiveness, validity or binding effect of such document, matter or thing or a waiver of the Corporation's obligations.

ARTICLE 9 OTHER RIGHTS OF THE HOLDER

- 9.1 **Rights of Set-Off.** The Corporation acknowledges and agrees that the Principal Sum and the other obligations hereunder shall be paid, satisfied and discharged to the Holder without regard to such dealings as may from time to time occur as between anyone or more of the Holder, the Corporation and any other person and without regard to such equities or rights of set-off or counterclaim which may from time to time exist between anyone or more of the Holder, the Corporation or any other person, and that the Principal Sum and other obligations hereof shall be paid without regard to any equities between the Corporation and the Holder hereof or any set-off or cross-claims and the receipt of the Holder for the payment of the Principal Sum will be a good discharge to the Corporation in respect thereof.
- 9.2 **No Merger.** Neither the taking of any judgement nor the exercise of any rights hereunder shall operate to extinguish the obligation of the Corporation to pay the monies under this Debenture and shall not operate as a merger of any covenant in this Debenture, and the acceptance of any payment shall not constitute or create a novation, and the taking of a judgement or judgements under a covenant herein contained shall not operate as a merger of those covenants and affect the Holder's right to interest under this Debenture.

ARTICLE 10 MISCELLANEOUS

- 10.1 **Transfer of Debenture.** Other than transfers to family members or ex-wife, this Debenture may not be transferred or assigned by the Holder, in whole or in part, at any time, without the consent of the Corporation, such consent to not be unreasonably withheld.
- 10.2 **Time.** Time shall be of the essence of this Debenture.

- 10.3 **Governing Law.** This Debenture shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the laws of Canada applicable therein but the reference to such laws shall not, by conflict of laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of Alberta. The Corporation and the Holder hereby irrevocably attorn to the jurisdiction of the Courts of the Province of Alberta.
- 10.4 **Severability.** If any one or more of the provisions or parts thereof contained in this Debenture should be or become invalid, illegal or unenforceable, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, severable therefrom and the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed.
- 10.5 **Headings.** The headings of the articles, sections, subsections and clauses of this Debenture have been inserted for convenience and reference only and do not define, limit, alter or enlarge the meaning of any provision of this Debenture.
- 10.6 **Binding Effect.** This Debenture and all of its provisions shall enure to the benefit of the Holder, its successors and assigns, and shall be binding upon the Corporation and its successors and permitted assigns. The expression the "Holder" as used herein shall include the Holder's assigns whether immediate or derivative.

ARTICLE 11 NOTICE

- 11.1 **Notices.** Any notice required or permitted to be given under any of this Debenture or any tender or delivery of documents may be given as more particularly set out in the Share Purchase Agreement.

IN WITNESS WHEREOF the Corporation has duly executed these presents as of the _____ day of May, 2018 by its duly authorized officer.

CEMATRIX CORPORATION

Per: _____
Jeffrey Kendrick, President and CEO

Per: _____
James Chong, CFO

**SCHEDULE "A"
CONVERSION FORM**

TO: CEMATRIX CORPORATION (the "Corporation")

The undersigned registered holder of the secured convertible debenture (the "Debenture") represented by the within certificate hereby elects to convert the Debenture (or USD\$ _____ of the Principal Sum and all accrued and unpaid interest thereunder) on the terms specified in the within Debenture certificate, which certificate is hereby tendered to the Corporation and which will, upon due issuance of the Debenture Shares aforesaid, be null and void.

The Debenture Shares subscribed for will be issued as set forth below and will be mailed to the address set forth below.

DATED this _____ day of _____, 20 ____ .

WITNESS

ED WEINER

NOTES: 1. If Debenture Shares are to be transferred to a person other than the registered holder, the signature must be guaranteed by a Canadian Schedule I chartered bank or by an eligible guarantor institution with membership in an approved Signature Guarantee Medallion Program.

2. If and so long as the outstanding Common Shares are registered and recorded in the name of CDS under a book-entry system, a Holder who converts a Debenture in whole or in part into Debenture Shares shall execute such additional documents and do or cause to be done such additional acts and things as may reasonably be necessary or desirable to cause the Debenture Shares issued upon such conversion to be registered and recorded in the name, and deposited with, CDS under such book-entry system.

(Print name in which Debenture Shares are to be issued, delivered and registered)

Name: _____

(Address)

(City, Province and Postal Code)

Name of guarantor: _____

Authorized signature: _____

SCHEDULE "E"
VENDOR PAYABLE

LOAN AGREEMENT

THIS AGREEMENT made on the 31st day of May, 2018

BETWEEN:

EDWARD WEINER, of the Village of Highland Park in the State of Illinois
(the "**Lender**")

-and-

MIXONSITE USA, INC., a corporation incorporated pursuant to the laws of
the State of California, with its head office in the Village of Buffalo Grove in
the State of Illinois
(the "**Borrower**")

WHEREAS pursuant to a share purchase agreement (the "**Purchase Agreement**")
dated April 30, 2018 between the Lender and CEMATRIX Corporation (the "**Corporation**"),
the Lender agreed to sell and the Corporation agreed to purchase all of the issued and
outstanding shares of the Borrower.

AND WHEREAS it is a condition to the completion of the transactions contemplated
by the Purchase Agreement that the Borrower, the Lender and the Corporation enter into
this Agreement.

AND WHEREAS the Lender is prepared to advance certain funds to the Borrower on
the terms and conditions set out herein.

NOW THEREFORE in consideration of the covenants, warranties and payments set
out herein, the parties agree as follows:

1. The Lender agrees to lend to the Borrower and the Borrower agrees to borrow from
the Lender the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00) of lawful
money of the United States (the "**Principal Sum**") for a term of one (1) year,
pursuant to the terms of the Purchase Agreement.
2. The Borrower agrees to pay to the Lender interest on the Principal Sum from the
date hereof at a rate per annum equal to 2% plus the Prime Rate listed at the
Corporation's bank, JP Morgan Chase Bank, N.A. per annum calculated semi-annually
not in advance.
3. The Borrower agrees to repay to the Lender at the Village of Highland Park, Illinois or
at any other place in the United States as the Lender may direct, the Principal Sum
and Interest (the "**Indebtedness**") set out as follows:
 - (a) equal quarterly payments of principal and interest (the "**Quarterly
Payments**"). The Quarterly Payments shall be due on the 1st day of each
quarter, commencing on the 1st day of July, 2018, and every quarter
thereafter until the Indebtedness has been fully repaid in accordance with the
payment schedule;
 - (b) the Quarterly Payments shall be paid by the Borrower to the Lender by way of
cash, bank draft or cheque; and

- (c) in addition to the Quarterly Payments, the Borrower may, at any time without penalty, make additional payments on the Indebtedness (the "**Additional Payments**").
4. In the event of any of the following events of default the Lender may, at its option, require the unpaid balance of the Principal Sum together with all interest accrued to become immediately due and payable:
- (a) In the event that the Borrower fails to make any of the payments in the amounts and at the times specified in this Agreement;
- (b) In the event that the Borrower should breach any agreement entered into between the Lender and the Borrower;
- (c) In the event that the Borrower should become bankrupt or insolvent or should the Borrower be subject to the provisions of applicable insolvency legislation or any other Act for the benefit of creditors or should the Borrower go into liquidation either voluntarily or under an order of a court of competent jurisdiction or make a general assignment for the benefit of its creditors or otherwise acknowledge its insolvency; and
- (d) In the event that the Borrower should default in the payment of moneys to any other creditor who has supplied credit to the Borrower.
5. On the happening of an event of default the Lender shall have the right without any further demand or notice whatsoever to exact payments of all amounts whatsoever then outstanding and owing or to become owing by the Borrower to the Lender under any other agreement made between the Lender and the Borrower. There are no such events of default as at the date hereof.
6. As security for repayment of the Indebtedness, the Borrower agrees to grant to the Lender a charge on all the accounts receivable and inventories of the Borrower as well as arrange a guarantee by the Corporation. The Borrower also covenants that it will execute or cause to be made, done or executed, all further and lawful acts, deeds, things, devices, conveyances and assurances whatsoever for effecting the purposes and intent of this Agreement as counsel for the Lender shall reasonably advise or request.
7. The Lender may from time to time appropriate any moneys received by it from the Borrower or from the proceeds of security (if any) given by the Borrower in or towards payment of the liabilities as it in its sole discretion may see fit and the Borrower shall not have the right to require any other appropriation, and it is agreed that the taking of a judgment or judgments or any other action or dealing whatsoever by the Lenders with respect to the securities shall not operate as a merger of any debt owing by the Borrower to the Lenders or any part.
8. Notice to be given shall, save as otherwise specifically provided, be in writing addressed to the party for whom it is intended and shall not be deemed received until actual receipt by the other party except if sent by telex or facsimile, in which case it shall be deemed received on the business day next following the date of transmission. The mailing, telex and facsimile addresses of the parties shall be:
- (a) As to the Lender:

Attention: Ed Weiner

[REDACTED]
[REDACTED] Highland Park, Illinois 60030

Email: [REDACTED]

(b) As to the Borrower:

CEMATRIX Corporation
5440 53 St SE,
Calgary, Alberta T2C 4B6
Email: Jeff.Kendrick@cematrix.com
Attn: Jeffrey Kendrick

or any other mailing, telex or facsimile addresses as the parties from time to time may notify the other.

9. This Agreement and all other agreements, security (if any) and documents to be delivered in connection with this agreement shall be governed by and construed in accordance with the applicable laws of the State of Illinois, with exclusive jurisdiction of the courts of Cook County, Illinois, in the event of a dispute. In the event of a dispute relating to this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and expenses from the other party.
10. This agreement shall be binding on and enure to the benefit of the Borrower, the Lender and their respective successors and assigns, except that the Borrower shall not, without the prior written consent of the Lender, assign any rights or obligations with respect to this agreement. The Lender may transfer, assign or grant participation in its rights and obligations with respect to this agreement or any other agreement contemplated to any lending institution which it considers to be financially responsible, provided that any transfer, assignment or grant shall neither result in any additional cost to the Lender nor, without the consent of the Borrower, release the Lender from its obligations under this agreement.
11. Any provision of this agreement which is or becomes prohibited or unenforceable in any jurisdiction shall not invalidate or impair the remaining provisions of this agreement which shall be deemed severable from the prohibited or unenforceable provision and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable that provision in any other jurisdiction.
12. No amendment supplement or waiver of any provision of this agreement or any other agreements provided for or contemplated, nor any consent to any departure by the Borrower, shall in any event be effective unless it shall be in writing and signed by the Lenders and then the waiver or consent shall be effective only in the specific instance for the specific purpose for which it has been given.
13. No waiver or act or omission of the Lender shall extend to or be taken in any manner whatsoever to affect any subsequent event of default or breach by the Borrower of any provision of this agreement or the results or the rights resulting from it.
14. Time shall be of the essence of this agreement. The recitals form an integral part of this agreement.

15. This agreement shall remain in full force and effect until the payment and performance in full of all of the Borrower's obligations under this agreement.
16. This agreement constitutes the entire agreement among the parties and cancels and supersedes any prior agreements, undertakings, declarations or representations, written or verbal in respect of it.

Signature Page to Follow

IN WITNESS WHEREOF the parties have affixed their hands and seals on the date first written above.

EDWARD WEINER

WITNESS

MIXONSITE USA, INC.

Per: _____
Name
Title

**SCHEDULE "F"
EMPLOYEES**

[Redacted]

**SCHEDULE "G"
ACCOUNTS RECEIVABLE**

[Redacted]