

UNDERWRITING AGREEMENT

July 29, 2024

CEMATRIX Corporation
9727 40 St. SE
Calgary, AB T2C 2P4

Attention: Jeff Kendrick, President & Chief Executive Officer

Beacon Securities Limited (“**Beacon**”), as lead underwriter and sole bookrunner, together with Centurion One Capital Corp. (collectively with Beacon, the “**Underwriters**”, and each individually, an “**Underwriter**”), as underwriters, hereby severally, and not jointly, nor jointly and severally, in their respective percentages set out in Section 15 below, offer and agree to purchase from CEMATRIX Corporation (the “**Corporation**”) and the Corporation hereby agrees to issue and sell to the Underwriters on a “bought deal” private placement basis, an aggregate of 14,667,000 units of the Corporation (the “**Units**”) at a price of \$0.45 per Unit (the “**Issue Price**”) for aggregate gross proceeds of \$6,600,150 (the “**Offering**”). Each Unit will consist of one Common Share (defined hereafter) in the capital of the Corporation (a “**Unit Share**”) and one-half of one Common Share purchase warrant (each whole warrant, a “**Unit Warrant**”). Each Unit Warrant will entitle the holder thereof to purchase one Common Share (a “**Warrant Share**”) at an exercise price of \$0.60 for a period of 24 months from the Closing Date (as hereinafter defined). Unless the context requires otherwise, reference to “**Offered Securities**” shall refer to the Units, Unit Shares, Unit Warrants and Warrant Shares.

The Unit Warrants shall be duly and validly created and issued pursuant to, and governed by, a warrant indenture (the “**Warrant Indenture**”) in a form acceptable to the Underwriters, acting reasonably, to be dated as of the Closing Date between the Corporation and the Transfer Agent (as hereinafter defined), in its capacity as warrant agent. The description of the Unit Warrants herein is a summary only and is subject to the specific attributes and detailed provisions of the Unit Warrants to be set forth in the Warrant Indenture. In the case of any inconsistency between the description of the Unit Warrants in this Agreement and the terms of the Unit Warrants set forth in the Warrant Indenture, the provisions of the Warrant Indenture will govern.

The Offered Securities will be issued and sold in the Offering Jurisdictions (as defined below) on a private placement basis pursuant to the “listed issuer financing exemption” (the “**Listed Issuer Financing Exemption**”) under Part 5A.2 of NI 45-106 (as defined below). For the purposes of reliance on the Listed Issuer Financing Exemption, the Corporation has prepared and filed an offering document dated July 17, 2024 in respect of the Offering which satisfies the requirements of NI 45-106, including those of Form 45-106F19 (the “**Offering Document**”), and filed a press release dated July 17, 2024 (the “**Offering Release**”).

Subject to the terms and conditions hereof, the Underwriters agree to act as, and the Corporation appoints the Underwriters as, the sole and exclusive underwriters of the Corporation in connection with the Offering to purchase all of the Offered Securities from the Corporation at the Issue Price on a private placement basis and to secure subscriptions therefor from Substituted Purchasers (as defined below) resident in such provinces of Canada, the United States or, as agreed to by the Corporation and the Underwriters, internationally (the “**Offering Jurisdictions**”), in each case on and subject to the terms of this Agreement (as defined below).

In consideration of the services rendered by the Underwriters in connection with the Offering, the Corporation shall pay to the Underwriters (or members of any selling group engaged by the Underwriters in amounts as determined by the Underwriters) at the Closing Time (as defined below), as set forth in

Section 11: (i) a cash commission equal to 6.0% of the gross proceeds from the sale of Units (the “**Commission**”); and (ii) that number of broker warrants as is equal to 6.0% of the number of Units sold pursuant to the Offering (the “**Broker Warrants**” and, together with the Commission, the “**Underwriters’ Fee**”). Each Broker Warrant will be exercisable to acquire one Common Share (each, a “**Broker Warrant Share**”) at a price of \$0.51 per Broker Warrant Share until 5:00 p.m. (Toronto time) on the date that is 24 months following the Closing Date. The terms governing the Broker Warrants will be set out in the Broker Warrant Certificates (as defined below).

The obligation of the Corporation to pay the Commission and to issue the Broker Warrants shall arise at the Closing Time against payment for the Units and the Underwriters’ Fee shall be fully earned by the Underwriters at that time.

The Underwriters may arrange for substituted purchasers (the “**Substituted Purchasers**”) for the Offered Securities, where such Substituted Purchasers are resident in the Offering Jurisdictions and in such manner so that no prospectus, registration statement, offering memorandum or similar document is required to be filed or delivered in connection therewith with applicable Securities Regulators (as defined below). Each Substituted Purchaser shall purchase the Offered Securities at the Issue Price, and to the extent that Substituted Purchasers purchase Offered Securities, the obligations of the Underwriters to do so will be reduced by the number of Offered Securities purchased by the Substituted Purchasers from the Corporation.

Subject to the provisions of this Agreement, the Underwriters shall be entitled to appoint a selling group consisting of other registered dealers in accordance with applicable Securities Laws (as defined below) for the purposes of arranging for Substituted Purchasers of the Offered Securities. Any investment dealer who is a member of any selling group formed by the Underwriters pursuant to the provisions of this Agreement, or with whom the Underwriters have a contractual relationship with respect to the Offering (a “**Selling Firm**”), if any, shall agree with the Underwriters to comply with the covenants and obligations given by the Underwriters herein. The fee payable to any such investment dealer who is a member of any selling group shall be for the account of the Underwriters.

TERMS AND CONDITIONS

The following are additional terms and conditions of this Agreement between the Corporation and the Underwriter:

Section 1 Definitions and Interpretation

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

“**ABCA**” means the *Business Corporations Act (Alberta)*, and the regulations thereunder, as now promulgated;

“**Agreement**” means this underwriting agreement, including the schedules hereto, as modified, amended and/or supplemented from time to time;

“**Applicable Laws**” means all applicable laws, rules, regulations, statutes, ordinances, codes, orders, consents, decrees, judgments, decisions, rulings, or awards, including any judicial or administrative interpretation thereof, of any Governmental Authority;

“**associate**”, “**affiliate**”, “**distribution**”, “**insider**”, “**material change**”, “**material fact**”, “**misrepresentation**” and “**person**” have the respective meanings ascribed thereto in the Securities Act;

“**Authorizations**” means any regulatory licences, approvals, permits, approvals, consents, certificates, registrations, filings or other authorizations of or issued by any Governmental Authority under Applicable Laws;

“**Beneficiaries**” has the meaning ascribed thereto in Section 9 of this Agreement;

“**Broker Warrant**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Broker Warrant Certificates**” means the certificates representing the Broker Warrants;

“**Broker Warrant Share**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Business**” means the business of the manufacture and supply of cellular concrete products;

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

“**Business Data**” means all data and personal information accessed, processed, collected, stored or disseminated by the Corporation or any Subsidiary, including any Personally Identifiable Information;

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

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

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

“**Claims**” has the meaning ascribed thereto in Section 9 of this Agreement;

“**Closing**” means the completion of the sale of the Units and the purchase by the Underwriters of the Units pursuant to this Agreement;

“**Closing Date**” means July 29, 2024, or such other date as may be agreed to in writing by the Corporation and the Underwriters, each acting reasonably;

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

“**Commission**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Common Share**” means the issued and outstanding common shares in the capital of the Corporation;

“**Continuing Underwriters**” has the meaning ascribed thereto in Section 15(2) of this Agreement;

“**Corporate IP**” means the material Intellectual Property that has been developed by the Corporation or its Subsidiaries, or that is being used, by the Corporation or its subsidiaries, other than Licensed IP;

“**Corporation**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Data Protection Laws and Standards**” has the meaning ascribed thereto in Section 5(tt) of this Agreement;

“**Debt Instrument**” means any and all loans, bonds, notes, lines of credit, debentures, indentures, promissory notes, mortgages, guarantees or other instruments evidencing indebtedness (demand or otherwise) for borrowed money or other liability to which the Corporation or a Subsidiary are a party or to which their property or assets are otherwise bound;

“**Defaulted Securities**” has the meaning ascribed thereto in Section 14(2) of this Agreement;

“**Employee Plans**” has the meaning ascribed thereto in Section 5(pp) of this Agreement;

“**Engagement Letter**” means the engagement letter between Beacon and the Corporation dated July 17, 2024;

“**Environmental Laws**” has the meaning ascribed thereto in Section 5(ee) of this Agreement;

“**Exchange**” means the Toronto Stock Exchange;

“**Financial Statements**” means, together, the audited consolidated financial statements of the Corporation for the year ended December 31, 2023, together with the notes thereto and the auditors’ report thereon, and the unaudited consolidated interim financial statements of the Corporation for the three months ended March 31, 2024, together with the notes thereto;

“**Government Official**” means (a) any official, officer, employee, or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Authority or (b) any salaried political party official, elected member of political office or candidate for political office;

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

“**Governmental Licences**” has the meaning ascribed thereto in Section 5(dd) of this Agreement;

“**Hazardous Substances**” has the meaning ascribed thereto in Section 5(ee) of this Agreement;

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board;

“**including**” means including, but not limited to;

“**Indemnified Party**” or “**Indemnified Parties**” have the meanings ascribed thereto in Section 9 of this Agreement;

“**Intellectual Property**” means all trade or brand names, business names, trademarks, service marks, copyrights, patents, patent rights, licenses, industrial designs, drug identification numbers (and equivalents in jurisdictions other than Canada), know-how (including trade secrets and other unpatented or unpatentable proprietary or confidential information, systems or procedures), and computer software, inventions, designs and other industrial or intellectual property of any nature whatsoever;

“**Issue Price**” has the meaning ascribed thereto in the first paragraph of this Agreement;

“**Licensed IP**” means the Intellectual Property owned by any person other than the Corporation or its subsidiaries and which the Corporation or its subsidiaries licenses or uses;

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

“**Listed Equity Security**” and “**Listed Equity Securities**” has the meaning ascribed to “Listed Equity Security” in NI 45-106;

“**Listed Issuer Financing Exemption**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Losses**” has the meaning ascribed thereto in Section 9 of this Agreement;

“**Material Adverse Effect**” means any event, change, or state of being that has had or is reasonably likely to have a significant and adverse effect on the business, affairs, capital, operation, properties, permits, assets, liabilities (absolute, accrued, contingent or otherwise) or condition (financial or otherwise) of the Corporation and its Subsidiaries considered on a consolidated basis except to the extent that any such change, event, violation, inaccuracy, circumstance or effect is a result of or arose in connection with: (a) any change in regulatory accounting requirements applicable to public companies in Canada; (b) any change in (i) global, national or regional political conditions (including the outbreak of war or acts of terrorism); (ii) general economic, business, regulatory or market conditions; or (iii) global or national financial or capital markets; or (c) any natural disaster, and which, in each case, does not have a materially disproportionate effect on the Corporation and its Subsidiaries, taken as a whole;

“**Material Agreement**” means any contract, commitment, agreement (written or oral), instrument, lease or other document, including licences, sub-licences, supply agreements, manufacturing agreements, distribution agreements, sales agreements, or any other similar type of agreements, to which the Corporation or any Subsidiary is a party or to which their Business Assets are otherwise bound, and which is material to the Corporation and the Subsidiaries on a consolidated basis;

“**Material Subsidiaries**” means Cematrix (Canada) Inc., Cematrix (USA) Inc., Pacific International Grout Co. and Mixonsite USA, Inc. and “**Material Subsidiary**” means any one of them;

“**NI 45-102**” means National Instrument 45-102 – *Resale of Securities*;

“**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions*;

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

“**Offered Securities**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Offering**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Offering Document**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Offering Jurisdictions**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Offering Release**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Permitted Encumbrances**” means: (i) any validly perfected security interest given by the Corporation or its Subsidiaries in respect of any indebtedness; (ii) any other security given by the Corporation or its Subsidiaries in connection with the operation of the Business in the ordinary course of business; (iii) liens against the Corporation or the Subsidiaries, or their assets, for taxes, assessments or governmental charges or levies not due and delinquent; (iv) undetermined or inchoate liens and charges incidental to the current operations of the Corporation and its Subsidiaries which have not been filed pursuant to law or which relate to obligations not due or delinquent; (v) restrictions on transfer pursuant to Applicable Laws or the constating documents of the entity; (vi) Liens that arise in the ordinary course of business and do not materially impair the Corporation’s or its Subsidiaries’ ownership or use of such property or assets; and (vii) except as disclosed to Beacon in writing;

“**Personally Identifiable Information**” means any information relating to an identified or identifiable natural person (including without limitation any information protected under Data Protection Laws and Standards, such as name, postal address, email address, telephone number, date of birth, Social Security number (or its equivalent), driver’s license number, account number, credit or debit card number or identification number);

“**Public Disclosure Record**” means collectively, all of the documents which have been filed on SEDAR+ (or its predecessor www.sedar.com, as applicable) as at the date hereof since January 1, 2023 by or on behalf of the Corporation with the Securities Regulators in Canada pursuant to the requirements of Canadian Securities Laws;

“**Purchasers**” means, collectively, each of the purchasers of Units arranged by the Underwriters, including the Substituted Purchasers, in connection with the Offering, who (as purchasers or beneficial purchasers) acquire Offered Securities by duly completing and delivering Questionnaires and any other required documentation and permitted assigns or transferees of such persons from time to time including, if applicable, the Underwriters;

“**Questionnaires**” mean, collectively, the Listed Issuer Financing Exemption subscriber questionnaires in the form or forms mutually acceptable to the Corporation and the Underwriters, completed by the Purchasers in respect of the Offering, as amended or supplemented;

“**Refusing Underwriter**” has the meaning ascribed thereto in Section 14(2) of this Agreement;

“**Registered IP**” means all Corporate IP that is the subject of registration for Intellectual Property or an application for such registration;

“**Repayment Event**” means any event or condition which gives the holder of any Debt Instrument (or any person acting on such holder’s behalf) the right to require the repurchase, redemption or repayment of all or a material portion of such indebtedness by the Corporation or the Subsidiaries;

“**Securities Act**” means the *Securities Act* (Alberta) in effect on the date hereof;

“**Securities Laws**” means collectively, Canadian Securities Laws and all applicable securities laws, rules, regulations, policies and other instruments promulgated by the Securities Regulators in any of the other Offering Jurisdictions;

“**Securities Regulators**” means collectively, the securities regulators or other securities regulatory authorities in the Offering Jurisdictions, and each a “**Securities Regulator**”;

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

“**Selling Firm**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**subsidiary**” or “**subsidiaries**” has the meaning ascribed thereto in the Securities Act;

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

“**Substituted Purchasers**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Tax Act**” has the meaning ascribed thereto in Section 5(k) of this Agreement;

“**Transaction Documents**” means this Agreement, the Warrant Indenture and the Broker Warrant Certificates;

“**Transfer Agent**” means Computershare Trust Company of Canada at its principal office in Calgary, Alberta;

“**Underwriters**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Underwriters’ Fee**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Unit**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

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

“**Unit Share**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**Unit Warrant**” has the meaning ascribed thereto in the opening paragraphs of this Agreement;

“**U.S. Person**” means a “U.S. person” as that term is defined in Rule 902(k) of Regulation S;

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

“**Warrant Indenture**” has the meaning ascribed thereto in the opening paragraphs of this Agreement; and

“**Warrant Share**” has the meaning ascribed thereto in the opening paragraphs of this Agreement.

- (2) Any reference in this Agreement to a section or subsection shall refer to a section or subsection of this Agreement.
- (3) All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case required and the verb shall be construed as agreeing with the required word and/or pronoun.
- (4) Any reference in this Agreement to \$ or to “dollars” shall refer to the lawful currency of Canada, unless otherwise specified.
- (5) The following are the schedules to this Agreement, which schedules are deemed to be a part hereof and are hereby incorporated by reference herein:

Schedule “A” Subsidiaries

Schedule “B” Existing Rights

Schedule “C” Compliance with United States Securities Laws

Section 2 Offering and Sale of the Offered Securities

(1) **Sale on Exempt Basis.** The Corporation understands that, although the offer to act as Underwriters with respect to the Units is made hereunder by the Underwriters to the Corporation as purchasers, the Underwriters shall have the right to arrange for the Units to be purchased by the Purchasers:

- (i) in the applicable Offering Jurisdictions in Canada on a private placement basis in compliance with Canadian Securities Laws such that the offer and sale of the Units does not obligate the Corporation to file a prospectus or deliver an offering memorandum (other than the Offering Document); and
- (ii) in such other Offering Jurisdictions outside of Canada as consented to by the Corporation on a private placement basis in compliance with all applicable Securities Laws of such other Offering Jurisdictions provided that no prospectus, registration statement, offering memorandum or similar document is required to be filed in such Offering Jurisdiction, no registration or similar requirement would apply with respect to the Corporation in such other Offering Jurisdictions and the Corporation does not thereafter become subject to on-going continuous disclosure obligations under any applicable Securities Laws of such Offering Jurisdiction.

(2) **U.S. Securities Act.** The parties to this Agreement acknowledge that the Offered Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold to, or for the account or benefit of, persons in the United States or U.S. Persons except that the Offered Securities may be offered and sold to, or for the account or benefit of, persons in the United States or U.S. Persons solely pursuant to transactions that are exempt from the registration requirements of the U.S. Securities Act and the applicable laws of any U.S. state. Accordingly, the Corporation and the Underwriters hereby agree that all offers and sales of the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons, shall be conducted only in the manner specified in Schedule “C”, which terms and conditions are hereby incorporated by reference in and shall form a part of this Agreement; provided that, an Underwriter will not be liable to the Corporation under this Agreement or Schedule “C” with respect to a violation by another Underwriter or its U.S. Affiliate of the provisions of this Agreement or Schedule “C” if the Underwriter first referred to above or its U.S. Affiliate, as applicable, is not itself also in violation.

(3) **Filings in respect of the Offering.** The Corporation has filed, will file, or will cause to be filed, all forms required to be filed by the Corporation under Canadian Securities Laws in connection with the issue and sale of the Offered Securities (including a Form 45-106F1 with the applicable Securities Regulators in Canada) so that the distribution of the Offered Securities to the Purchasers may lawfully occur without the necessity of filing a prospectus, registration statement or other offering document (other than the Offering Document) in Canada, but on terms that will permit the Offered Securities acquired by the Purchasers to be sold by such Purchasers at any time in the Canadian Offering Jurisdictions without being subject to a hold period under Canadian Securities Law. All prescribed fees payable in connection with filings that the Corporation is obligated to make shall be at the expense of the Corporation. The Corporation represents that the Offering Document complies with the requirements of Part 5A of NI 45-106 and Form 45-106F19 and does not contain any misrepresentations.

(4) **Other Obligations.** Neither the Corporation nor the Underwriters shall: (i) provide to any prospective purchasers of Units any document or other material that would constitute an offering memorandum (other than the Offering Document) within the meaning of Canadian Securities Laws; or (ii) engage in any form of general solicitation or general advertising in connection with the offer and sale of the Units, including any advertisement, article, notice or other communication published in any newspaper, magazine, printed public media, printed media or similar media, or broadcast over radio, television or telecommunications, including electronic display, or any seminar or meeting relating to the offer and sale of the Units whose attendees have been invited by general solicitation or advertising.

(5) **News Releases.** The Corporation agrees that it shall obtain prior approval of the Underwriters as to the content and form of any press release relating to the Offering, such approval not to be unreasonably withheld, conditioned or delayed. For greater certainty, the Underwriters agree that the Corporation shall be entitled to disclose the terms of this Agreement and the Engagement Letter in its press releases in connection with the Offering. In addition, if required by the relevant Securities Laws, any press release announcing or otherwise referring to the Offering shall include an appropriate notation as follows: “Not for distribution to United States newswire services or for dissemination in the United States.” and a disclaimer to substantially the following effect “The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any U.S. state securities law, and may not be offered or sold in the “United States” or to “U.S. persons” (as such terms are defined in Regulation S under the U.S. Securities Act) absent registration under the U.S. Securities Act and all applicable U.S. state securities laws or compliance with an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or to U.S. persons nor shall there be any sale of the securities in any jurisdiction (including in the United States or Canada) in which such offer, solicitation or sale would be unlawful.”

Section 3 Diligence

Prior to the Closing Date, the Corporation shall: (i) allow the Underwriters and their representatives the opportunity to conduct all due diligence investigations which the Underwriters may reasonably require to be conducted in connection with the Offering prior to and until the Closing Time; (ii) make available to the Underwriters (and their counsel), on a timely basis all material books and records including all material corporate, financial, property, legal and operational information and documentation of the Corporation, and will provide reasonable access to facilities, properties, employees, auditors, legal counsel, consultants or other experts of the Corporation, to permit the Underwriters, their legal counsel and other advisers to conduct their due diligence investigation of the business and affairs of the Corporation and its Subsidiaries; (iii) assist the Underwriters in sourcing any other information useful and reasonably necessary in conducting such due diligence; and (iv) make available its senior management, the chair or another member of its audit committee and its legal counsel to answer any reasonable questions which the Underwriters may have and to participate in one or more due diligence sessions to be held prior to Closing.

Section 4 Covenants of the Corporation

The Corporation hereby covenants to the Underwriters and the Purchasers, and acknowledges that each of them is relying on such covenants in connection with the purchase of the Units, that the Corporation shall:

- (i) for a period of 24 months following the Closing Date, use its commercially reasonable efforts to maintain its status as a “reporting issuer” (or the equivalent thereof) not in default of the requirements of the Canadian Securities Laws in each of the applicable Canadian Offering Jurisdictions where the Corporation is a “reporting issuer” as at the date hereof, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation and shall not limit or be construed as limiting or restricting the Corporation from completing any consolidation, amalgamation, arrangement, business combination, sale of all or substantially all of the Corporation's assets, take-over bid, merger or other similar transaction, or any transaction which would result in the Corporation ceasing to be a “reporting issuer” so long as the holders of Common Shares have approved the transaction if required in accordance with the requirements of applicable corporate laws, Canadian Securities Laws or the policies of the Exchange;
- (ii) use its commercially reasonable efforts to maintain the listing of the Common Shares (including those issuable pursuant to the Offering) on the Exchange or such other recognized stock exchange or quotation system as the Underwriters may approve, acting reasonably, for a period of 24 months following the Closing Date, provided that the foregoing requirement is subject to the obligations of the directors to comply with their fiduciary duties to the Corporation and shall not limit or be construed as limiting or restricting the Corporation from completing any consolidation, amalgamation, arrangement, business combination, sale of all or substantially all of the Corporation's assets, take-over bid, merger or other similar transaction, or any transaction which would result in the Common Shares ceasing to be listed so long as the holders of Common Shares have approved the transaction if required in accordance with the requirements of applicable corporate laws, Canadian Securities Laws or the policies of the Exchange;

- (iii) at or prior to the Closing Time, satisfy all terms, conditions and covenants contained in this Agreement required to be complied with or satisfied by the Corporation (unless waived by the Underwriters);
- (iv) ensure that, at the Closing Time, the Unit Shares will be duly and validly issued as fully paid and non-assessable Common Shares provided it receives payment of the Issue Price therefor;
- (v) ensure that, at the Closing Time, the Unit Warrants shall be authorized, validly created and issued in accordance with the Warrant Indenture and shall have attributes corresponding in all material respects to the description thereof set forth in the Warrant Indenture;
- (vi) ensure that, at the Closing Time, the Broker Warrants shall be authorized, validly created and issued in accordance with the Broker Warrant Certificates and shall have attributes corresponding in all material respects to the description thereof set forth in this Agreement;
- (vii) ensure that at all times prior to the expiry of the Unit Warrants, a sufficient number of Warrant Shares are allotted and reserved for issuance upon the exercise of the Unit Warrants in accordance with the Warrant Indenture, and upon the due exercise of the Unit Warrants in accordance with the Warrant Indenture, the Warrant Shares shall be duly issued as fully paid and non-assessable Common Shares on payment of the exercise price therefor;
- (viii) ensure that at all times prior to the expiry of the Broker Warrants, a sufficient number of Broker Warrant Shares are allotted and reserved for issuance upon the exercise of the Broker Warrants in accordance with their terms, and upon the due exercise of the Broker Warrants in accordance with the terms of the Broker Warrant Certificates, shall be duly issued as fully paid and non-assessable Common Shares on payment of the exercise price therefor;
- (ix) obtain all consents, approvals, permits, authorizations or filings as may be required under the Securities Laws applicable in Canada for the execution and delivery of and the performance by the Corporation of its obligations hereunder, other than customary post-closing filings required to be submitted within the applicable time frame pursuant to Securities Laws applicable in Canada and the United States Securities Laws;
- (x) ensure that the Unit Shares, Warrant Shares and Broker Warrant Shares are conditionally approved for listing on the Exchange on or prior to the Closing Date, and a copy of the conditional approval letter of the Exchange for the Offering has been made available to the Underwriters;
- (xi) use the net proceeds of the Offering and the funds available to Corporation in accordance with the descriptions set out in the Offering Document;
- (xii) prepare and file all forms, documents, notices and certificates within prescribed time periods required by Securities Regulators in Canada in connection with the issuance and sale of the Units by the Corporation, so as to permit and enable the

Offered Securities to be lawfully distributed on an exempt basis in the Offering Jurisdictions in accordance with this Agreement;

- (xiii) not have taken any action nor will take any action that would cause the exemptions from the prospectus requirements afforded by the Securities Laws to be unavailable for offers and sales of the Offered Securities pursuant to this Agreement or for the exercise of the Unit Warrants or the Broker Warrants;
- (xiv) not, for a period of one hundred and twenty (120) days following the Closing Date without the prior written consent of Beacon, on behalf of the Underwriters, such consent not to be unreasonably withheld, conditioned or delayed, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional Common Shares of the Corporation or any securities convertible into or exchangeable for Common Shares, other than issuances: (i) pursuant to the Offering and the issuance of Warrant Shares and Broker Warrant Shares upon exercise of the Unit Warrants or the Broker Warrants, respectively; (ii) under existing director or employee stock options, bonus or purchase plans or similar share compensation arrangements as detailed in the Public Disclosure Record; (iii) under director or employee stock options, or bonuses granted subsequently in accordance with regulatory approval; (iv) upon the exercise of convertible securities, warrants or options outstanding prior to the Closing Date; or (v) previously scheduled payments and/or other corporate acquisitions disclosed to the Underwriters prior to the Closing Date
- (xv) use its commercially reasonable efforts to cause each of the directors and officers of the Corporation who are directors or officers effective as of the Closing Date, to enter into lock-up agreements in a form satisfactory to the Corporation and the Underwriters, each acting reasonably, pursuant to which such person shall agree, not to, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to do any of the foregoing, whether through the facilities of a stock exchange, by private placement or otherwise, any securities of the Corporation held by such person on the Closing Date, directly or indirectly, for a period of 120 days after the Closing Date, unless they first obtain the prior written consent of Underwriters, such consent not to be unreasonably withheld, conditioned or delayed;
- (xvi) if a material change occurs in respect of the Corporation from the date of the Offering Document and prior to the completion of the Offering, the Corporation shall cease the distribution until the Corporation (i) complies with NI 51-102 in connection with the material change; (ii) files an amendment to the Offering Document; and (iii) issues and files a news release that states that an amendment to the Offering Document addressing the material change has been filed;
- (xvii) from the date hereof until the Closing Date:
 - a. promptly notify the Underwriters (and, if requested by the Underwriters, confirm such notification in writing) of any material change or change in a material fact (in either case, whether actual, anticipated, contemplated or threatened, financial

or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital, ownership, control, management or prospects of the Corporation; and

- b. promptly, and in any event, within any applicable time limitation period, comply with all applicable filings and other requirements under Canadian Securities Laws as a result of such change. During such period, the Corporation shall in good faith discuss with the Underwriters as promptly as possible any fact or change in circumstances (actual, anticipated, contemplated or threatened, financial or otherwise) which is of such a nature that there is reasonable doubt as to whether notice in writing need be given to the Underwriters pursuant to this Section 4(xvii).

Section 5 Representations and Warranties of the Corporation

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

- (a) *Good Standing of the Corporation.* The Corporation (i) is a corporation existing under the laws of Alberta and is and will at the Closing Time be current and up-to-date with all material filings required to be made and in good standing under the ABCA, (ii) has all requisite corporate power and capacity to own, lease and operate its properties and assets, including its Business Assets, and to conduct its business as now carried on by it, and (iii) has all requisite corporate power and authority to issue and sell the Offered Securities and to execute, deliver and perform its obligations under this Agreement and the Transaction Documents.
- (b) *Good Standing of Subsidiaries.* Each of the Corporation's subsidiaries are listed in Schedule "A" (collectively, the "**Subsidiaries**"), which schedule is true, complete and accurate in all respects. Each Subsidiary is formed, organized and existing under the laws of the jurisdiction set out in Schedule "A", is current and up-to-date with all material filings required to be made and has all requisite corporate power and capacity to own, lease and operate its properties and assets, including its business assets, and to conduct its business as is now carried on by it and is duly qualified to transact business and is in good standing in each jurisdiction in which failure to so qualify would have a Material Adverse Effect. All of the issued and outstanding shares in the capital of the Subsidiaries have been duly authorized and validly issued, are fully paid and, are directly or indirectly beneficially owned by the Corporation. Except for Permitted Encumbrances, all of the issued and outstanding shares in the capital of the Subsidiaries owned by the Corporation are owned free and clear of any Liens, and none of the outstanding securities of the Subsidiaries were issued in violation of the pre-emptive or similar rights of any security holder of the Subsidiaries. There exist no options, warrants, purchase rights, or other contracts or commitments that could require the Corporation to sell, transfer or otherwise dispose of any securities of the Subsidiaries.
- (c) *No Proceedings for Dissolution.* No act or proceeding has been taken by or against the Corporation or the Subsidiaries in connection with their liquidation, winding-up or bankruptcy, or, to its knowledge, are pending.

- (d) *Share Capital of the Corporation.* The authorized and issued share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares, of which 135,759,486 Common Shares and nil preferred shares were issued and outstanding as at the close of business on July 26, 2024. As of the date hereof, neither the Corporation nor the Subsidiaries are party to any agreement, nor is the Corporation aware of any agreement, which in any manner currently affects the voting control of any securities of the Corporation or its Subsidiaries.
- (e) *Share Capital of Subsidiaries.* The authorized and issued share capital of the Subsidiaries as set forth in Schedule “A” hereto is true and correct in all material respects.
- (f) *Common Shares are Listed.* The Common Shares are listed and posted for trading, or quoted, on the Exchange, with the Exchange being the main stock exchange for trading of the Common Shares, and none of the Corporation nor any of the Subsidiaries has taken any action which would reasonably be expected to result in the delisting or suspension of the Common Shares on or from the Exchange.
- (g) *Stock Exchange Compliance.* The Corporation is, and will at the Closing Time be, in compliance in all material respects with the policies, rules and regulations of the Exchange existing on the date hereof.
- (h) *No Cease Trade Orders.* No order ceasing or suspending trading in the securities of the Corporation prohibiting the sale of the Offered Securities by the Corporation has been issued by a Canadian Securities Regulator, and no proceedings for this purpose have been instituted, or are, to the Corporation’s knowledge, pending, contemplated or threatened.
- (i) *Common Shares Validly Issued.* The Unit Shares, at the Closing Time, the Warrants Shares upon the exercise of the Unit Warrants, and the Broker Warrant Shares upon the exercise of the Broker Warrants, shall be duly and validly authorized for issuance and sale pursuant to this Agreement and when issued and delivered by the Corporation pursuant to this Agreement, the Warrant Indenture and the Broker Warrant Certificates, as applicable, against payment of the consideration therefor, will be validly issued as fully paid and non-assessable Common Shares and will not be issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Corporation.
- (j) *Warrants Validly Issued.* The Unit Warrants and the Broker Warrants have been duly authorized for issuance and sale, and when issued and delivered by the Corporation pursuant to this Agreement, the Warrant Indenture and the Broker Warrant Certificates against payment of the consideration therefor, will be validly issued.
- (k) *Qualified Investments.* The Offered Securities will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder (the “**Tax Act**”) for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, deferred profit sharing plans, registered disability savings plans, first home savings accounts and tax free savings accounts.
- (l) *Registrar and Transfer Agent.* Computershare Trust Company of Canada at its principal office in Calgary, Alberta has been duly appointed as Transfer Agent and registrar for the Common Shares.

- (m) *Absence of Rights.* As of the date hereof, except as set out in Schedule “B” to this Agreement, no person has any existing right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the issue or allotment of any unissued shares of the Corporation or any other agreement or option, for the issue or allotment of any unissued shares of the Corporation or any other security convertible into or exchangeable for any such shares or to require the Corporation to purchase, redeem or otherwise acquire any of the issued and outstanding shares of the Corporation, and the Offered Securities, upon issuance, will not be issued in violation of any pre-emptive rights or contractual rights to purchase securities issued by the Corporation and will not be subject to any pre-emptive rights or contractual rights to purchase securities issued by the Corporation.
- (n) *Corporate Actions.* The Corporation has taken, or will have taken prior to the Closing Time, all necessary corporate action, (i) to authorize the execution, delivery and performance of the Transaction Documents, (ii) to authorize the execution and filing, as applicable, of the Transaction Documents, (iii) to validly issue and sell the Units and the Unit Shares and Unit Warrants underlying the Units, (iv) to validly issue the Broker Warrants, and (v) to validly issue the Warrant Shares and the Broker Warrant Shares upon due exercise of the Unit Warrants and Broker Warrants, respectively, as fully paid and non-assessable Common Shares.
- (o) *Valid and Binding Documents.* The Transaction Documents have been duly authorized, executed and delivered by the Corporation and each of the Transaction Documents constitutes a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms, provided that enforcement thereof may be limited by bankruptcy, insolvency, receivership and other similar laws affecting creditors’ rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, and that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable and that enforceability is subject to the provisions of the *Limitations Act, 2000* (Alberta).
- (p) *No Consents, Approvals etc.* The execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificates, as applicable, and the fulfilment of the terms of such documents by the Corporation and the issuance, sale and delivery of the Offered Securities to be issued and sold by the Corporation do not and will not require the consent, approval, authorization, registration or qualification of or with any Governmental Authority, stock exchange or other third party (including under the terms of any Material Agreement or material Debt Instrument), except: (i) those which have been obtained or those which may be required and shall be obtained prior to the Closing Time under the Canadian Securities Laws or the rules of the Exchange; and (ii) such customary post-closing notices or filings required to be submitted within the applicable time frame pursuant to Securities Laws, as may be required in connection with the Offering.
- (q) *Continuous Disclosure.* The Corporation is in compliance in all respects with its timely and continuous disclosure obligations under Canadian Securities Laws, including, to the knowledge of the Corporation, applicable insider reporting obligations, and, without limiting the generality of the foregoing, there has been no material fact or material change relating to the Corporation since December 31, 2023 which has not been publicly disclosed and, except as may have been corrected by subsequent disclosure, the information and statements in the Public Disclosure Record were true and correct in all material respects as of the respective dates of such information and statements and at the time such documents

were filed on SEDAR+, do not contain any misrepresentations as of the date of such statements and no material facts have been omitted therefrom as of the date of such statements which would make such information materially misleading, and the Corporation has not filed any confidential material change reports which remain confidential as at the date hereof.

- (r) *Forward-Looking Information.* With respect to material forward-looking information (as that term is defined under Canadian Securities Laws) contained in the Corporation's Public Disclosure Record the Corporation had a reasonable basis for the material forward-looking information at the time disclosed.
- (s) *Financial Statements.* The Financial Statements:
 - (i) present fairly, in all material respects, the financial position of the Corporation on a consolidated basis and the statements of operations, retained earnings, cash flow from operations and changes in financial information of the Corporation on a consolidated basis for the periods specified in such Financial Statements;
 - (ii) have been prepared in accordance with IFRS, applied on a consistent basis throughout the periods involved; and
 - (iii) do not contain any misrepresentations, with respect to the periods covered by the Financial Statements.
- (t) *Off-Balance Sheet Transactions.* There are no material off-balance sheet transactions, arrangements, obligations or liabilities of the Corporation or its Subsidiaries whether direct, indirect, absolute, contingent or otherwise.
- (u) *Accounting Policies.* There has been no change in accounting policies or practices of the Corporation or its Subsidiary since December 31, 2023, other than as disclosed in the Financial Statements.
- (v) *Liabilities.* Neither the Corporation nor the Subsidiaries have any liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements, other than liabilities, obligations, or indebtedness or commitments: (i) incurred in the normal course of business; (ii) disclosed in the Public Disclosure Record; or (iii) which would not, individually or in the aggregate, have a Material Adverse Effect.
- (w) *Independent Auditors.* To the knowledge of the Corporation, the Corporation's current auditors are independent with respect to the Corporation within the meaning of the rules of professional conduct applicable to auditors in Canada and there has never been a "reportable event" (within the meaning of NI 51-102) with the current, or to the knowledge of the Corporation any predecessor, auditors of the Corporation during the last three years.
- (x) *Accounting Controls.* The Corporation maintains, and will maintain, a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles in Canada or IFRS, as applicable, and to maintain asset accountability, (iii) access to monies and investments is permitted

only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

- (y) *Purchases and Sales.* Except as disclosed in the Public Disclosure Record, neither the Corporation nor the Subsidiaries have approved, has entered into any currently existing agreement in respect of, or has any knowledge, as the case may be, of:
 - (i) the purchase of any Business Assets or any interest therein, or the sale, transfer or other disposition of any Business Assets or any interest therein currently owned, directly or indirectly, by the Corporation or any Subsidiary whether by asset sale, transfer of shares, or otherwise;
 - (ii) a transaction which would result in the change of control (by sale or transfer of Common Shares or sale of all or substantially all of the assets of the Corporation or any Subsidiary or otherwise) of the Corporation or any Subsidiary; or
 - (iii) a proposed or planned disposition of Common Shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares or the shares of the Subsidiaries.
- (z) *Title to Business Assets.* The Corporation and the Subsidiaries have good, valid and marketable title to and have all necessary rights in respect of all of their Business Assets as owned, leased, licensed, loaned, operated or used by them or over which they have rights, free and clear of Liens, except for Permitted Encumbrances, and no other rights or Business Assets are necessary for the conduct of the Business in materially the same manner as currently conducted. The Corporation knows of no claim or basis for any claim that would reasonably be likely to result in a Material Adverse Effect on the rights of the Corporation or the Subsidiaries to use, transfer, lease, licence, operate, sell or otherwise exploit such Business Assets and neither the Corporation nor any Subsidiary has any obligation to pay any commission, licence fee or similar payment to any person in respect thereof and there are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any person to acquire any of the rights, title or interests in such Business Assets.
- (aa) *Leased Premises.* With respect to each premises of the Corporation or its Subsidiaries which are material to the Corporation and the Subsidiaries, taken as a whole, and which the Corporation or any of the Subsidiaries occupies as tenant (collectively, the “**Leased Premises**”), the Corporation or the Subsidiaries, as applicable, occupy the Leased Premises and have the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation and/or the Subsidiaries occupies the Leased Premises is in good standing and in full force and effect.
- (bb) *Real Property.* Neither the Corporation nor any of the Subsidiaries owns any real property.
- (cc) *Compliance with Laws.* The Corporation and each of the Subsidiaries has conducted and is conducting its business in compliance, in all material respects, with all Applicable Laws, rules and regulations of each jurisdiction in which it carries on business, and neither the Corporation nor any of its subsidiaries has received any notice of any alleged violation of any such laws, rules and regulations that, to the Corporation's knowledge and belief, would constitute a Material Adverse Effect. To the Corporation's knowledge and belief, the

Corporation is not aware of any legislation or proposed legislation, where the Corporation or a Subsidiary is operating, which they anticipate will have a Material Adverse Effect.

- (dd) *Licences.* The Corporation and each of the Subsidiaries possesses such permits, licences, approvals, consents and other authorizations issued by Governmental Authorities (collectively, “**Governmental Licences**”) necessary to conduct the business now operated by them and all such Governmental Licences are valid and existing and in good standing; each of the Corporation and its Subsidiaries is in compliance, in all material respects, with the terms and conditions of all such Governmental Licences.
- (ee) *Environmental Compliance.* (i) Neither the Corporation nor any Subsidiary is in material violation of any applicable federal, state, provincial, municipal or local laws, regulations, orders, government decrees or ordinances with respect to environmental, health or safety matters (collectively, “**Environmental Laws**”), including without limitation laws relating to the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substance (“**Hazardous Substances**”); (ii) the Corporation and the Subsidiaries have obtained all material licenses, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the “**Environmental Permits**”) necessary as at the date hereof for the operation of the Business and each Environmental Permit is to the knowledge of the Corporation valid, subsisting and in material good standing and to the knowledge of the Corporation neither the Corporation nor any Subsidiary is in default or breach of any Environmental Permit which would have a Material Adverse Effect, and no proceeding is pending or, to the knowledge of the Corporation or the Subsidiaries, threatened, to revoke or limit any Environmental Permit; (iii) neither the Corporation nor any Subsidiary has used any property or facility of the Corporation (except in compliance with all Environmental Laws and Environmental Permits, and other than as may be incidental to any property or facility which it owns or leases or previously owned or leased) to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Hazardous Substance in a manner that could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect; (iv) neither the Corporation nor any Subsidiary has received any notice of, or been prosecuted for an offence alleging, non-compliance with any Environmental Law that would have a Material Adverse Effect; (v) to the knowledge of the Corporation there are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Corporation or the Subsidiaries, nor has the Corporation or any Subsidiary received notice of any of the same; (vi) neither the Corporation nor any Subsidiary has received any notice wherein it is alleged or stated that the Corporation or the Subsidiary is potentially responsible for a federal, provincial, territorial, state, municipal or local clean-up site or corrective action under any Environmental Laws; and (vii) neither the Corporation nor any Subsidiary has received any request for information in connection with any federal, provincial, territorial, state, municipal or local inquiries as to disposal sites.
- (ff) *Business Relationships.* All Material Agreements with third parties in connection with the Business have been entered into and are being performed by the Corporation and the Subsidiaries and, to the knowledge of the Corporation, by all other third parties thereto, in compliance with their terms in all material respects. There exists no actual or, to the knowledge of the Corporation, threatened termination, cancellation or limitation of, or any material adverse modification or material change in, the business relationship of the Corporation or the Subsidiaries, with any material supplier or customer, or any group of

suppliers or customers whose business with or whose purchases or inventories/components provided to the business of the Corporation or the Subsidiaries are individually or in the aggregate material to the assets, business, properties, operations or financial condition of the Corporation or the Subsidiaries. All such business relationships are intact and mutually cooperative in all material respects, and there exists no condition or state of fact or circumstances that would prevent the Corporation or the Subsidiaries from conducting such business with any such third parties in the same manner in all material respects as currently conducted or proposed to be conducted.

(gg) *Intellectual Property.*

- (i) The Corporation and each Material Subsidiary own, possess or can acquire on commercially reasonable terms sufficient legal rights to all Corporate IP used for the conduct of their businesses as currently carried on without, to the knowledge of the Corporation, any conflict with, or infringement of, the rights of others.
- (ii) Neither the Corporation nor any Subsidiary has received any notice or claim (whether written, oral or otherwise) challenging its ownership or right to use of any Corporate IP or suggesting that any other person has any claim of legal or beneficial ownership or other claim or interest with respect thereto, nor, to the knowledge of the Corporation, is there a reasonable basis for any claim that any person other than the Corporation or its subsidiaries has any claim of legal or beneficial ownership or other claim or interest in any Corporate IP.
- (iii) All applications for registration of any Registered IP that is material to the Business are in good standing, stand in the name of the Corporation or any of the Subsidiaries and have been filed in a timely manner in the appropriate offices to preserve the rights thereto and, in the case of a provisional application, the Corporation confirms that all right, title and interest in and to the invention(s) disclosed in such application have been assigned in writing (without any express right to revoke such assignment) to the Corporation or any of the Subsidiaries, and the Corporation has prosecuted, and is prosecuting, such applications diligently. Other than as disclosed in the Public Disclosure Record, to the actual knowledge of the Corporation, there has been no public disclosure, sale or offer for sale of any Corporate IP anywhere in the world that may prevent the valid issue of all available Intellectual Property rights in such Corporate IP. All material prior art or other information has been disclosed to the appropriate offices as required according to the local laws in the jurisdictions where the applications are pending.
- (iv) All registrations of Registered IP that is material to the Business are in good standing and are recorded in the name of the Corporation or a Subsidiary in the appropriate offices to preserve the rights thereto, and all such registrations have been filed, prosecuted and obtained in accordance with all applicable legal requirements and are currently in effect and in compliance with all applicable legal requirements. No registration of Registered IP that is material to the Business has expired, become abandoned, been cancelled or expunged, or has lapsed for failure to be renewed or maintained, except where such expiration, abandonment, cancellation, expungement or lapse would not result in a Material Adverse Effect.

- (v) To the knowledge of the Corporation, the conduct of the business of the Corporation and its subsidiaries has not infringed, violated, or misappropriated the Intellectual Property right of any person.
- (vi) Neither the Corporation nor any of its subsidiaries is a party to any action or proceeding, nor, to the Corporation's knowledge, has any action or proceeding been threatened that alleges that any current conduct of its business has infringed, violated or misappropriated any Intellectual Property rights of any person.
- (vii) To the knowledge of the Corporation, no person has infringed or misappropriated, or is infringing or misappropriating, any rights of the Corporation or any Subsidiary in or to any Corporate IP.
- (viii) The Corporation or the Subsidiaries have entered into valid and enforceable written agreements pursuant to which the Corporation or the Subsidiaries have been granted all licenses and permissions to use, reproduce, sub license, sell, modify, update, enhance or otherwise exploit the Licensed IP to the extent required to operate all aspects of the business of the Corporation currently conducted (including, if required, the right to incorporate such Licensed IP into Corporate IP) except for which would not result in a Material Adverse Effect. All license agreements in respect to Licensed IP are in full force and effect and neither the Corporation nor its subsidiaries, nor, to the knowledge of the Corporation, any other person, is in default of its obligations thereunder except for any default which would not result in a Material Adverse Effect.
- (ix) To the extent that any Corporate IP is licensed or disclosed to any person or any person has access to such Corporate IP (including any employee, officer, shareholder or consultant of the Corporation), the Corporation has entered into a valid and enforceable written agreement which contains terms and conditions prohibiting the unauthorized use, reproduction, disclosure, reverse engineering or transfer of such Corporate IP by such person. All such agreements are in full force and effect and neither the Corporation nor any of its subsidiaries, nor, to the knowledge of the Corporation, any other person, is in default of its obligations thereunder.
- (hh) *Insurance.* The Corporation and the Subsidiaries maintain insurance by insurers of recognized financial responsibility, against such losses, risks and damages to their Business Assets in such amounts that are customary for the business in which they are engaged and on a basis consistent with reasonably prudent persons in comparable businesses, and all of the policies in respect of such insurance coverage, fidelity or surety bonds insuring the Corporation, the Subsidiaries, and their respective directors, officers and employees, and the Business Assets, are in good standing and in full force and effect in all respects, and not in default. Each of the Corporation and the Subsidiaries is in compliance with the terms of such policies and instruments in all material respects and there are no claims by the Corporation or the Subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; the Corporation has no reason to believe that it will not be able to renew such existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue the Business at a cost that would not have a Material Adverse Effect, and neither the Corporation nor the Subsidiaries have failed to promptly give any notice of any claim thereunder.

- (ii) *Material Agreements and Debt Instruments.* Each Material Agreement and material Debt Instrument is valid, subsisting, in good standing and in full force and effect, enforceable in accordance with the terms thereof. The Corporation and the Subsidiaries have, in all material respects, performed all obligations in a timely manner under, and are in compliance, in all material respects, with all terms and conditions (including any financial covenants) contained in each Material Agreement and Debt Instrument. Neither the Corporation nor the Subsidiaries are in material breach, violation or default nor has it received any notification from any party claiming that the Corporation or such Subsidiary is in material breach, violation or default under any Material Agreement or material Debt Instrument and no other party, to the knowledge of the Corporation, is in material breach, violation or default of any term under any Material Agreement or material Debt Instrument.
- (jj) *No Material Changes.* Since December 31, 2023, except as disclosed in the Financial Statements or the Public Disclosure Record (a) there has been no material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise) business, condition (financial or otherwise), properties, capital or results of operations of the Corporation and the Subsidiaries considered as one enterprise, and (b) there have been no transactions entered into by the Corporation or the Subsidiaries, other than those in the ordinary course of business, which are material with respect to the Corporation and the Subsidiaries considered as one enterprise.
- (kk) *Absence of Proceedings.* There is no action, suit, proceeding, inquiry or investigation before or brought by any Governmental Authority, domestic or foreign, now pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, any Subsidiary or the Business Assets which would have a Material Adverse Effect, or would materially and adversely affect the consummation of the transactions contemplated in this Agreement or the performance by the Corporation of its obligations hereunder. The aggregate of all pending legal or governmental proceedings to which the Corporation or the Subsidiaries is a party or of which any of their respective property or assets is subject would not reasonably be expected to result in a Material Adverse Effect.
- (ll) *Absence of Defaults and Conflicts.* Neither the Corporation nor any of the Subsidiaries is in material violation, default or breach of, and the execution, delivery and performance of this Agreement, the Transaction Documents and the consummation of the transactions and compliance by the Corporation with its obligations hereunder and thereunder, each of the sale, issue and delivery (as applicable) of the Offered Securities in accordance with their respective terms does not and will not, whether with or without the giving of notice or passage of time or both, result in a material violation, default or breach of, or conflict with, or result in a Repayment Event or the creation or imposition of any Lien (other than a Permitted Lien) upon any property or assets of the Corporation, including the Business Assets, or the Subsidiaries under the terms or provisions of (i) any Material Agreements or material Debt Instruments, (ii) the notice of articles, articles or resolutions of the directors or shareholders of the Corporation which are in effect as at the date hereof, (iii) any existing Applicable Laws, (iv) any judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Corporation, or the Subsidiaries or any of their assets, properties or operations.
- (mm) *Employment.* (i) The Corporation and each of the Subsidiaries is in compliance, in all material respects, with the provisions of all applicable federal, provincial, local and foreign laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours, and (ii) no union has been accredited or

otherwise designated to represent any employees of the Corporation or any Subsidiary and, to the knowledge of the Corporation, no accreditation request or other representation question is pending with respect to the employees of the Corporation or any Subsidiary and no collective agreement or collective bargaining agreement or modification thereof has expired or is in effect in any of the Corporation or Subsidiary's facilities and none is currently being negotiated by the Corporation or any Subsidiary.

- (nn) *Labour Matters.* No material work stoppage, strike, lock-out, labour disruption, dispute grievance, arbitration, proceeding or other conflict with the employees of the Corporation or the Subsidiaries currently exists or, to the knowledge of the Corporation, is threatened, imminent or pending. Neither the Corporation nor any Subsidiary is party to any collective bargaining agreements with unionized employees.
- (oo) *Employment Standards.* There are no material complaints against the Corporation or the Subsidiaries before any employment standards branch or tribunal or human rights tribunal, nor to the knowledge of the Corporation any complaints or any occurrence which would reasonably be expected to lead to a complaint under any human rights legislation or employment standards legislation that would be material to the Corporation. There are no outstanding decisions or settlements or pending settlements under applicable employment standards legislation, which place any material obligation upon the Corporation or the Subsidiaries to do or refrain from doing any act. The Corporation and Subsidiaries are currently in compliance with all workers' compensation, occupational health and safety and similar legislation, including payment in full of all amounts owing thereunder except for any non-compliance which would not result in a Material Adverse Effect, and there are no pending claims or outstanding orders of a material nature against either of them under applicable workers' compensation legislation, occupational health and safety or similar legislation nor has any event occurred which to the knowledge of the Corporation may give rise to any such material claim.
- (pp) *Employee Plans.* Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by the Corporation for the benefit of any current or former director, officer, employee or consultant of the Corporation (the "**Employee Plans**") has been maintained in all material respects with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans.
- (qq) *Taxes.* All tax returns, reports, elections, remittances and payments of the Corporation and the Subsidiaries required by Applicable Law to have been filed or made in any applicable jurisdiction, have been filed or made (as the case may be) and are true, complete and correct in all respects except where the failure to make such return, report, election, remittance or payment would not constitute a Material Adverse Effect on the Corporation and the Subsidiaries taken as a whole. All taxes of the Corporation and of the Subsidiaries have been paid or accrued in the Financial Statements, except as any extension may have been requested or granted and in any case in which the failure to pay or accrue such taxes would not result in a Material Adverse Effect. To the knowledge of the Corporation, there are no examinations of any tax return of the Corporation or the Subsidiaries currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any taxes that have been paid, or may be payable, by the Corporation or the Subsidiaries.

- (rr) *Litigation.* There is no litigation or governmental or other proceeding or investigation at law or in equity before any Governmental Authority, domestic or foreign, in progress, pending or, to the Corporation's knowledge, threatened (and the Corporation does not know of any basis therefor) against, or involving the assets, properties or business of, the Corporation or its Subsidiaries, nor are there any matters under discussion with any Governmental Authority relating to governmental charges, orders or assessments asserted by any such authority and to the Corporation's knowledge there are no facts or circumstances which would reasonably be expected to form the basis for any such litigation, governmental or other proceeding or investigation, governmental charges, orders or assessments that will have Material Adverse Effect.
- (ss) *Privacy.* The Corporation and each of the Subsidiaries' use or handling of Personal Identifiable Information does not violate any Applicable Law in Canada, including without limitation, (i) any laws relating to the collection and/or protection of Personally Identifiable Information (including without limitation the *Personal Information Protection and Electronic Documents Act*), and (ii) binding guidance issued by a Governmental Authority in Canada that pertains to the Applicable Laws outlined in clause (i) (collectively "**Data Protection Laws and Standards**") in a manner that would have a Material Adverse Effect. The Corporation and each of the Subsidiaries have provided adequate notice and obtained any necessary consents required for the collection, processing, recording, organization, storage, use, disclosure and dissemination of Personally Identifiable Information under and in compliance with Data Protection Laws and Standards except for any non-compliance which would not result in a Material Adverse Effect. Neither the Corporation nor any of the Subsidiaries has received any written notice from a Governmental Authority in Canada that the Corporation or the Subsidiaries are or may be in violation of any Data Protection Laws and Standards. Neither the Corporation nor any of the Subsidiaries has disclosed any Business Data in material breach of any Material Agreement. The Corporation and the Subsidiaries have implemented commercially reasonable technical, physical and organizational measures and taken commercially reasonable steps designed to secure their websites and Personally Identifiable Information from unauthorized access or unauthorized use by any person in accordance with Data Protection Laws and Standards. To the knowledge of the Corporation, there has been no unauthorized or illegal access, use or disclosure of any Personally Identifiable Information.
- (tt) *Anti-Bribery Laws.* Neither the Corporation nor any Subsidiary nor to the knowledge of the Corporation, any director, officer or employee of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to the Corporation and the Subsidiaries, including *Canada's Corruption of Foreign Public Officials Act*, or (ii) violated any other anti-bribery and anti-corruption laws applicable to the Corporation and its Subsidiaries. Neither the Corporation nor the Subsidiaries nor to the knowledge of the Corporation, any director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Corporation, a Subsidiary or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws, or (ii) made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws.
- (uu) *No Significant Acquisitions.* The Corporation has not made any significant acquisition as such term is defined in Part 8 of NI 51-102 in the current financial year or prior financial

years and for which a business acquisition report has not been filed under NI 51-102, the Corporation has not entered into any agreement or arrangement in respect of a transaction that would be a significant acquisition for the purposes of Part 8 of NI 51-102, and , there are no proposed acquisitions by the Corporation that have progressed to the state where a reasonable person would believe that the likelihood of the Corporation completing such acquisition is high and would be a significant acquisition for the purposes of Part 8 of NI 51-102 if completed as of the date of the Offering Document.

- (vv) *No Loans.* Neither the Corporation nor any Subsidiary has any outstanding material loans to or has any outstanding guarantees of any material obligations of any person.
- (ww) *Directors and Officers.* To the knowledge of the Corporation, none of the directors or officers of the Corporation are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange.
- (xx) *Audit Committee.* The responsibilities and composition of the Corporation's audit committee comply with National Instrument 52-110 – *Audit Committees*.
- (yy) *Minute Books and Records.* Except as disclosed in writing to Beacon, the minute books and records of the Corporation and the Subsidiaries made available to counsel for the Underwriters in connection with their due diligence investigation of the Corporation for the periods requested to the date hereof are all of the minute books and material records of the Corporation and the Subsidiaries and contain copies of all material proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders, the directors and all committees of directors of the Corporation and the Subsidiaries, as the case may be, to the date of review of such corporate records and minute books and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of the Corporation and the Subsidiaries to the date hereof not reflected in such minute books and other records, other than those which are not material in the context of the Corporation and the Subsidiaries.
- (zz) *No Dividends.* During the previous 12 months, the Corporation has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its shares or securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its Common Shares or securities or agreed to do any of the foregoing. Except as disclosed in the Public Disclosure Record, there are no restrictions upon or impediment to, the declaration or payment of dividends by the directors of the Corporation or the payment of dividends by the Corporation in the constating documents or in any Material Agreements or Debt Instruments.
- (aaa) *Fees and Commissions.* Other than the Underwriters (and their selling group members) pursuant to this Agreement, there is no other person acting at the request of the Corporation, or to the knowledge of the Corporation, purporting to act who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or transactions contemplated herein.
- (bbb) *Related Parties.* To the knowledge of the Corporation, none of the directors, officers or employees of the Corporation, any known holder of more than 10% of any class of securities of the Corporation or securities of any person exchangeable for more than 10%

of any class of securities of the Corporation, or any known associate or affiliate of any of the foregoing persons or companies, has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction which, as the case may be, materially affected or is reasonably expected to materially affect the Corporation and any Subsidiary, on a consolidated basis. Except as disclosed in the Financial Statements, neither the Corporation nor any Subsidiary has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at “arm’s length” (within the meaning of the Tax Act) with them.

- (ccc) *Sales by Insiders.* To the knowledge of the Corporation, no insider of the Corporation has a present intention to sell any securities of the Corporation held by it. To the knowledge of the Corporation, as of the date hereof, all insider SEDI filings are up to date.
- (ddd) *Anti-Money Laundering.* The operations of the Corporation and the Subsidiaries (or to the knowledge of the Corporation, any related party thereof) are and have been conducted at all times in compliance with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, all applicable financial recordkeeping and reporting requirements, the applicable anti-money laundering statutes of jurisdictions where the Corporation and the Subsidiaries (or any related party thereof) conduct business, the rules and regulations thereunder and any related or similar rules or regulations, issued, administered or enforced by any governmental agency applicable to the Corporation and the Subsidiaries (or any related party thereof) (collectively, the “**Anti-Money Laundering Laws**”), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Corporation and the Subsidiaries (or, to the knowledge of the Corporation, any related party thereof) with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Corporation, threatened.
- (eee) *Violation of U.S. federal or state laws.* Neither the Corporation nor any Subsidiary (or, to the knowledge of the Corporation, any related party thereof) has engaged in, or will engage in, (i) any direct or indirect dealings or transactions in violation of U.S. federal or state laws, including, without limitation, the *Controlled Substances Act*, the *Racketeering Influenced and Corrupt Practices Act*, the *Travel Act*, the *Bank Secrecy Act*, or any anti-money laundering statute, or (ii) any “aiding and abetting” in any violation of U.S. federal or state laws. No action, suit or proceeding by or before any U.S. court or governmental agency, authority or body or any arbitrator involving the Corporation or any Subsidiary (or, to the knowledge of the Corporation, any related party thereof) with respect to U.S. federal or state laws is pending or, to the knowledge of the Corporation, threatened.

(fff) *Listed Issuer Financing Exemption.*

- (i) the Corporation is a “reporting issuer” in Manitoba, Saskatchewan, British Columbia, Ontario and Alberta, is not currently in default of any requirement of Canadian Securities Laws of such jurisdictions, is not included on a list of defaulting reporting issuers maintained by the Securities Regulators in each of the provinces of Canada, has been a reporting issuer in at least one jurisdiction of Canada for the 12 months immediately before the date the Offering Release and the Offering Document were filed, and no material change relating to the Corporation has occurred with respect to which the requisite material change report has not been filed under any applicable Securities Laws in such provinces or territories (other than in respect of the Offering), and no such disclosure has been made on a confidential basis;
- (ii) during the 12 months prior to the date of this Agreement, the Corporation has raised \$0 using the Listed Issuer Financing Exemption and is not otherwise raising funds under the Listed Issuer Financing Exemption other than in connection with the Offering;
- (iii) the Common Shares are Listed Equity Securities;
- (iv) the Corporation is not, nor during the 12 months immediately before the date the Corporation filed the Offering Release the Corporation or any person or company with whom the Corporation completed a restructuring transaction was not, either of the following: (i) an issuer whose operations have ceased; or (ii) an issuer whose principal asset is or was cash, cash equivalents, or its exchange listing, including, for greater certainty, a capital pool company, a special purpose acquisition company, a growth acquisition corporation or any similar person or company;
- (v) the Corporation is not an investment fund as defined under applicable Securities Laws;
- (vi) the Corporation does not intend to allocate the available funds disclosed in Item 9 of the Offering Document to effect: (i) an acquisition that is a significant acquisition under Part 8 of NI 51-102; (ii) a restructuring transaction as such term is defined in NI 51-102; or (iii) any other transaction that requires approval of any security holder under the corporate law of the jurisdiction in which the Corporation is incorporated or continued, any requirement of the exchange on which the Corporation’s Listed Equity Securities are listed for trading, or the Corporation’s constating documents;
- (vii) on the date of the issuance of the Offering Release, the total dollar amount of the Offering, combined with the dollar amount of all other distributions made by the Corporation under the Listed Issuer Financing Exemption during the 12 months immediately before the date of the Offering Release, will not, assuming completion of the Offering, exceed the greater of the following: (i) \$5,000,000; and (ii) 10% of the aggregate market value of the Corporation’s listed securities, on the date of the Offering Release, to a maximum of \$10,000,000;
- (viii) the Offering, combined with all other distributions made by the Corporation under the Listed Issuer Financing Exemption during the 12 months immediately before

the date of the Offering Release, will not result in an increase of more than 50% of the Corporation's outstanding Listed Equity Securities, as of the date that is 12 months before the date of the Offering Release;

- (ix) as at the Closing Date, the Corporation reasonably expects that the Corporation will have available funds to meet its business objectives and liquidity requirements for a period of 12 months following the Closing Date;
- (x) the Offering Document, together with the Public Disclosure Record, contains disclosure of all material facts relating to the Common Shares and does not contain a misrepresentation. The Offering Document complies in all material respects with the requirements of Canadian Securities Laws in the Canadian Offering Jurisdictions; and
- (xi) there has been no material change (as defined under applicable Securities Law) in respect of the Corporation since the date of the Offering Release requiring the filing of an amendment to the Offering Document and issuing and filing a news release stating that an amendment to the Offering Document addressing the material change has been filed.

Section 6 Representations, Warranties and Covenants of the Underwriters

- (1) Each Underwriter hereby severally, and not jointly, nor jointly and severally, represents and warrants to the Corporation the following (acknowledging that the Corporation is relying upon such representations and warranties in acting hereunder):
 - (a) it is duly incorporated, continued, amalgamated or formed, as applicable, and in good standing under the laws of the jurisdiction in which it is existing;
 - (b) it is appropriately and duly registered under applicable Securities Laws so as to permit it to lawfully fulfill its obligations hereunder and it is qualified or registered, or exempt from the requirement to be qualified or registered, to solicit subscriptions for Units in each of the Offering Jurisdictions in which it solicits or procures subscriptions for the Units;
 - (c) in respect of the offer and sale of the Units to Purchasers (including the Substituted Purchasers), it will, and will require any Selling Firm and will cause the U.S. Placement Agents to agree to, comply with applicable Canadian Securities Laws and the applicable securities laws of the Selling Jurisdictions outside of Canada in connection with the issuance and sale of the Units;
 - (d) it has good and sufficient power, capacity, right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein;
 - (e) it and its affiliates and representatives have not engaged in or authorized, and will not engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Units in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or otherwise, or conducted any seminar or meeting concerning the offer or sale of the Units whose attendees have been invited by any general solicitation or general advertising;

- (f) it has internal policies and/or procedures in place to verify investor status and has followed such policies and/or procedures;
 - (g) it has not and will not, in connection with the Offering, make any representation or warranty with respect to the Corporation or the Units except pursuant to any disclosure otherwise expressly authorized in writing by the Corporation;
 - (h) it has conducted its activities in connection with the offer and sale of the Units in compliance with all applicable Securities Laws and the provisions of this Agreement, and has only solicited offers to purchase Units from such persons listed in such manner that, pursuant to applicable Securities Laws, no prospectus, registration statement or similar document needed to be delivered or filed; and
 - (i) it is acquiring the Broker Warrants as principal for its own account and not for the benefit of any other Person and is acquiring the Broker Warrants for investment only and not with a view to resale or distribution of the Broker Warrants and such Underwriter is an “accredited investor” as such term is defined in NI 45-106;
- (2) Each Underwriter hereby severally, and not jointly, nor jointly and severally covenants and agrees with the Corporation as follows:
- (a) it will conduct (and will cause any Selling Firm to conduct) its activities in connection with the offer and sale of the Units in compliance with all applicable Securities Laws and the provisions of this Agreement, and only solicit offers to purchase Units from such persons listed in such manner that, pursuant to applicable Securities Laws, no prospectus, registration statement or similar document needs to be delivered or filed;
 - (b) other than the Offering Document, it has not delivered and will not deliver to any prospective Purchaser any document or materials which constitutes or is deemed to be an offering memorandum under applicable Securities Laws;
 - (c) other than the Offering Document and the term sheet appended to the Engagement Letter, it will not make use of any green sheet or other internal marketing document without the written consent of the Corporation;
 - (d) it will not solicit offers to purchase or sell the Units so as to require registration thereof or the filing of a prospectus, offering memorandum (other than the Offering Document), registration statement or similar disclosure document with respect thereto in any jurisdiction or so as to create continuing obligations on the part of the Corporation under the laws of any jurisdiction outside of Canada or an obligation to establish or maintain any office or director or officer in such jurisdiction, and it will not solicit offers to purchase or sell the Units in any jurisdiction outside of Canada where the solicitation or sale of the Units would result in any statutory ongoing disclosure requirements in such jurisdiction or any registration requirements in such jurisdiction on the part of the Corporation except for the filing of a notice or report of the solicitation or sale;
 - (e) it will not solicit offers to purchase or sell the Units in any jurisdiction other than the Offering Jurisdictions;
 - (f) it will obtain from each Substituted Purchaser an executed and duly completed Questionnaire in a form reasonably acceptable to the Corporation and to the Underwriters

relating to the transaction herein contemplated, together with all documentation as may be necessary in connection with the distribution of the Units;

- (g) any Selling Firm appointed by the Underwriters, if any, will be compensated by the Underwriters from its compensation hereunder;
- (h) prior to the completion of the transactions contemplated in this Agreement, collect, use and disclose Personally Identifiable Information disclosed by the Corporation or its Subsidiaries under this Agreement (“**Transferred Information**”) solely for the purpose of reviewing and completing the transactions contemplated in this Agreement; and
- (i) after the completion of the transactions contemplated in this Agreement, collect, use and disclose the Transferred Information only for those purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates or for the completion of the transactions contemplated in this Agreement.

Section 7 Conditions of Closing

The Underwriters’ obligation to purchase the Units pursuant to this Agreement shall be subject to the following conditions having been met or waived by Beacon, on behalf of the Underwriters, at or prior to the Closing Time:

- (1) the Underwriters receiving favourable legal opinions from McLeod Law LLP, counsel to the Corporation (who may rely, to the extent appropriate in the circumstances, or arrange for separate opinions of local counsel acceptable to counsel to the Underwriters, acting reasonably, as to the qualification of the Units for sale to the public in Canada and as to other matters governed by the laws of jurisdictions in Canada and each such counsel may rely, to the extent appropriate in the circumstances, as to matters of fact on certificates of officers, public and exchange officials or of the auditor or transfer agent of the Corporation), in form and substance acceptable to the Underwriters and their counsel, acting reasonably, substantially to the effect set forth below, subject to customary assumptions, qualifications and limitations:
 - (a) the Corporation is a corporation existing under the ABCA;
 - (b) the authorized and issued capital of the Corporation, prior to the issue of the Units;
 - (c) the Corporation has the corporate power and capacity to (i) execute, deliver and perform its obligations under the Transaction Documents, as applicable, (ii) to issue and sell the Unit Shares, (iii) to create and issue the Unit Warrants, (iv) to issue the Warrant Shares upon due exercise of the Unit Warrants in accordance with the Warrant Indenture, (v) to create and issue the Broker Warrants, and (vi) to issue the Broker Warrant Shares upon due exercise of the Broker Warrants in accordance with the Broker Warrant Certificate;
 - (d) all necessary corporate action has been taken by the Corporation to (i) execute, deliver and perform its obligations under the Transaction Documents, as applicable, (ii) to issue and sell the Unit Shares, (iii) to create and issue the Unit Warrants, (iv) to issue the Warrant Shares upon due exercise of the Unit Warrants in accordance with the Warrant Indenture, (v) to create and issue the Broker Warrants, and (vi) to issue the Broker Warrant Shares upon due exercise of the Broker Warrants in accordance with the Broker Warrant Certificate;

- (e) each of the Transaction Documents have been duly executed and delivered by the Corporation and each of the Transaction Documents constitutes a legal, valid and binding obligation of the Corporation enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, arrangement, winding up, fraudulent preference and conveyance, assignment and other laws affecting the rights of creditors generally and subject to such other standard assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution set out in the Transaction Documents may be limited by Applicable Laws;
- (f) the execution and delivery of the Transaction Documents and the performance by the Corporation of the terms of the Transaction Documents and the sale, issue and delivery (as applicable) of the Offered Securities in accordance with their respective terms do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with: (i) the constating documents of the Corporation; (ii) the ABCA; or (iii) Canadian Securities Laws;
- (g) the Unit Shares will be validly issued as fully paid and non-assessable Common Shares upon receipt by the Corporation of full payment therefor;
- (h) the creation and issuance of the Unit Warrants has been duly approved by the Corporation and the Warrant Indenture has been duly approved and adopted by the board of directors of the Corporation and complies in all material respects with the constating documents of the Corporation and the requirements of the Exchange;
- (i) the Warrant Shares have been validly authorized and reserved for issuance, and upon due exercise of the Unit Warrants in accordance with the provisions of the Warrant Indenture, the Warrant Shares will be validly issued and fully paid and non-assessable Common Shares;
- (j) the creation and issuance of the Broker Warrants has been duly approved by the Corporation and the form of Broker Warrant Certificate has been duly approved and adopted by the board of directors of the Corporation and complies in all material respects with the constating documents of the Corporation and the requirements of the Exchange;
- (k) the Broker Warrant Shares have been validly authorized and reserved for issuance, and upon due exercise of the Broker Warrants in accordance with the provisions of the Broker Warrant Certificate, the Broker Warrant Shares will be validly issued and fully paid and non-assessable Common Shares;
- (l) the offering, sale and issuance of the Offered Securities through the Underwriters to the Purchasers resident in the Offering Jurisdictions in Canada and the issuance of the Broker Warrants to the Underwriters, in accordance with the terms of this Agreement, are each exempt from the prospectus requirements of Canadian Securities Laws, and the only filings, proceedings, approvals, permits, consent or authorization required to be made, taken or obtained under Canadian Securities Laws in the Canadian Offering Jurisdictions are (i) the filing by the Corporation with the applicable provincial Securities Regulators of a report in Form 45-106F1, as prescribed by NI 45-106, together with the requisite filing fees, and (ii) in accordance with Section 5A.2(k) of NI 45-106, before any solicitation of an offer to purchase the Units, the filing by the Corporation of the Offering Document and

the Offering Release on SEDAR+ and the website of the Corporation; and (iii) in accordance with Section 5A.3 of NI 45-106, the filing of any amendment to the Offering Document and corresponding press release on SEDAR+ and the website of the Corporation;

- (m) the issuance of (i) the Warrant Shares upon due exercise of the Unit Warrants in accordance with the terms of the Warrant Indenture, and (ii) the Broker Warrant Shares upon due exercise of the Broker Warrants in accordance with the terms of the Broker Warrant Certificates, is or will be exempt from the prospectus requirements of Canadian Securities Laws and no prospectus is required nor are any other documents, proceedings or approvals, permits, consents or authorizations of regulatory authorities required to be filed, taken or obtained (other than those which have been filed, taken or obtained) under Canadian Securities Laws to permit such issuance by the Corporation;
- (n) the first trade of the Unit Shares, the Unit Warrants and the Warrant Shares underlying the Unit Warrants in the Canadian Offering Jurisdictions is exempt from the prospectus requirements of applicable Canadian Securities Laws and no prospectus, offering memorandum (other than the Offering Document) or other document is required to be filed, no proceeding is required to be taken and no approval, permit, consent or authorization of regulatory authorities is required to be obtained by the Corporation under applicable Canadian Securities Laws to permit such trade by the Purchasers through registrants registered under Canadian Securities Laws who have complied with such laws and the terms and conditions of their registration, provided that:
 - (i) the Corporation is and has operated in strict compliance with the requirements of Section 5A.2 of NI 45-106;
 - (ii) the trade is not a “control distribution” (as defined in NI 45-102);
 - (iii) no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade;
 - (iv) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
 - (v) if the holder is an insider or officer of the Corporation at the time of the trade, the holder has no reasonable grounds to believe that the Corporation is in default of the securities legislation (as defined in National Instrument 14-101- *Definitions*);
- (o) the first trade of the Broker Warrants and the Broker Warrant Shares underlying the Broker Warrants in the Canadian Offering Jurisdictions is exempt from the prospectus requirements of applicable Canadian Securities Laws and no prospectus, offering memorandum or other document is required to be filed, no proceeding is required to be taken and no approval, permit, consent or authorization of regulatory authorities is required to be obtained by the Corporation under applicable Canadian Securities Laws to permit such trade by the Purchasers through registrants registered under Canadian Securities Laws who have complied with such laws and the terms and conditions of their registration, provided that at the time of such trade:

- (i) the Corporation is and has been a “reporting issuer”, as defined in Canadian Securities Laws, in a province or territory of Canada for at least the four months immediately preceding the trade;
 - (ii) at least four months have elapsed from the “distribution date” (as such term is defined in NI 45-102) of the applicable security;
 - (iii) the certificates representing the securities that are the subject of the trade were issued with a legend stating the prescribed restricted period in accordance with Section 2.5(2)3(i) of NI 45-102, or if the securities are entered into a direct registration or other electronic book entry system, or if the Purchaser did not directly receive a certificate representing the security, the Purchaser received written notice containing the legend restriction notation set out in Section 2.5(2)3(i) of NI 45-102;
 - (iv) the trade is not a “control distribution” (as defined in NI 45-102);
 - (v) no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade;
 - (vi) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
 - (vii) if the holder is an insider or officer of the Corporation at the time of the trade, the holder has no reasonable grounds to believe that the Corporation is in default of the securities legislation (as defined in National Instrument 14-101- *Definitions*);
- (p) the Corporation is a reporting issuer under applicable Canadian Securities Laws in each of the Manitoba, Saskatchewan, British Columbia, Ontario and Alberta, and is not on the list of defaulting issuers maintained under such legislation;
 - (q) Computershare Trust Company of Canada, at its principal office in Calgary, Alberta, has been duly appointed as registrar and Transfer Agent for the Common Shares;
 - (r) Computershare Trust Company of Canada, at its principal office in Calgary, Alberta, has been duly appointed as warrant agent pursuant to the Warrant Indenture;
 - (s) the Offering has been conditionally approved by the Exchange, including the listing of the Unit Shares, Warrant Shares and Broker Warrant Shares having been conditionally approved for listing on the Exchange, subject only to the satisfaction by the Corporation of the conditions set out by the Exchange.
- (2) the Underwriters receiving favourable legal opinions from counsel to each Material Subsidiary, in form and substance acceptable to the Underwriters and their counsel, acting reasonably, substantially to the effect set out below:
 - (a) such Material Subsidiaries are in good standing in accordance with the Applicable Law of their respective jurisdictions of incorporation and existing under the laws of their respective jurisdictions of incorporation, based solely on certificates of status/compliance;

- (b) such Material Subsidiary having the corporate power and capacity to own and lease properties and assets and to conduct business; and
 - (c) as to the authorized and issued share capital of such Material Subsidiaries and to the ownership thereof, based solely on the securities registers maintained by the Material Subsidiaries;
- (3) if any sales of Offered Securities are made to, or for the account or benefit of, persons in the United States or U.S. Persons, the Underwriters receiving a favourable opinion of Dickinson Wright PLLC, addressed to the Underwriters, in form and substance satisfactory to the Underwriters and their counsel, acting reasonably, to the effect that no registration is required under the U.S. Securities Act, in connection with the offer, sale and delivery of the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons;
- (4) the Underwriters having received a certificate dated the Closing Date and signed by a senior officer of the Corporation as may be acceptable to the Underwriters, acting reasonably, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to:
 - (a) the constating documents of the Corporation;
 - (b) all resolutions of the directors of the Corporation relevant to the Transaction Documents, the sale of the Offered Securities and the authorization of the Transaction Documents and the transactions contemplated herein and therein; and
 - (c) the incumbency and signatures of signing officers for the Corporation;
- (5) the Underwriters receiving certificates of status and/or compliance (or the equivalent), where issuable under Applicable Law, for the Corporation and the Subsidiaries, each dated within two Business Days prior to the Closing Date or as close to the Closing Date as possible as they relate to the Subsidiaries;
- (6) the Underwriters receiving a certificate dated the Closing Date and signed by the Chief Executive Officer or such other senior officer(s) of the Corporation as may be acceptable to the Underwriters, certifying for and on behalf of the Corporation and without personal liability, after having made due enquiries, that:
 - (a) the representations and warranties of the Corporation contained in this Agreement, and in any certificates of the Corporation delivered pursuant to or in connection with this Agreement, are true and correct in all respects as of the Closing Time, as if such representations and warranties were made as at the Closing Time, after giving effect to the transactions contemplated hereby, except for those representations and warranties that are stated to be true and correct as a specified date, in which case, they will be true and correct as of that date only;
 - (b) the Corporation has complied in all respects with all the covenants and satisfied in all respects all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time; and
 - (c) no order, ruling or determination having the effect of suspending the sale or ceasing the trading or prohibiting the sale of the Offered Securities or any other securities of the Corporation has been issued by any Securities Regulator and is continuing in effect and no

proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any Securities Regulator;

- (7) the Underwriters shall have received, at the Closing Time, fully executed Broker Warrant Certificates in respect of all Broker Warrants;
- (8) the Underwriters receiving the executed lock-up agreements from each director and officer of the Corporation in favour of the Underwriters in a form satisfactory to the Underwriters, acting reasonably, as required pursuant to Section 4(xv) of this Agreement;
- (9) the Underwriters receiving a certificate from the Transfer Agent as to the number of Common Shares issued and outstanding as at the end of Business Day on the date prior to the Closing Date;
- (10) no order, ruling or determination having the effect of ceasing or suspending trading in any securities of the Corporation or prohibiting the sale of the Offered Securities or any of the Corporation's issued securities being issued and no proceeding for such purpose being pending or, to the knowledge of the Corporation, threatened by any Canadian Securities Regulator or the Exchange;
- (11) the Corporation having delivered to the Underwriters evidence of the approval (or conditional approval) of the listing and posting for trading of the Unit Shares, Warrant Shares and Broker Warrant Shares on the Exchange;
- (12) the Corporation materially complying with all of its covenants and obligations under this Agreement required to be satisfied at or prior to the Closing Time;
- (13) the Underwriters not having exercised any rights of termination set forth herein; and
- (14) the Underwriters having received such further reasonably requested certificates and other documentation from the Corporation contemplated herein, provided, however, that the Underwriters or their counsel shall request any such certificate or document within a reasonable time, and in any event not later than 48 hours, prior to the Closing Time in order to ensure that the Corporation has sufficient time to obtain and deliver such certificate or document.

Section 8 Closing

- (1) *Location of Closing.* The Offering will be completed electronically at the Closing Time, or as otherwise determined by the Underwriters and the Corporation.
- (2) *Securities.* At the Closing Time, subject to the terms and conditions contained in this Agreement, the Corporation shall deliver to the Underwriters in Toronto, Ontario, the Unit Shares and Unit Warrants comprising the Units by way of book-entry securities in accordance with the "non-certificated inventory" rules and procedures of CDS, and shall direct CDS to credit such Offered Securities to the accounts of participants of CDS as designated by the Underwriters against payment to the Corporation of the aggregate Issue Price for the Units sold to Purchasers (less the Underwriters' Fee and the expenses of the Underwriters payable by the Corporation as set out in this Agreement) by wire transfer or certified cheque; provided that, at the request of the Underwriters, the Corporation shall cause the Transfer Agent to deliver physical certificates or direct registration system (DRS) statements to such Purchasers as the Underwriters may direct.

Section 9 Indemnification

- (1) The Corporation shall fully indemnify and save harmless each of the Underwriters and their respective affiliates and their respective directors, officers, employees, shareholders, partners, advisors and agents and each other person, if any, controlling any of the Underwriters or their affiliates (collectively, the “**Indemnified Parties**” and individually an “**Indemnified Party**”) from and against any and all liabilities, claims (including securityholder actions, derivative or otherwise), actions, losses (other than the loss of profits), costs, damages and expenses (including the aggregate amount paid in settlement of any action, suit, proceeding, investigation or claim) whether joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims (collectively, “**Losses**”) that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the “**Claims**” and individually, a “**Claim**”) to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Losses and/or Claims relate to, are caused by, result from, arise out of, or are in connection with, directly or indirectly:
- (a) the breach of any representation or warranty of the Corporation made in any Transaction Document or the failure of the Corporation to comply with any of its obligations in any Transaction Document or any omission or alleged omission to state in any Transaction Document or the Offering Document any fact required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made;
 - (b) any order made or any inquiry, investigation or proceeding instituted, threatened or announced by any court, securities regulatory authority, stock exchange or by any other competent authority, based upon any untrue statement, omission or misrepresentation or alleged untrue statement, omission or misrepresentation (except a statement, omission or misrepresentation relating solely to the Underwriters or any of them and furnished in writing by the Underwriters to the Corporation for use therein) contained in the Offering Document or any other document or material filed or delivered on behalf of the Corporation pursuant to this Agreement, the Offering Document or any documents forming the Public Disclosure Record, preventing or restricting the trading in or the sale or distribution of the Offered Securities or any other securities of the Corporation;
 - (c) the non-compliance by the Corporation with any Applicable Securities Laws or other regulatory requirements or the rules of the Exchange including the Corporation’s non-compliance with any statutory requirement to make any document available for inspection or any failure to make timely disclosure of a material change by the Corporation during the period of distribution of the Offered Securities;
 - (d) any statement contained in the Public Disclosure Record which at the time and in the light of the circumstances under which it was made, contained or is alleged to have contained a misrepresentation or untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make any statement therein not misleading in light of the circumstances in which they were made;
 - (e) any misrepresentation or alleged misrepresentation by or on behalf of the Corporation (excluding the Underwriters and Selling Firms) relating to the Offering, this Agreement or the Offering Document (except a statement, omission or misrepresentation relating solely to the Underwriters or any of them and furnished in writing by the Underwriters to the

Corporation for use therein) whether oral or written and whether made during and in connection with the Offering, where such misrepresentation may give or gives rise to any other liability under any statute in any jurisdiction which is in force on the date of this Agreement; or

- (f) any breach of any representation or warranty of the Corporation contained herein or the failure of the Corporation to comply with any of its covenants or other obligations contained herein or to satisfy any conditions contained herein required to be satisfied by the Corporation.
- (2) Notwithstanding Section 9(1), the Indemnified Parties will not be indemnified to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable determines that:
- (a) the Indemnified Parties have been grossly negligent or dishonest or have committed any fraudulent act or wilful misconduct in the course of such performance; and
 - (b) the Losses as to which indemnification is claimed, were determined by a court of competent jurisdiction in final and non-appealable judgment to have been directly caused by the circumstances referred to in Section 9(2)(a).
- (3) The Corporation agrees that in case any legal proceeding shall be brought against the Corporation and/or the Underwriters by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or if any such commission or authority shall investigate the Corporation and/or the Indemnified Parties and any Indemnified Parties shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Corporation by the Underwriters, the Indemnified Parties shall have the right to employ their own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Underwriters for time spent by the Indemnified Parties in connection therewith) and out-of-pocket expenses incurred by Indemnified Parties in connection therewith shall be paid by the Corporation as they occur, provided that: (i) the employment of such counsel has been authorised in writing by the Corporation; (ii) the Corporation has not assumed the defence of the action within a reasonable period of time, and in any event within 10 days, after receiving notice of the Claim; (iii) the named parties to any such Claim included the Corporation, and the Underwriters and/or the Indemnified Parties shall have been advised by their counsel that there may be a conflict of interest between them and the Corporation; or (iv) there are one or more defences available to the Underwriters and/or the Indemnified Parties which are different from or in addition to those available to the Corporation, as the case may be.
- (4) If any Claim contemplated by this Section 9 shall be asserted against any of the Indemnified Parties, or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Corporation, the Underwriters must promptly notify the Corporation in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Corporation subject to maintaining solicitor-client privilege, will keep the Corporation advised of the progress thereof and will discuss with the Corporation all significant actions proposed. The omission to so notify the Corporation shall not relieve the Corporation of any liability which the Corporation may have to the Indemnified Parties except only to the extent that any such delay in giving or failure to give notice as herein required materially prejudices the

defence of such action, suit, proceeding, Claim or investigation or results in any material increase in the liability which the Corporation would otherwise have under this indemnity had the Underwriters not so delayed in giving or failed to give the notice required hereunder.

- (5) The Corporation shall, subject as hereinafter provided, be entitled (but not required) to assume the defence on behalf of the Indemnified Parties of any such Claim; provided that the defence shall be through legal counsel selected by the Corporation and acceptable to the Underwriters, acting reasonably. Upon the Corporation notifying the Underwriters in writing of its election to assume the defence and retaining counsel, the Corporation shall not be liable to the Underwriters for any legal expenses subsequently incurred by them in connection with such defence, except as provided for in Section 9(3).
- (6) The Corporation will not, without each affected Indemnified Party's prior written consent, such consent not to be unreasonably withheld, admit any liability, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder unless in connection with any settlement, compromise or consent by the Corporation, such settlement, compromise or consent (i) includes an unconditional release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim (if an Indemnified Party is a party to such action) and (ii) does not include a statement as to, or an admission of fault, culpability or a failure to act by or on behalf of an Indemnified Party.
- (7) The Corporation hereby acknowledges and agrees that, with respect to Section 9 and (1) hereof, the Underwriters are contracting on their own behalf and as agents for their affiliates, and its and their respective directors, officers, employees, partners, shareholders, advisors, agents and each other person, if any, controlling any of the Underwriters or their affiliates (collectively, the "**Beneficiaries**"). In this regard, each of the Underwriters shall act as trustee for the Beneficiaries of the covenants of the Corporation under Section 9 and (1) hereof with respect to the Beneficiaries and accepts these trusts and shall hold and enforce such covenants on behalf of the Beneficiaries.
- (8) The rights to indemnification provided in this Section 9 shall be in addition to and not in derogation of any other rights which the Underwriters may have by statute or otherwise at law and shall extend to the Indemnified Parties and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Corporation, the Underwriters, and the Indemnified Parties.

Section 10 Contribution

- (1) In order to provide for just and equitable contribution in circumstances in which the indemnity provided in Section 9 hereof would otherwise be available in accordance with its terms but is, for any reason held to be illegal, unavailable to or unenforceable by the Indemnified Parties or enforceable otherwise than in accordance with its terms, the Corporation and the Underwriters shall contribute to the aggregate of all Losses of the nature contemplated in Section 9 hereof and suffered or incurred by the Indemnified Parties (i) in such proportion as is appropriate to reflect not only the relative benefits received by the Corporation, on the one hand, and the Underwriters on the other hand, from the distribution of the Offered Securities, or (ii) if the allocation provided by (i) is not permitted by Applicable Law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Corporation, on the one hand, and the Underwriters, on the other hand, in respect of such Losses; provided that the Corporation shall in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any excess of such amount over the amount actually received by the Underwriters or any

other Indemnified Party under this Agreement and further provided that the Underwriters shall not in any event be liable to contribute, in the aggregate, any amount in excess of such total Underwriters' Fee or any portion thereof actually received by the Underwriters. However, no party who has engaged in any fraud, dishonesty, gross negligence, or wilful misconduct shall be entitled to claim contribution from any person who has not engaged in such fraud, dishonesty, gross negligence, or wilful misconduct.

- (2) The relative benefits received by the Corporation, on the one hand, and the Underwriters, on the other hand, shall be deemed to be in the same ratio as the total proceeds from the Offering of the Offered Securities (net of the Underwriters' Fee payable to the Underwriters but before deducting expenses) received by the Corporation is to the Underwriters' Fee actually received by the Underwriters. The relative fault of the Corporation, on the one hand, and of the Underwriters, on the other hand, shall be determined by reference to, among other things, whether the matters or things referred to in Section 9 which resulted in such Claims and/or Losses relate to information supplied by or steps or actions taken or done or not taken or not done by or on behalf of the Corporation or to information supplied by or steps or actions taken or done or not taken or not done by or on behalf of the Underwriters and the relative intent, knowledge, access to information and opportunity to correct or prevent such statement, omission or misrepresentation, or other matter or thing referred to in Section 9. The amount paid or payable by an Indemnified Party as a result of the Claims and/or Losses referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such Claims and/or Losses, whether or not resulting in an action, suit, proceeding or claim. The parties to this Agreement agree that it would not be just and equitable if contribution pursuant to this (1) were determined by any method of allocation which does not take into account the equitable considerations referred to in this (1).
- (3) The rights to contribution provided in this (1) shall be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law, provided that, if the Corporation may be held to be entitled to contribution from the Underwriters under the provisions of any statute or at law, the Corporation shall be limited to contribution in an aggregate amount not exceeding the lesser of:
 - (a) the portion of the full amount of the Losses giving rise to such contribution for which the Underwriters are responsible, as determined in Section 10(1); and
 - (b) the amount of the aggregate Underwriters' Fee actually received by the Underwriters from the Corporation under this Agreement.
- (4) If an Indemnified Party has reason to believe that a claim for contribution may arise, the Indemnified Party shall give the Corporation notice thereof in writing, but failure to so notify shall not relieve the Corporation of any obligation which it may have to the Indemnified Party under this (1) provided that the Corporation is not materially and adversely prejudiced by such failure, and the right of the Corporation to assume the defence of such Indemnified Party shall apply as set out in Section 9 hereof, *mutatis mutandis*.

Section 11 Compensation of the Underwriters

At the Closing Time, the Corporation shall (i) pay to the Underwriters the Commission; and (ii) issue to the Underwriters (or members of their selling group) such number of Broker Warrants calculated in accordance with the opening paragraphs of this Agreement in consideration of the services to be rendered

by the Underwriters in connection with the Offering. The Commission shall be netted out of the gross proceeds of the Offering.

Section 12 Expenses

Whether or not the Offering shall be completed, all expenses and fees in connection with the Offering shall be borne by the Corporation, including, without limitation:

- (a) all expenses of or incidental to the creation, issue, sale or distribution of the Offered Securities;
- (b) the fees and disbursements of the Corporation's legal counsel;
- (c) all costs incurred in connection with the preparation of documentation relating to the Offering;
- (d) the reasonable fees and disbursements of the Underwriters' counsel, which, in the case of the Underwriters' Canadian counsel, shall not exceed the cap set forth in the Engagement Letter; and
- (e) all reasonable fees and out-of-pocket expenses incurred by the Underwriters or on their behalf in connection with the Offering.

The Underwriters' expenses shall be payable by the Corporation immediately upon receiving an invoice therefor from Beacon or, at the option of the Underwriters, may be deducted from the gross proceeds of the Offering otherwise payable to the Corporation on the Closing Date.

Section 13 All Terms to be Conditions

The Corporation agrees that the conditions contained in this Agreement will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Corporation and each of the Corporation and the Underwriters will use its commercially reasonable efforts to cause all such conditions to be complied with. It is understood that the Underwriters may waive, in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights of the Underwriters in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing.

Section 14 Termination by Underwriters in Certain Events

- (1) Each Underwriter shall also be entitled to terminate its obligation to purchase the Offered Securities by written notice to that effect given to the Corporation at or prior to the Closing Time if:
 - (a) *material adverse change* – there is a material change or a change in a material fact or new material fact shall arise or there should be discovered any previously undisclosed material fact required to be disclosed or any amendment thereto, in each case, that has or would be expected to have, in the reasonable opinion of the Underwriters, a significant adverse effect on the market price or the value of the securities of the Corporation;
 - (b) *regulatory out* – there should develop, occur or come into effect or existence any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced,

announced or threatened in relation to the Corporation or any one of the officers or directors of the Corporation or any of its principal shareholders (except for any inquiry, action, suit, proceeding, investigation or order based upon activities of the Underwriters and not upon activities of the Corporation) where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the Exchange or securities commission which involves a finding of wrong-doing which in the opinion of the Underwriters, operates to prevent or materially restrict the distribution or trading of the Common Shares or any other securities of the Corporation, as the case may be, or, which in the reasonable opinion of the Underwriters, materially and adversely affects or would be reasonably expected to materially and adversely affect the market price or value of the Common Shares;

- (c) *disaster out* – there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorist event, pandemic, natural disaster, public protest) or major political or economic occurrence of national or international consequence or a new or change in any law or regulation which in the sole opinion of the Underwriters, acting reasonably, seriously adversely affects or involves or may seriously adversely affect or involve the financial markets or the business, operations or affairs of the Corporation and its subsidiaries taken as a whole or the market price or value of the securities of the Corporation;
 - (d) *cease trade* – there should develop, occur or come into effect or existence any order, inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the Exchange or any securities regulatory authority against the Corporation, its material subsidiaries or any of its officers, directors or principal shareholders of the Corporation or any law or regulation is enacted or changed which in the sole opinion of the Underwriters, acting reasonably, operates or threatens to prevent, cease or restrict the issuance or trading of the securities of the Corporation by the Corporation, its officers, directors or principal shareholders or materially and adversely affects or will materially and adversely affect the market price or value of the Common Shares or other securities of the Corporation; or
 - (e) *breach* - the Corporation is in breach of a material term, condition or covenant of this Agreement or any representation or warranty given by the Corporation in this Agreement becomes or is false in any material respect.
- (2) If this Agreement is terminated by any of the Underwriters pursuant to Section 14(1), there shall be no further liability on the part of such Underwriter or of the Corporation to such Underwriter, except in respect of any liability which may have arisen or may thereafter arise under Section 9 and Section 12.
 - (3) The right of the Underwriters or any of them to terminate their obligations under this Agreement is in addition to such other remedies as they may have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement.
 - (4) Notwithstanding the foregoing and for the avoidance of doubt, this Agreement may be terminated at any time at or prior to the Closing Time upon the mutual written agreement of the Corporation and the Underwriters, if the parties hereto decide not to proceed with the Offering.

Section 15 Obligations of the Underwriters

- (1) Subject to the terms and conditions hereof, the obligation of the Underwriters to purchase the Units shall be several, and not joint, nor joint and several, and shall be as to the following percentages of the Units to be purchased by the Underwriters:

Beacon	87.5%
Centurion One Capital Corp.	12.5%
Total	100%

- (2) If an Underwriter (a “**Refusing Underwriter**”) shall not complete the purchase of the Units which such Underwriter has agreed to purchase hereunder (the “**Default Securities**”) for any reason whatsoever at the Closing Time, and (i) if the number of Default Securities does not exceed 10% of the number of Units to be purchased hereunder on such date, the other non-Refusing Underwriters (the “**Continuing Underwriters**”) shall be obligated to purchase the Units which the Refusing Underwriter fails to purchase on a *pro rata* basis according to the number of Units to have been acquired by the Continuing Underwriters or on such other basis as the Continuing Underwriters may agree; or (ii) if the number of Default Securities exceeds 10% of the number of Units to be purchased on such date, the Continuing Underwriters shall be entitled, at their option, to purchase all but not less than all of the Units which would otherwise have been purchased by the Refusing Underwriter on a *pro rata* basis according to the number of Units to have been acquired by the Continuing Underwriters or on such other basis as the Continuing Underwriters may agree. If the Continuing Underwriters do not elect to purchase the balance of the Units pursuant this Section 15, then the Corporation shall have the right to either (i) proceed with the sale of the Units (less the Default Securities) to the Continuing Underwriters; or (ii) terminate its obligations hereunder without liability except pursuant to the provisions of Section 9 and Section 12 in respect of the Continuing Underwriters.
- (3) No action taken pursuant to Section 14(2) shall relieve any Refusing Underwriter from liability in respect of its default to the Corporation or to any Continuing Underwriters.
- (4) Nothing in this Section 15 shall oblige the Corporation to sell to any or all of the Underwriters less than all of aggregate amount of the Units.

Section 16 Notices

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

in the case of the Corporation, to:

CEMATRIX Corporation
9727 40 St. SE
Calgary, AB T2C 2P4

Attention: Jeff Kendrick
Email: jeff.kendrick@cematrix.com

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

McLeod Law LLP
707 – 5th St. SW, Suite 500
Calgary, AB T2P 1V8

Attention: Maria Nathanail
Email: mnathanail@mcleod-law.com

in the case of the Underwriters, to:

Beacon Securities Limited
66 Wellington St. W., Suite 4050
Toronto, ON M5K 1H1

Attention: Michael Flynn
Email: [Redacted]

Centurion One Capital Corp.
1139 West Cordova St., Suite 1402
Vancouver, BC V6C 0A2

Attention: Nima Besharat
Email: [Redacted]

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

Wildeboer Dellelce LLP
Wildeboer Dellelce Place
365 Bay Street, Suite 800
Toronto, ON M5H 2V1

Attention: Michael Rennie
Email: [Redacted]

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

Section 17 Miscellaneous

- (a) *Successors and Assigns.* This Agreement shall enure to the benefit of, and shall be binding upon, the Underwriters and the Corporation and their respective successors and legal representatives.
- (b) *Governing Law.* This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.

- (c) *Time of the Essence.* Time shall be of the essence hereof and, following any waiver or indulgence by any party, time shall again be of the essence hereof.
- (d) *Interpretation.* The words, “hereunder”, “hereof” and similar phrases mean and refer to the agreement formed as a result of the acceptance by the Corporation of this offer by the Underwriters to purchase the Units.
- (e) *Survival.* All representations, warranties, covenants and agreements of the Corporation and/or the Underwriters herein contained or contained in documents submitted pursuant to this Agreement and in connection with the transaction of purchase and sale herein contemplated shall survive for a period ending on the date that is two years following the Closing Date. Notwithstanding the preceding sentence, Section 9 shall survive the purchase and sale of the Units and the termination of this Agreement and shall continue in full force and effect for the benefit of the Underwriters or the Corporation, as the case may be, regardless of any subsequent disposition of the Offered Securities or any investigation by or on behalf of the Underwriters with respect thereto without limitation other than any limitation requirements of Applicable Law.
- (f) *Electronic Copies.* Each of the parties hereto shall be entitled to rely on delivery of a facsimile or PDF copy of this Agreement and acceptance by each such party of any such facsimile or PDF copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.
- (g) *Severability.* If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.
- (h) *Counterparts.* This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.
- (i) *Several and Joint.* In performing their respective obligations under this Agreement, the Underwriters shall be acting severally and not jointly nor jointly and severally. Nothing in this Agreement is intended to create any relationship in the nature of a partnership, or joint venture between the Underwriters.
- (j) *No Fiduciary Duty.* The Corporation acknowledges that in connection with the Offering, the Underwriters: (i) have acted at arm’s length, are not agents of, and owe no fiduciary duties to, the Corporation or any other person, (ii) owe the Corporation only those duties and obligations set forth in this Agreement, and (iii) may have interests that differ from those of the Corporation. The Corporation waives to the full extent permitted by Applicable Law any claims it may have against the Underwriters arising from an alleged breach of fiduciary duty in connection with the Offering.
- (k) *Entire Agreement.* This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings in respect of the Offering, including the Engagement Letter. This Agreement may be amended or modified in any respect by written instrument only.

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

[Remainder of page intentionally left blank]

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

Yours very truly,

BEACON SECURITIES LIMITED

By: signed "*Michael Flynn*"
Name: Michael Flynn
Title: Managing Director

CENTURION ONE CAPITAL CORP.

By: signed "*Nima Besharat*"
Name: Nima Besharat
Title: Chief Executive Officer

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

CEMATRIX COPORATION

By: signed "*Jeff Kendrick*"
Name: Jeff Kendrick
Title: President & Chief Executive Officer

**SCHEDULE “A”
SUBSIDIARIES**

Name	Jurisdiction of Incorporation	Authorized Share Capital	Issued and Outstanding Capital	Number of Shares owned by the Corporation or a Subsidiary
Cematrix (Canada) Inc.	Alberta	An unlimited number of Common shares and an unlimited number of Preferred shares	23,281,163 Common shares	23,281,163 Common shares owned by Cematrix Corporation
Cematrix (USA) Inc.	Nevada	3,000,000 Class A common shares	1,500,100 Class A common shares	1,500,090 Class A common shares owned by Cematrix (Canada) Inc.
Pacific International Grout Co.	Washington	500 shares	500 shares	500 shares owned by Cematrix (USA) Inc.
Mixonsite USA, Inc.	California	1,000 shares	1,000 shares	1,000 shares owned by Cematrix (USA) Inc.

**SCHEDULE “B”
EXISTING RIGHTS**

As at the date hereof and, prior to the closing of the Offering, there are outstanding:

- options to purchase up to 5,803,334 Common Shares; and
- restricted share units to acquire up to 1,364,389 Common Shares.

SCHEDULE “C”
COMPLIANCE WITH UNITED STATES SECURITIES LAWS

As used in this Schedule and related exhibits, the following terms shall have the meanings indicated:

- (a) **“Directed Selling Efforts”** means “directed selling efforts” as that term is defined in Rule 902(c) of Regulation S, which, without limiting the foregoing, but for greater clarity in this Schedule “C”, includes, subject to the exclusions from the definition of “directed selling efforts” contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Securities and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Securities;
- (b) **“Disqualification Event”** means any of the “Bad Actor” disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D;
- (c) **“Foreign Issuer”** means “foreign issuer” as that term is defined in Rule 902(e) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule “C”, it means any issuer that is (a) the government of any country, or of any political subdivision of a country, other than the United States, or (b) a national of any country other than the United States, or (c) a corporation or other organization incorporated or organized under the laws of any country other than the United States, except an issuer meeting the following conditions as of the last business day of its most recently completed second fiscal quarter: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States, and (2) any of the following: (i) the majority of the executive officers or directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;
- (d) **“General Solicitation”** and **“General Advertising”** means “general solicitation” and “general advertising”, respectively, as used under Rule 502(c) of Regulation D, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or the internet or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
- (e) **“Offshore Transaction”** means an “offshore transaction” as that term is defined in Rule 902(h) of Regulation S;
- (f) **“Qualified Institutional Buyer”** means a “qualified institutional buyer” as such term is defined in Rule 144A, that is also a U.S. Accredited Investor;
- (g) **“Regulation D”** means Regulation D adopted by the SEC under the U.S. Securities Act;
- (h) **“Regulation S”** means Regulation S adopted by the SEC under the U.S. Securities Act;
- (i) **“Rule 144A”** means Rule 144A under the U.S. Securities Act;
- (j) **“SEC”** means the United States Securities and Exchange Commission;

- (k) “**Substantial U.S. Market Interest**” means “substantial U.S. market interest” as that term is defined in Rule 902(j) of Regulation S;
- (l) “**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;
- (m) “**U.S. Accredited Investor**” means an “accredited investor” as defined in Rule 501(a) of Regulation D;
- (n) “**U.S. Affiliate**” means the U.S. registered broker-dealer affiliate of an Underwriter that makes offers of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons;
- (o) “**U.S. Exchange Act**” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder; and
- (p) “**U.S. Person**” means a “U.S. person” as that term is defined in Rule 902(k) of Regulation S.

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

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, acknowledges, covenants and agrees with the Underwriters, as at the date hereof and as at the Closing Date, that:

1. The Corporation is a Foreign Issuer and reasonably believes that there is no Substantial U.S. Market Interest with respect to the any of its equity securities.
2. The Corporation is not, and after giving effect to the offering contemplated hereby and the application of the proceeds, will not be, registered or required to be registered as an “investment company” (as such term is defined under the Investment Company Act of 1940, as amended), under such Act.
3. The Offered Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and that the Offered Securities may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. Except with respect to sales of Offered Securities offered by the Underwriters, the U.S. Affiliates or any members of the selling group formed by them (as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement) in compliance with an exemption or exclusion from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws, neither the Corporation nor any of its affiliates, nor any person acting on any of their behalf and at their direction (other than the Underwriters, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person; or (B) any sale of Offered Securities unless, at the time the buy order was or will have been originated, the Purchaser is (i) outside the United States and not a U.S. Person, or (ii) the Corporation, its affiliates, and any person acting on any of their behalf reasonably believe that the Purchaser is outside the United States and not a U.S. Person.

4. None of the Corporation, any of its affiliates or any person acting on any of their behalf and at their direction (other than the Underwriters, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement), has engaged or will engage in any Directed Selling Efforts, or has taken or will take any action that would cause the applicable exemption afforded by Section 4(a)(2) of the U.S. Securities Act and/or Rule 506(b) of Regulation D to be unavailable for offers and sales of the Offered Securities pursuant to this Agreement, or the safe harbor afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Securities in Offshore Transactions pursuant to this Agreement.
5. None of the Corporation, any of its affiliates or any person acting on any of their behalf and at their direction (other than the Underwriters, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement) has offered or will offer to sell, or has solicited or will solicit offers to buy, any of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
6. Neither the Corporation nor any person acting on behalf of the Corporation has sold, offered for sale or solicited any offer to buy any of the Corporation's securities, and will not do so during or for a period of 30 days immediately following the Closing Date, in the United States in a manner that would reasonably be expected to be integrated with the offer and sale of the Offered Securities and would cause the exemption from registration set forth in Section 4(a)(2) of the U.S. Securities Act and/or Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of the Offered Securities.
7. Neither the Corporation nor any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
8. None of the Corporation, its affiliates or any person acting on any of their behalf (other than the Underwriters, the U.S. Affiliates, or any members of the selling group formed by them, as to whom the Corporation makes no representation, warranty, acknowledgement, covenant or agreement) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the offer and sale of Offered Securities contemplated hereby.
9. The Corporation shall provide to a Purchaser that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, upon written request, all of the information that would be required for United States income tax reporting purposes by a United States security holder making an election to treat the Corporation as a "qualified electing fund" for the purposes of the United States Internal Revenue Code of 1986, as amended, should the Corporation determine that the Corporation is a "passive foreign investment company" in any calendar year following such Purchaser's purchase of the Offered Securities.
10. None of the Corporation, any of its subsidiaries, or to the knowledge of the Corporation, any member, officer, agent, employee or affiliate of the Corporation or any of its affiliates is currently subject to any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of Treasury ("OFAC"); and the Corporation will not directly or indirectly use the proceeds hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any sanctions administered by OFAC.

11. With respect to the Offered Securities offered in reliance on Rule 506(b) of Regulation D, none of the Corporation, any of its predecessors, any affiliated issuer that is issuing Offered Securities in this Offering, any director, executive officer, or other officer of the Corporation participating in the Offering, any beneficial owner of 20% or more of the Corporation's outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation in any capacity at the time of sale of the Offered Securities (but excluding the Regulation D Underwriters (as defined below), as to whom no representation, warranty, covenant or agreement is made) (each, a "**Corporation Covered Person**" and, collectively, the "**Corporation Covered Persons**") is subject to a Disqualification Event. The Corporation will notify the Underwriters in writing, prior to any offer or sale of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person of (i) any Disqualification Event relating to a Corporation Covered Person not previously disclosed to the Underwriters in accordance with this section, and (ii) any event that would, with the passage of time, become a Disqualified Event relating to any Corporation Covered Person. As of the Closing Date, the Corporation is not aware of any person (other than any Regulation D Underwriter Covered Person (as defined below)) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the offer and sale of any Offered Securities pursuant to Rule 506(b) of Regulation D.
12. The Corporation shall duly prepare and file with the SEC a Form D within 15 days after the first sale of Offered Securities in reliance on Rule 506(b) of Regulation D, and will file such notices and other documents as are required to be filed under the state securities or "blue sky" laws of the states in which Offered Securities are sold.
13. None of the Corporation or any of its predecessors has had the registration of a class of securities under the U.S. Exchange Act revoked by the SEC pursuant to Section 12(j) of the U.S. Exchange Act and any rules or regulations promulgated thereunder.

Representations, Warranties and Covenants of the Underwriters

Each of the Underwriters, on its own behalf and on behalf of its U.S. Affiliate, if applicable, represents, warrants, acknowledges, agrees and covenants to and with the Corporation, as at the date hereof and as at the Closing Date, that:

1. The Offered Securities have not been and will not be registered under the U.S. Securities Act or any applicable state securities laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. It has offered for sale by the Corporation, and will offer for sale by the Corporation, any Offered Securities only as follows: (a) offers of Offered Securities in Offshore Transactions in accordance with Rule 903 of Regulation S; or (b) offers of Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons that are U.S. Accredited Investors and/or Qualified Institutional Buyers, in transactions that are exempt from the registration requirements of the U.S. Securities Act and state blue sky laws, as provided in paragraphs 2 through 13 below. Accordingly, none of the Underwriter, its U.S. Affiliate, any of their affiliates or any persons acting on behalf of any of them, has made or will make (except as expressly permitted in paragraphs 2 through 13 below) any: (x) offer to sell, or any solicitation of an offer to buy, any Offered Securities to, or for the account or benefit of, any person in the United States or any U.S. Person; (y) any sale of Offered Securities to any Purchaser unless, at the time the buy order was or will have been originated, the Purchaser was outside the United States and not a U.S. Person, or the Underwriter, U.S. Affiliate, affiliate or person acting on any of their behalf reasonably believed that such Purchaser was outside the United States and not a U.S. Person; or (z) Directed Selling Efforts.

2. It has not entered and will not enter into any contractual arrangement with respect to the offer and sale of the Offered Securities, except with its U.S. Affiliate, any selling group members or with the prior written consent of the Corporation. It shall require its U.S. Affiliate and each selling group member appointed by it to agree, for the benefit of the Corporation, to comply with, and shall use its commercially reasonable efforts to ensure that its U.S. Affiliate and each such selling group member complies with, the provisions of this Schedule applicable to the Underwriter as if such provisions applied directly to its U.S. Affiliate and such selling group member.
3. All offers of Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons shall be solicited and arranged by the Underwriter through its U.S. Affiliate, which on the dates of such offers by the Underwriter through its U.S. Affiliate and subsequent sales by the Corporation was and will be duly registered as a broker-dealer under the U.S. Exchange Act and under all applicable state broker-dealer laws (unless exempted therefrom) and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc. in accordance with all applicable United States state and federal broker-dealer laws.
4. It and its U.S. Affiliate and their respective affiliates, either directly or through a person acting on behalf of any of them, have not solicited and will not solicit offers for, and have not offered to sell and will not offer to sell, any of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
5. Any offer, sale or solicitation of an offer to buy Offered Securities that has been made or will be made was or will be made only (i) in the United States to U.S. Accredited Investors and/or Qualified Institutional Buyers in transactions that are exempt from the registration requirements of the U.S. Securities Act pursuant to Rule 506(b) of Regulation D and exempt from registration under all applicable state securities laws, and (ii) outside the United States in Offshore Transactions that are exempted from registration pursuant to the safe harbor afforded by Rule 903 of Regulation S.
6. Immediately prior to soliciting any Purchaser that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, the Underwriter, its U.S. Affiliate, their respective affiliates, and any person acting on behalf of any of them, had reasonable grounds to believe and did believe that each such Purchaser was a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable, and at the time of completion of each sale by the Corporation to, or for the benefit or account of, a person in the United States or a U.S. Person identified by the Underwriter and its U.S. Affiliate, the Underwriter, its U.S. Affiliate, their respective affiliates, and any person acting on behalf of any of them will have reasonable grounds to believe and will believe, that each Purchaser designated by the Underwriter or the U.S. Affiliate to purchase Offered Securities from the Corporation is a Qualified Institutional Buyer or a U.S. Accredited Investor, as applicable.
7. Prior to arranging for any sale of Offered Securities to, or for the account or benefit of, any person in the United States or a U.S. Person, it shall cause each such Purchaser to complete and execute a subscription agreement, including either a Representation Letter for Purchasers who are United States Accredited Investors for U.S. Accredited Investors or a United States Qualified Institutional Buyer Letter for Qualified Institutional Buyers, as applicable.
8. At least two Business Days prior to the Closing Date, it shall provide (or cause to be provided) to the Transfer Agent for the Corporation a list of the names and addresses of all Purchasers of the Offered Securities in the United States or that are U.S. Persons.

9. At the Closing, the Underwriter and its U.S. Affiliate that has offered or solicited offers and arranged for the sale of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, will provide a certificate, substantially in the form of Exhibit I, relating to the manner of the offer and sale of the Offered Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, or be deemed to represent and warrant that no offers or sales of the Offered Securities were made to, or for the account or benefit of, persons in the United States or U.S. Persons by such persons.
10. Each Purchaser will be informed that the Offered Securities have not been and will not be registered under the U.S. Securities Act or any state “blue sky” securities laws, and are being offered by the Underwriter through its U.S. Affiliate and sold by the Corporation to such Purchaser in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and related exemptions set forth under applicable state “blue sky” securities laws.
11. None of the Underwriter, its U.S. Affiliate or any person acting on any of their behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the offering of Offered Securities contemplated hereby.
12. With respect to Offered Securities offered in reliance on Rule 506(b) of Regulation D, neither the Underwriter nor its affiliates (including its U.S. Affiliate) (collectively, the “**Regulation D Underwriter**”), any general partner or managing member of the Regulation D Underwriter, any director, executive officer or other officer of the Regulation D Underwriter participating in the offering of the Offered Securities or general partner or managing member of the Regulation D Underwriter or any officer, employee or agent of the Regulation D Underwriter or general partner or managing member of the Regulation D Underwriter that have been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the offer and sale of any Offered Securities (each, a “**Regulation D Underwriter Covered Person**” and collectively, the “**Regulation D Underwriter Covered Persons**”) is subject to any Disqualification Event. Each Regulation D Underwriter will notify the Corporation in writing, prior to any offer or sale of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person of (i) any Disqualification Event relating to any Regulation D Underwriter Covered Person, and (ii) any event that would, with the passage of time, become a Disqualified Event relating to any Regulation D Underwriter Covered Person. As of the Closing Date, the Underwriter is not aware of any person (other than any Regulation D Underwriter Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the offer and sale of any Offered Securities pursuant to Rule 506(b) of Regulation D.

**EXHIBIT I TO SCHEDULE “C”
(TERMS AND CONDITIONS OF U.S. SALES)**

UNDERWRITER’S CERTIFICATE

In connection with the offer and sale to, or for the account or benefit of, persons in the United States and U.S. Persons of Units (collectively with the Unit Shares, Unit Warrants and Warrant Shares issuable thereunder, the “**Offered Securities**”) of CEMATRIX Corporation (the “**Corporation**”) pursuant to an Underwriting Agreement (the “**Underwriting Agreement**”) effective as of July 29, 2024 between the Corporation and the Underwriters named in the Underwriting Agreement, _____ (the “**Underwriter**”) and _____ (the “**U.S. Affiliate**”), the U.S. broker-dealer affiliate of the Underwriter, hereby certify as follows:

- (i) on the date hereof and on the date of each offer, solicitation of an offer or sale of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person by the undersigned, the U.S. Affiliate is and was: (A) a duly registered broker-dealer with the United States Securities and Exchange Commission and under the laws of each state where offers and sales of Offered Securities were made (unless exempted therefrom); and (B) a member of and in good standing with the Financial Industry Regulatory Authority, Inc.;
- (ii) all offers and sales of Offered Securities for sale by the Corporation to, or for the account or benefit of, persons in the United States and U.S. Persons have been and will be effected and arranged by the U.S. Affiliate in accordance with all applicable U.S. federal and state broker-dealer requirements;
- (iii) immediately prior to offering or soliciting offers for the Offered Securities to or from offerees that were, or were acting for the account or benefit of, persons in the United States or U.S. Persons, we had reasonable grounds to believe and did believe that each such offeree was a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable, and, on the date hereof, we continue to believe that each such person purchasing Offered Securities from the Corporation is a U.S. Accredited Investor or a Qualified Institutional Buyer, as applicable;
- (iv) no form of “general solicitation” or “general advertising” (as those terms are used in Regulation D under the U.S. Securities Act) was used by us or on our behalf, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or the internet or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons;
- (v) no Directed Selling Efforts were made by us in the United States in connection with the offer or sale of Offered Securities;
- (vi) the offers and solicitations of offers of the Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons have been conducted by us in accordance with the terms of the Underwriting Agreement;
- (vii) in connection with each sale of Offered Securities to, or for the account or benefit of, a person in the United States or a U.S. Person, we caused each such Purchaser to execute and deliver to the Corporation a completed subscription agreement, including all applicable exhibits thereto; and
- (viii) with respect to Offered Securities offered to, or for the account or benefit of, persons in the United States and U.S. Persons, none of the Regulation D Underwriter Covered Persons relating to the

undersigned is subject to any Disqualification Event, and the undersigned are not aware of any person (other than any Regulation D Underwriter Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of Purchasers in connection with the sale of any Offered Securities to, or for the account or benefit of, persons in the United States and U.S. Persons.

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

Dated this ____ day of _____, 2024.

[INSERT NAME OF UNDERWRITER]

[INSERT NAME OF U.S. AFFILIATE]

By: _____
Name:
Title:

By: _____
Name:
Title: