

**AGENCY OFFERING AGREEMENT**  
**(Capital Pool Company)**

THIS AGREEMENT dated for reference the 20th day of December, 2017.

BETWEEN:

**BAETIS VENTURES LTD.**, of #530 - 625 Howe Street,  
Vancouver, British Columbia V6C 2T6

(the “**Issuer**”)

AND:

**CHIPPINGHAM FINANCIAL GROUP**, of Suite 202 – 595  
Howe Street, Vancouver, British Columbia V6C 2T5

(the “**Agent**”)

WHEREAS:

A. The Issuer wishes to raise money as a capital pool company for the purposes set forth in its Final Prospectus, which is to be filed by the Issuer with the Regulatory Authorities, by offering for sale certain of its securities; and

B. The Issuer wishes to appoint the Agent, as its exclusive agent, to distribute those securities and to provide advice in connection with the Issuer’s listing application with the Exchange, and the Agent is willing to accept the appointment on the terms and conditions of this Agreement.

THE PARTIES to this Agreement therefore agree:

**1. DEFINITIONS**

In this Agreement

- (a) “**Acts**” means the *Securities Act* (British Columbia) and the *Securities Act* (Alberta) and the regulations and rules made thereunder and all instruments, policy statements, blanket orders, notices, directions and rulings issued by the Commissions, all as amended;
- (b) “**Additional Retainer**” has the meaning ascribed thereto in subsection 10.2;
- (c) “**Agent**” means Chippingham Financial Group;
- (d) “**Agent’s Commission**” means the commission payable by the Issuer to the Agent pursuant to subsection 3.1;

- (e) “**Agent’s Option Shares**” means the previously unissued Common Shares, as presently constituted, which may be issued upon the exercise of the Agent’s Options;
- (f) “**Agent’s Options**” means the options of the Issuer to be issued to the Agent pursuant to subsection 3.3;
- (g) “**Applicable Securities Laws**” means the Acts and the respective regulations, rules, instruments, blanket rulings and orders made thereunder, together with applicable published fee schedules, prescribed forms, policy statements and other regulatory instruments of the Commissions;
- (h) “**Certificates**” means the certificates representing the Shares in the names and denominations directed by the Agent, and the certificates representing the Agent’s Options in the names and denominations directed by the Agent;
- (i) “**Closing Date**” has the meaning ascribed thereto in subsection 7.3;
- (j) “**Closing Time**” has the meaning ascribed thereto in subsection 7.3;
- (k) “**Commissions**” means the British Columbia Securities Commission and the Alberta Securities Commission;
- (l) “**Common Shares**” means the common shares in the authorized share structure of the Issuer;
- (m) “**Effective Date**” means the date on which a receipt for the Final Prospectus is issued by or on behalf of the Commissions;
- (n) “**Exchange**” means the TSX Venture Exchange;
- (o) “**Final Prospectus**” means the final prospectus intended to be filed by the Issuer with the Regulatory Authorities in connection with the Offering and any amendments to it which may be filed with the Regulatory Authorities;
- (p) “**Issuer**” means Baetis Ventures Ltd.;
- (q) “**Listing Date**” means the date the Common Shares are listed for trading on the Exchange;
- (r) “**Material Change**” has the meaning ascribed thereto in the Acts;
- (s) “**Material Fact**” has the meaning ascribed thereto in the Acts;
- (t) “**Offering**” means the offering of the Shares under the Prospectus for gross proceeds of \$200,000;
- (u) “**Offering Price**” means the price at which the Shares are offered for sale under the Prospectus, being \$0.10 per Share;

- (v) “**Officer’s Certificate**” has the meaning ascribed thereto in subsection 6.1;
- (w) “**Policy**” means Policy 2.4 of the Exchange entitled “Capital Pool Companies”, as amended from time to time;
- (x) “**Preliminary Prospectus**” means the preliminary prospectus filed by the Issuer with the Regulatory Authorities in connection with the Offering and any amendments to it which may be filed with the Regulatory Authorities;
- (y) “**Proceeds**” means the gross proceeds of the Offering, less:
  - (i) the Agent’s Commission;
  - (ii) the Work Fee; and
  - (iii) the reasonable expenses of the Agent, including the fees and disbursements of the Agent’s legal counsel plus taxes, incurred in connection with the Offering and not repaid by the Issuer prior to the Closing Time;
- (z) “**Prospectus**” means the Preliminary Prospectus and Final Prospectus, as applicable, filed or intended to be filed by the Issuer with the Regulatory Authorities in connection with the Offering, and the qualification of the Common Shares and the Agent’s Options, and any amendments thereto which may be filed with the Regulatory Authorities;
- (aa) “**Qualifying Jurisdictions**” means the Provinces of British Columbia and Alberta;
- (bb) “**Qualifying Transaction**” has the meaning ascribed thereto in the Policy;
- (cc) “**Regulatory Authorities**” means the Commissions and the Exchange;
- (dd) “**Securities**” means the Shares, the Agent’s Options and the Agent’s Option Shares;
- (ee) “**Shares**” means the 2,000,000 Common Shares sold pursuant to the Offering; and
- (ff) “**Work Fee**” means the non-refundable fee of \$15,000 plus applicable taxes, which is payable by the Issuer to the Agent in partial consideration of the services performed by the Agent under this Agreement.

## 2. APPOINTMENT OF AGENT

2.1 The Issuer appoints the Agent as its exclusive agent and the Agent accepts the appointment and agrees to act as the exclusive agent of the Issuer to offer the Shares for sale pursuant to the Prospectus at the Offering Price on a commercially reasonable efforts basis.

2.2 The Agent will not assign this Agreement or any of its rights under this Agreement or, with respect to the Securities, enter into any agreement in the nature of an option or a sub-option unless and until, for each intended transaction, the Agent has obtained the consent of the Issuer and notice has been given to and accepted by the Regulatory Authorities.

2.3 The Agent may offer selling group participation in the normal course of the brokerage business to selling groups of other licensed dealers, brokers and investment dealers, the fees of whom shall be the responsibility of the Agent and who may or who may not be offered part of the Agent's Commission or Agent's Options to be received by the Agent pursuant to this Agreement. In no event shall the Issuer be required to pay a fee in excess of the Agent's Commission, the Work Fee or the Agent's Options in respect of such selling group participation.

### **3. AGENT'S COMMISSION AND FEES**

3.1 The Issuer will pay the Agent, at the Closing Time, a cash commission (the "**Agent's Commission**") equal to 10% of the gross proceeds of the sale of the Shares, whether purchased by the Agent for its own account or for its clients or purchased by other members of the Exchange for their own accounts or for their respective clients.

3.2 The Issuer will pay the Agent the Work Fee. The Agent acknowledges receipt of a retainer in the amount of \$7,875 to be applied towards the Work Fee. The balance of the Work Fee will be paid at the Closing Time.

3.3 As further consideration for the Agent assisting the Issuer in connection with the Offering, at the Closing Time the Issuer will issue to the Agent (or to members of the Agent's selling group in such amounts as the Agent directs) options (the "**Agent's Options**") entitling the holders thereof to purchase for a period of 24 months from the Closing Date such number of Agent's Option Shares as is equal to 10% of the number of Shares sold under the Offering, at a price of \$0.10 per Agent's Option Share. The Agent's Options will be non-transferable and the distribution of the Agent's Options will be qualified under the Prospectus.

3.4 The terms governing the Agent's Options will be set out in the certificates representing the Agent's Options, the form of which will be subject to the approval of the Issuer and the Agent, acting reasonably, and will include provisions for the appropriate adjustment in the class, number and price of the Agent's Option Shares issuable upon exercise of the Agent's Options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the Common Shares, payment of stock dividends or amalgamation of the Issuer.

3.5 The issue of the Agent's Options will not restrict or prevent the Issuer from obtaining any other financing, nor from issuing additional securities or rights during the period within which the Agent's Options are exercisable.

### **4. OFFERING TERMS**

4.1 The Agent will offer the Shares for sale at the Offering Price in the Qualifying Jurisdictions on a commercially reasonable efforts basis in accordance with the Applicable Securities Laws and the policies of the Exchange.

4.2 Residents of the Qualifying Jurisdictions may subscribe for Shares by delivering to the Agent on or prior to the Closing Date:

- (a) payment of the aggregate subscription price in a manner acceptable to the Agent; and
- (b) such documents, certificates and forms as, in the opinion of the Agent, may be required.

4.3 All funds received by the Agent for subscriptions will be held in trust by the Agent pending completion of the Offering.

4.4 Notwithstanding any other term of this Agreement, all subscription funds received by the Agent will be returned to the subscribers without interest or deduction if the Offering does not close within 90 days after the date of the receipt for the Final Prospectus or within 90 days after the date of the receipt for an amendment to the Final Prospectus in which case the Offering must not close later than 180 days from the date of the receipt for the Final Prospectus.

## **5. FILING OF PROSPECTUS AND CONDUCT OF THE OFFERING**

5.1 The Issuer will cause the Prospectus to be filed with the Regulatory Authorities, will deliver all necessary copies of the Prospectus to the Regulatory Authorities and will use its commercially reasonable efforts to have the Prospectus accepted by the Regulatory Authorities and have one of the Commissions that is designated as the principal regulator in accordance with Applicable Securities Laws issue receipts for the Preliminary Prospectus and the Final Prospectus.

5.2 The Issuer will provide the Agent with as many copies of the Prospectus as the Agent reasonably requests and the Agent will deliver to each purchaser a copy of the Prospectus sufficiently in advance of the Closing Date such that all withdrawal rights under the Applicable Securities Laws will have expired by the Closing Time.

5.3 Prior to the Effective Date, the Issuer will apply to the Exchange for a conditional acceptance of the listing of the Common Shares and the Agent's Option Shares and, provided that the Issuer is not in breach of its obligations under this Agreement, the Agent will use its commercially reasonable efforts to cause all such documents to be filed by it with the Exchange as may be required by the rules and policies of the Exchange.

5.4 Following the Effective Date and after consulting with the Exchange, the Issuer and the Agent will set the Closing Date and the Closing Time. The Closing Date will be no later than 90 days after the Effective Date unless an amendment to the Final Prospectus is filed and receipted in accordance with Applicable Securities Laws.

5.5 If, after the Prospectus is first filed with the Regulatory Authorities but before the conclusion of the distribution of the Shares under the Prospectus, a Material Change occurs in the affairs of the Issuer, then the Issuer will:

- (a) notify the Agent immediately, in writing, with full particulars of the change;

- (b) if required by Applicable Securities Laws, file with the Regulatory Authorities as soon as practicable, and in any event no later than 10 days after the change occurs, an amendment to the Prospectus, in a form acceptable to the Agent disclosing the Material Change; and
- (c) provide as many copies of that amendment to the Agent, as the Agent may reasonably request.

5.6 The Issuer and the Agent will file any documents required by the Exchange necessary to permit the Common Shares to commence trading on the Exchange.

## **6. OPINIONS AND CERTIFICATES**

6.1 Prior to the Agent executing the Agent's certificate attached to the Final Prospectus, the Issuer will deliver to the Agent and its legal counsel in forms acceptable to them a certificate of the Issuer, dated as of the date of the Final Prospectus and signed by the chief executive officer and the chief financial officer of the Issuer or by such other officer approved by the Agent, certifying certain facts relating to the Issuer and its affairs (the "**Officer's Certificate**"), the form of which is attached as Schedule A hereto.

6.2 On the Closing Date, the Issuer will deliver to the Agent:

- (a) the Officer's Certificate, updated to the Closing Date;
- (b) an opinion of legal counsel for the Issuer and any applicable local counsel opinions, addressed to the Agent and its legal counsel relating to any legal matter in connection with the Prospectus and the creation, issuance and sale of the Securities for which the Agent may reasonably request an opinion;
- (c) a long-form comfort letter from the auditors of the Issuer; and
- (d) documents evidencing the necessary approval of the Regulatory Authorities for the Offering and the conditional listing of the Common Shares and the Agent's Option Shares on the Exchange.

6.3 The Issuer will also deliver any other certificates, comfort letters or opinions in connection with any matter related to the Offering or the Prospectus which are reasonably requested by the Agent or its legal counsel.

## **7. CONDITIONS OF CLOSING AND CLOSING**

7.1 The Agent's obligations under this Agreement are conditional upon and subject to the fulfilment of the following conditions before the Closing Time, which conditions the Issuer covenants to use its commercially reasonable efforts to fulfil or cause to be fulfilled before the Closing Time:

- (a) all actions required to be taken by or on behalf of the Issuer, including the passing of all requisite resolutions of directors of the Issuer, will have been taken so as to approve the Prospectus and to validly create and distribute the Securities;
- (b) the Issuer will have made all necessary filings with and obtained all necessary approvals, consents and acceptances from the Regulatory Authorities for the Prospectus and to permit the Issuer to fulfil its obligations hereunder;
- (c) the Common Shares issued pursuant to the Offering and the Agent's Option Shares will have been conditionally accepted for listing on the Exchange; and
- (d) the certificates, opinions and other documents contemplated by section 6 of this Agreement will have been delivered to the Agent and its legal counsel.

7.2 The Agent's obligations under this Agreement with respect to acting as agent for the purposes of the Offering are also conditional upon and subject to: (a) the Issuer allowing the Agent and its representatives to conduct all due diligence, which the Agent may reasonably require in connection with the Offering; and (b) prior to the filing of the Final Prospectus, the Agent's due diligence review not revealing any material adverse information or fact that is not generally known to the public that might, as determined in the sole discretion of the Agent, materially adversely affect the value or market price of the Shares or the investment quality or marketability of the Shares.

7.3 The Offering will be completed at the offices of the Issuer or the Issuer's legal counsel at such time (the "**Closing Time**") and on such date (the "**Closing Date**") as may be agreed to by the Issuer and the Agent in consultation with the Exchange; provided, however, that if the Issuer has not been able to comply with any of the covenants or conditions set out herein required to be complied with by the Closing Time and Closing Date or such other date and time as may be mutually agreed to, then the respective obligations of the parties will terminate without further liability or obligation except for obligations of the Issuer with respect to the payment of expenses and indemnity and contribution provided for in this Agreement.

7.4 The Agent will, at least two days before the Closing Date, deliver to the Issuer (i) a written description and reconciliation of its expenses deducted from the gross proceeds of the Offering, and (ii) registration and delivery instructions for the Shares and Agent's Options. The Issuer will, on the Closing Date, deliver the Certificates to the Agent against payment of the Proceeds.

7.5 If the Issuer has satisfied all of its obligations under this Agreement, the Agent will, on the Closing Date, pay the Proceeds to the Issuer against either (i) physical delivery of the Certificates or (ii) confirmation that the securities represented by the Certificates have been transferred to the Agent electronically, as requested by the Agent.

## **8. TERMINATION**

8.1 The Agent may terminate its obligations under this Agreement by notice in writing to the Issuer at any time before the Closing Date if, as determined in the sole discretion of the Agent acting reasonably:

- (a) there should occur any material change (actual, anticipated, contemplated or threatened, financial or otherwise) in the respective businesses, affairs, operations, assets, liabilities (contingent or otherwise), capital or control of the Issuer, or any change in any material fact pertaining to the Issuer, or the Agent becomes aware of a previously undisclosed material fact which, in the reasonable opinion of the Agent, has or would be expected to have a material adverse effect on the Issuer or the market price of the Shares;
- (b) the state of the financial markets or the state of the markets for the Shares becomes such that, in the reasonable opinion of the Agent, the Shares cannot be profitably marketed or it would be impracticable to offer or continue to offer the Shares for sale;
- (c) there has developed, occurred or come into effect any catastrophe of national or international consequence, any accident, governmental law or regulation, or any other occurrence of any nature whatsoever which, in the reasonable opinion of the Agent, materially adversely affects or may materially adversely affect the financial markets, the respective businesses of the Issuer, or the profitable distribution of the Shares;
- (d) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Issuer, any one of its officers or directors or any of its principal shareholders where wrongdoing 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 any securities commission which involves a finding of wrongdoing by the Issuer or any of such persons;
- (e) there should occur or commence or be announced or threatened any inquiry, action, suit, investigation or other proceeding (whether formal or informal) or any order or ruling is issued under or pursuant to any statute of Canada or the United States, or any jurisdiction thereof, which, in the reasonable opinion of the Agent, would be expected to operate to prevent or materially restrict trading in or distribution of the Shares or would have a material adverse effect on the market price or value of the Shares; or
- (f) the Issuer is in breach of any term, condition or covenant of this Agreement or any representation or warranty given by the Issuer in this letter becomes false.

8.2 The Agent may terminate its obligations under this Agreement at any time if:

- (a) any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Issuer is made by a competent regulatory authority and that order is still in effect;
- (b) the Issuer is in breach of any term of this Agreement in any material respect;

- (c) the Agent determines that any of the representations or warranties made by the Issuer in this Agreement are false or have become false in any material respect;
- (d) the Agent is advised that the Exchange will not approve the listing of the Common Shares; or
- (e) the Agent is not, in its sole discretion, acting reasonably, satisfied with the results of its due diligence review of the Issuer.

8.3 This Agreement will terminate if the Effective Date has not occurred within 120 days of the reference date of this Agreement or by such other date as may be agreed to by the Issuer and the Agent.

## **9. REPRESENTATIONS, WARRANTIES AND COVENANTS**

9.1 The Issuer represents, warrants and covenants to the Agent, as the case may be that:

- (a) the Issuer is a valid and subsisting corporation duly incorporated and in good standing under the laws of the jurisdiction in which it is incorporated;
- (b) the Issuer is duly registered or licensed to carry on business in each jurisdiction in which it carries on business or owns property;
- (c) the authorized and issued capital of the Issuer is as disclosed in the Prospectus and the issued Common Shares are validly issued, fully paid and non-assessable;
- (d) upon their issuance, the Shares issued pursuant to the Offering and all of the Agent's Option Shares that may be issued upon the due exercise (including payment of the exercise price per Agent's Option Share) of the Agent's Option will be validly issued as fully paid and non-assessable Common Shares;
- (e) the Issuer has no subsidiaries;
- (f) except as disclosed in the Prospectus, there are no outstanding options, agreements or rights of any kind whatsoever to acquire Common Shares or any other securities of the Issuer;
- (g) the Issuer currently carries on business as a capital pool company, as contemplated by the Policy, and has complied with and will continue to comply with all material requirements of the Policy until it completes a Qualifying Transaction;
- (h) the Issuer will use its commercially reasonable efforts to maintain its status as a reporting issuer not in material default of any Applicable Securities Laws for a period of 24 months following the Listing Date, and will use its commercially reasonable efforts to maintain its listing on the Exchange during such 24 months and to complete a Qualifying Transaction within such 24 months;

- (i) the Prospectus contains full, true and plain disclosure of all Material Facts relating to the Issuer, and its business and securities, and contains no “misrepresentations”, within the meaning of the Acts;
- (j) the financial statements of the Issuer which form part of the Prospectus accurately reflect the financial position of the Issuer at the date of the financial statements and there have been no adverse Material Changes in the financial position of the Issuer since that date, except as fully and plainly disclosed in the Prospectus;
- (k) the Issuer has materially complied and will comply materially with the requirements of all applicable corporate and securities laws, including, without limitation, the Acts and the *Business Corporations Act* (British Columbia) in relation to the issue and trading of its securities and all matters relating to the Offering;
- (l) the issue and sale of the Securities by the Issuer does not and will not conflict with, and does not and will not result in a breach of, any of the terms of the Issuer’s incorporating documents or any agreement or instrument to which the Issuer is a party;
- (m) except as disclosed in the Prospectus:
  - (i) none of the directors or officers of the Issuer are indebted or under obligation to the Issuer, on any account whatsoever; and
  - (ii) the Issuer has not guaranteed or agreed to guarantee any debt, liability or other obligation of any kind whatsoever of any person, firm or corporation of any kind whatsoever;
- (n) to the knowledge of the Issuer, all tax returns, reports, elections, remittances and payments of the Issuer, required by law to have been filed or made, have been filed or made and are substantially true, complete and correct and all taxes of the Issuer, have been paid or accrued and are reflected in the financial statements which form part of the Prospectus;
- (o) the Issuer has made adequate provision for taxes payable for the current period for which tax returns are not yet required to be filed and the Issuer is not aware of any contingent tax liability affecting the Issuer;
- (p) there is not presently, and will not be until the completion of the Offering, any Material Change or change in any Material Fact relating to the Issuer which has not been or will not be fully disclosed to the Agent;
- (q) the minute book of the Issuer, as provided or made available to the Agent or its legal counsel, is true and correct in all material respects and contain all the resolutions of its respective directors and shareholders;

- (r) other than the Agent, no person, firm or corporation acting or purporting to act at the request of the Issuer is entitled to any brokerage, agency or finder's fee in connection with the transactions described herein;
- (s) the Issuer is not a party to any actions, suits or proceedings that could materially affect its business or financial condition, and to the best of the Issuer's knowledge no such actions, suits or proceedings are contemplated or have been threatened which are not disclosed in the Prospectus;
- (t) there are no judgements against the Issuer which are unsatisfied, nor is the Issuer subject to any consent decrees or injunctions;
- (u) Computershare Investor Services Inc. has been duly appointed as the registrar and transfer agent of the Common Shares;
- (v) this Agreement has been authorized by all necessary corporate action on the part of the Issuer;
- (w) the directors and senior officers of the Issuer have or will have been provided with a copy of the Preliminary Prospectus and the Final Prospectus for their review, and the directors of the Issuer have or will have duly approved the Preliminary Prospectus and Final Prospectus at the respective times they are filed with the Regulatory Authorities, and will have authorized their distribution by the Agent in connection with the Offering;
- (x) the Issuer will, in good faith, discuss with the Agent any change in circumstances that is of a nature that there is reasonable doubt as to whether notice in writing needs to be given to the Agent pursuant to paragraph 5.5(a) of this Agreement;
- (y) during the period commencing on June 8, 2017 and ending 60 days after the Closing Date, the Issuer will not issue, sell, offer to sell, or announce any intention to issue, sell or offer to sell, any securities, except as contemplated in this Agreement, without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, except for:
  - (i) securities issued or issuable to satisfy existing instruments or agreements disclosed in the Prospectus; and
  - (ii) stock options or common shares issuable upon the exercise of stock options, in each case pursuant to the Issuer's stock option plan having the terms disclosed in the Prospectus; and
- (z) the representations and warranties in this section are true and correct and will remain so at all times up to and including the Closing Time unless otherwise disclosed in writing to the Agent.

9.2 The Agent represents, warrants and covenants to the Issuer that:

- (a) it is a valid and subsisting corporation duly incorporated, continued or amalgamated and in good standing under the laws of the jurisdiction in which it was incorporated, continued or amalgamated;
- (b) it will use its commercially reasonable efforts to solicit and obtain subscriptions for the Shares in the Qualifying Jurisdictions in such a manner so as to enable the Issuer to comply with the requirements of subsection 3.2 of the Policy;
- (c) it is a member in good standing of the Exchange;
- (d) it is duly registered under Applicable Securities Laws to sell the Shares in the Qualifying Jurisdictions;
- (e) it has complied with and will fully comply with the requirements of the Applicable Securities Laws in the jurisdictions where it is registered in relation to all matters relating to the Offering;
- (f) it will deliver to the Issuer on or prior to the Closing Date, a Distribution Summary Statement as required by subsection 3.2 of Policy 2.3 of the Exchange; and
- (g) this Agreement has been authorized by all necessary corporate action on the part of the Agent and is a valid and binding obligation of the Agent enforceable in accordance with its terms.

## 10. EXPENSES OF AGENT

10.1 The Issuer will pay all of the expenses of the Offering and all the expenses reasonably incurred by the Agent in connection with the Offering and its services provided under this Agreement, whether or not it is completed, including, without limitation, marketing costs, due diligence costs, travel costs, the fees and the reasonable expenses of the legal counsel for the Agent to a maximum of \$10,000 (excluding disbursements and taxes) and the reasonable fees and expenses of any experts or third parties engaged by the Agent (following written consent by the Issuer), expenses incurred in conducting background checks on the existing or proposed directors, officers and promoters of the Issuer, long distance telephone, courier, photocopying, fax and similar expenses. The Agent acknowledges receipt of a retainer in the amount of \$10,000 to be applied towards the Agent's anticipated expenses, including legal expenses.

10.2 The Agent may request an additional retainer for the payment of expenses in excess of \$10,000 incurred by the Agent in connection with the Offering (an "**Additional Retainer**"). The Agent will obtain written approval from the Issuer for any expense exceeding \$10,000. A request from the Agent for an Additional Retainer must be made in writing and the Issuer must provide the Agent with the Additional Retainer within 10 days of receipt of the request for the same.

10.3 The Issuer will pay the expenses referred to in subsections 10.1 and 10.2 even if the Prospectus or this Agreement are not accepted by the Regulatory Authorities or the transactions contemplated by this Agreement are not completed or this Agreement is terminated, unless the

failure of acceptance or completion or the termination is the result of a breach of this Agreement by the Agent.

10.4 The Agent may, from time to time, render accounts for its expenses to the Issuer for payment on or before the dates set out in the accounts.

10.5 The Issuer authorizes the Agent to deduct its expenses in connection with the Offering from the gross proceeds of the Offering and any advance payments made by the Issuer, including expenses for which an account has not yet been rendered to the Issuer.

## 11. INDEMNITY AND CONTRIBUTIONS

11.1 The Issuer agrees to indemnify and hold harmless the Agent and its affiliates (collectively, “**CFG**”), and each and every one of the directors, officers, employees, shareholders and agents of CFG (collectively, the “**Personnel**”) from and against any and all fees, costs, expenses, losses, claims, actions, damages, fines, penalties or liabilities of any nature whatsoever, joint or several (including the aggregate amount paid in settlement of any actions, suits, proceedings or claims and the fees and expenses of its counsel that may be incurred in advising with respect to and/or defending any claim that may be made against CFG or any Personnel) (collectively, the “**Losses**”) to which CFG and/or the Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise, insofar as such Losses arise out of or are based, directly or indirectly, on services rendered to the Issuer by CFG or the Personnel under, or otherwise in connection with, this Agreement (the “**Services**”), provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that the Losses as to which indemnification is claimed are caused solely by the gross negligence or willful misconduct of CFG or the Personnel, as applicable.

11.2 If for any reason the foregoing indemnification is unavailable to CFG or any of the Personnel or is insufficient to hold it harmless, then the Issuer shall contribute to the amount paid or payable by CFG or any of the Personnel as a result of such Losses in such proportion as is appropriate to reflect not only the relative benefits received by the Issuer on the one hand and CFG or any of the Personnel on the other hand, but also the relative fault of the Issuer and CFG or any of the Personnel, as well as any relevant equitable considerations, provided that the Issuer shall, in any event, contribute to the amount paid or payable by CFG or any of the Personnel as a result of such Losses any excess of such amount over the amount of the fees received by CFG for the provision of the Services.

11.3 The Issuer agrees that, in case any legal proceeding shall be brought against the Issuer and/or CFG or any of the Personnel 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 persons shall investigate the Issuer and/or CFG and/or any of the Personnel and CFG or any such Personnel 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 the Services, CFG or any such Personnel shall have the right to employ its own counsel in connection therewith if CFG or any of the Personnel satisfies at least one of the conditions of subsection 11.4 with respect to retaining separate counsel, and the fees

and expenses of such counsel as well as the costs and expenses incurred by the Personnel and the cost of time expended by the Personnel, together with CFG's out of pocket expenses in connection therewith, shall be paid by the Issuer as they occur.

11.4 Promptly after receipt of notice of the commencement of any legal proceeding against CFG or any of the Personnel, 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 Issuer, CFG will notify the Issuer in writing of the commencement thereof. Any failure by CFG to so notify the Issuer shall not relieve the Issuer from any obligations or liability which it has hereunder, except to the extent that the Issuer has been materially prejudiced by such failure. In the event of any assertion against CFG or any of the Personnel of any such claim, or the commencement of any such action or proceeding, the Issuer shall be entitled to participate in such action or proceeding and in the investigation of such claim and, after written notice from the Issuer to CFG, to assume the investigation or defense of any such claim, action or proceeding with counsel of the Issuer's choice at the Issuer's expense; provided, however, that such counsel shall be reasonably satisfactory to CFG. Notwithstanding the election of the Issuer to assume the defense or investigation of such claim, action or proceedings, CFG and the Personnel shall have the right to employ separate counsel and to participate in the defense or investigation of such claim, action or proceedings, and the Issuer shall bear the expense of such separate counsel in the circumstances described below. If such defense is assumed by the Issuer, the Issuer throughout the course thereof will provide copies of all relevant documentation to CFG, will keep CFG advised of the progress thereof and will discuss with CFG all significant actions proposed. CFG or any of the Personnel shall have the right, at the Issuer's expense, to employ counsel of such indemnified party's choice, in respect of any action, suit, claim or proceeding, if:

- (a) in the opinion of counsel to CFG or the Personnel, as applicable, there may be defenses available to CFG or any of the Personnel that are in addition to or separate from those available to the Issuer and in the opinion of counsel to CFG or the Personnel, as applicable, use of counsel of the Issuer's choice could reasonably be expected to give rise to a conflict of interest;
- (b) the Issuer shall not have employed counsel reasonably satisfactory to CFG or the Personnel, as applicable, to represent the indemnified party or parties within a reasonable time after notice of the institution of any such action or proceedings;  
or
- (c) the Issuer shall authorize CFG or any of the Personnel to employ separate counsel at the Issuer's expense.

11.5 The Issuer shall not be liable for any settlement of any claim, action or proceeding affected without its written consent (not to be unreasonably withheld), but if settled with such consent or if there be a final judgment for the plaintiff, the Issuer agrees to indemnify and hold harmless CFG and the Personnel from and against any Losses by reason of such settlement of judgment. The Issuer shall not, without the prior written consent of CFG and the Personnel, as applicable, settle, compromise or consent to any judgment or decision in any proceeding in respect of which indemnification may be sought hereunder.

11.6 The indemnity and contribution obligations of the Issuer shall be in addition to any liability which the Issuer may otherwise have, shall extend upon the same terms and conditions to the Personnel and shall be binding upon and endure to the benefit of any successors, assigns, heirs and personal representatives of the Issuer, CFG and any of the Personnel. The foregoing provisions shall survive the completion of Services or any termination or expiry of this Agreement.

11.7 The Issuer hereby acknowledges that CFG acts as trustee for the Personnel of the Issuer's covenants under this indemnity and CFG agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

## **12. PUBLIC DISCLOSURE**

The Issuer agrees that no public announcement or press release concerning this Agreement or any other instrument related thereto, or the relationship between the Issuer and the Agent shall be made without prior written consent of the Agent, such consent not to be unreasonably withheld or delayed.

## **13. NOTICE**

13.1 Any notice or other communication to be given hereunder shall be addressed and delivered to:

- (a) in the case of the Issuer:

Baetis Ventures Ltd.  
#500 - 625 Howe Street  
Vancouver, British Columbia V6C 2T6  
Email: jy@newdawnholdings.com  
Attention: Jonathan Younie

with a copy to:

Owen Bird Law Corporation  
29<sup>th</sup> Floor - 595 Burrard Street  
Vancouver, British Columbia V7X 1J5  
Email: jlightfoot@owenbird.com  
Attention: Jeff Lightfoot

- (b) and in the case of the Agent:

Chippingham Financial Group  
Suite 202 – 595 Howe Street  
Vancouver, British Columbia V6C 2T5  
Email: ecm@chippingham.com  
Attention: Leslie Frame

with a copy to:

McCullough O'Connor Irwin LLP  
Suite 2610, 1066 West Hastings Street  
Vancouver, British Columbia V6E 3X1  
Fax: 604-687-7099  
Email: dgunasekera@moisolicitors.com  
Attention: David Gunasekera

13.2 Notice will be deemed to have been given at the time of transmission or delivery.

13.3 If notice is mailed, it will be deemed to have been received five Business Days following the date of mailing of the notice unless there is an interruption in normal mail service due to strike, labour unrest or other cause during such five Business Days, in which case any notice sent by mail shall be deemed not to have been received until it is actually received.

#### **14. TIME**

Time is of the essence of this Agreement and will be calculated in accordance with the provisions of the *Interpretation Act* (British Columbia).

#### **15. SURVIVAL OF REPRESENTATIONS AND WARRANTIES**

The representations, warranties, covenants and indemnities of the parties contained in this Agreement will survive the closing of the purchase and sale of the Shares.

#### **16. ENTIRE AGREEMENT**

This Agreement contains the full agreement of the parties in respect of the subject matter hereof and supercedes and replaces the engagement letter dated June 8, 2017.

#### **17. GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the courts of such Province will have jurisdiction over any dispute arising under this Agreement.

#### **18. LANGUAGE**

Wherever a singular or masculine expression is used in this Agreement, that expression is deemed to include the plural, feminine or the body corporate where required by the context.

#### **19. ENUREMENT**

This Agreement enures to the benefit of and is binding on the parties to this Agreement and their successors and permitted assigns.

**20. HEADINGS**

The headings in this Agreement are for convenience of reference only and do not affect the interpretation of this Agreement.

**21. COUNTERPARTS**

This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original and all of which will constitute one agreement, effective as of the reference date given above.

**[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**

IN WITNESS WHEREOF the parties hereto have hereunto executed this Agreement as of the day and year first above written.

**BAETIS VENTURES LTD.**

*“Jonathan Younie”*

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Authorized Signatory  
Name: Jonathan Younie  
Title: Chief Executive Officer

**CHIPPINGHAM FINANCIAL GROUP**

*“Don Metcalfe”*

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Authorized Signatory  
Name: Don Metcalfe  
Title: Chief Operations Officer

## SCHEDULE A

### FORM OF OFFICERS' CERTIFICATE

#### OFFICERS' CERTIFICATE

The undersigned, **Jonathan Younie**, signing in my capacity as the chief financial officer and chief executive officer of the Company and not in my personal capacity, hereby certifies to the best of my knowledge, information and belief, after having made due inquiry, that except as reflected in or contemplated by the prospectus of the Company dated December 20, 2017 and any amendment thereto (the "Prospectus"):

1. the Company is the beneficial owner of the properties and assets referred to in the Prospectus, and any and all agreements pursuant to which the Company holds any interest in such properties and assets are in good standing according to the terms thereof and in full force and effect, and there has not been any default in any obligation to be performed thereunder;
2. all properties and assets of the Company are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situate, and are free and clear of any liens, charges or encumbrances, except as disclosed in the Prospectus;
3. the financial statements contained in the Prospectus present fairly and accurately the financial condition of the Company and its subsidiaries;
4. since the date of the Prospectus there has been no material adverse change, financial or otherwise, in the assets, liabilities (contingent or otherwise), business, properties, operations or capital of the Company;
5. since the date of the Prospectus no transaction out of the ordinary course of business, which is of a nature material to the Company, has been entered into by the Company;
6. the Company has no contingent liabilities out of the ordinary course of business which are of a nature material to the Company, except as disclosed in the financial statements contained in the Prospectus;
7. the Company is not a party to a material contract which is not disclosed in the Prospectus and the material contracts disclosed in the Prospectus constitute valid and binding obligations of the parties thereto, enforceable against each of such parties in accordance with their respective terms except as enforcement may be limited by general principles of equity, applicable bankruptcy, insolvency, preference and reorganization laws and other laws generally affecting the enforcement of creditors' rights and the availability of discretionary judicial remedies;
8. there are no actions, suits, proceedings or inquiries pending or threatened against or affecting the Company at law or in equity or before or by federal, provincial, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which may in any way materially and adversely affect the Company;
9. no order ceasing or suspending trading in securities of the Company nor prohibiting the sale of such securities has been issued to the Company or its directors, officers or promoters or to

any reporting companies that have common directors, officers or promoters and no proceedings for such purposes are pending or threatened;

10. the offering and the sale of its securities by the Company does not and will not conflict with or result in a breach of or constitute a default under or result in a violation of, whether after notice or lapse of time or both, any of the terms, conditions or provisions of the constating documents, by-laws or resolutions of the Company or any indenture or other agreement or instrument to which the Company is a party or by which it is bound or any order, decree, statute, by-law, regulation, covenant or restriction applicable to the Company or any of its assets;
11. the Company is not presently in default in the performance of any covenant or obligation contained in any indenture or other agreement which creates, evidences or secures the indebtedness of the Company;
12. no facts have come to the attention of the undersigned indicating that the representations and warranties constituted by the delivery of the Prospectus are untrue, incorrect or misleading in any material respect;
13. except as disclosed in the Prospectus, there are no persons, firms or corporations having any agreement or option or any right or privilege capable of becoming an agreement for the purchase, subscription or issuance of any securities of the Company;
14. there are no other agreements with respect to the securities of the Company between shareholders of the Company not disclosed in the Prospectus;
15. there are no material facts pertaining to the Company and its securities not disclosed in the Prospectus;
16. the Company's directors and officers, as disclosed in the Prospectus, have been duly elected or appointed and hold the office indicated in the Prospectus;
17. all financial statements contained in the Prospectus have been approved by the Company's board of directors;
18. the Company is not in default with respect to any filings it is required to make with the TSX Venture Exchange or the British Columbia Securities Commission; and
19. the Prospectus and the filing of the Prospectus under the *Securities Act* have been duly authorized by and on behalf of the Company.

DATED at Vancouver, British Columbia, this \_\_\_\_\_ day of \_\_\_\_\_.

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Jonathan Younie,  
Chief Executive Officer and Chief  
Financial Officer