

July 29, 2020

Molecule Inc.
591 Reynolds Road
Lansdowne, Ontario K0E 1L0

Everton Resources Inc.
c/o 591 Reynolds Road
Lansdowne, Ontario K0E 1L0

Attention: Andre Audet

Attention: Michel Fontaine

Dear Sirs:

Re: Molecule Inc. – Private Placement Offering of Subscription Receipts

Gravitas Securities Inc. (the “**Agent**”), understands that Molecule Inc. (the “**Corporation**”) proposes to raise funds through the issue and sale of subscription receipts of the Corporation (the “**Subscription Receipts**”) at a price of \$1000.00 per Subscription Receipt (the “**Offering Price**”) to qualifying subscribers (the “**Subscribers**”) in the Selling Jurisdictions (as defined herein) pursuant to exemptions from the prospectus requirements under Applicable Legislation (as defined herein). The offering of Subscription Receipts is subject to minimum aggregate gross proceeds of \$940,000 and maximum aggregate gross proceeds of up to \$1,500,000 (the “**Offering**”). Each Subscription Receipt will be deemed to be automatically exchanged, without payment of any additional consideration and without further action on the part of the holder thereof, upon the satisfaction of certain conditions described herein, for one convertible debenture (a “**Convertible Debenture**”) of Everton Resources Inc. (“**Everton**” or, immediately following the completion of the Arrangement, the “**Resulting Issuer**”) upon delivery of the Release Notice (as defined herein) on the date upon which all Release Conditions (as defined herein) are satisfied. The Release Conditions are set forth herein and relate to (a) the effectiveness of the Arrangement (as defined herein) resulting in the Resulting Issuer acquiring all of the issued and outstanding shares of the Corporation such that the Corporation will become a wholly owned subsidiary of the Resulting Issuer and the business of the Corporation will become the business of the Resulting Issuer; and (b) the approval of the CSE of the Liquidity Event (each as defined herein). In the event that: (a) the Release Notice is not provided on or before the Escrow Deadline (as defined herein); or (b) the Corporation has advised the Agent that the transactions contemplated in the Arrangement Agreement will not be completed (in either case, the “**Termination Time**”), each Subscription Receipt will be automatically terminated and cancelled and each holder of Subscription Receipts will be entitled from and after the Termination Time to receive a refund of the aggregate Offering Price in respect of such holder’s Subscription Receipts.

Each Convertible Debenture will be an unsecured debt obligation of the Resulting Issuer and will: (a) have a principal amount of \$1,000.00; (b) bear interest (“**Interest**”) at the simple rate of 8.0% per annum; and (c) mature on the 36 month anniversary of the Liquidity Event (the “**Maturity Date**”). All accrued and unpaid Interest will be paid in instalments within 30 days of (or the next Business Day immediately following such date) each June 30th and December 31st (each, an “**Interest Payment Date**”) following the Liquidity Event and occurring on or prior to the earlier of: (i) the Conversion Date (as defined herein); (ii) the Accelerated Conversion Date (as defined herein); and (iii) the Maturity Date. Unless converted, the principal amount and any accrued and unpaid Interest then outstanding under the Convertible Debentures will be paid in cash on the Maturity Date. In the event that a Convertible Debenture is converted in accordance with the terms of the Convertible Debenture certificate to be issued by the Resulting Issuer (the “**Convertible Debenture Certificate**”), any Interest accrued between the immediately preceding Interest Payment Date, and the Conversion Date or the Accelerated Conversion Date, as the case may

be, will be converted together with the then outstanding principal amount of the Convertible Debenture into Units (as defined herein).

The principal amount and any accrued and unpaid Interest then outstanding under the Convertible Debentures will be convertible into units of the Resulting Issuer (“**Units**”) at a price per Unit of \$0.20 (the “**Unit Conversion Price**”) at the sole option of the holder of the Convertible Debentures (“**Debentureholders**”) at any time prior to 4:00 P.M. (Toronto Time) on the last Business Day preceding the Maturity Date (the “**Conversion Date**”). Notwithstanding the foregoing, if at any time prior to the Maturity Date and following the one year anniversary of the final Closing Date (as defined below), the VWAP (as defined herein) of the Resulting Issuer Shares is greater than \$0.50 for 20 consecutive trading days, the Resulting Issuer will have the option (the “**Acceleration Option**”), but not the obligation, to provide notice (an “**Acceleration Notice**”) to the Debentureholders that the principal amount and any accrued and unpaid Interest then outstanding under the Convertible Debentures will be converted into Units at a price per Unit equal to the Unit Conversion Price on a date that is not less than 30 days following the date of issuance of such Acceleration Notice (the “**Accelerated Conversion Date**”).

Each Unit will consist of: (i) one Resulting Issuer Share; and (ii) one-half of one Resulting Issuer Share purchase warrant of the Resulting Issuer (each whole Resulting Issuer Share purchase warrant, a “**Warrant**” and, collectively, the “**Warrants**”). Each whole Warrant will be exercisable until the date that is 36 months from the Liquidity Event to purchase one additional Resulting Issuer Share (each, a “**Warrant Share**” and, collectively, the “**Warrant Shares**”) at a price of \$0.30.

Subject to the terms and conditions hereof, the Agent hereby agrees to act as, and the Corporation, by its acceptance hereof, agrees to appoint the Agent as, the sole and exclusive agent of the Corporation to offer the Subscription Receipts to Subscribers of the Offering. The Agent agrees to use its commercially reasonable best efforts to secure subscriptions for the Subscription Receipts, provided that the Agent shall not be under any obligation to purchase any of the Subscription Receipts as principal, although the Agent may subscribe for Subscription Receipts if it so desires. The Agent will have the authority, subject to prior approval of the Corporation, to appoint other registered dealers as members of its selling group to assist in the solicitation of Subscription Receipts (the “**Agent’s Selling Group**”). The fee payable to such sub-agents shall be for the account of the Agent.

In consideration for its services hereunder in respect of the issue of the Subscription Receipts and advising on the terms and conditions of the Offering and on and subject to the terms and conditions herein, the Agent shall be entitled to the Cash Commission (as defined herein) and the securities provided for in Sections 5.1 and 5.2, which shall be payable at the time and in the manner specified in Sections 5.1 and 5.2.

The additional terms and conditions of this agency agreement (the “**Agreement**”) are set forth below.

1. DEFINITIONS

In this Agreement:

- (a) “**Agent’s Certificates**” means the Agent’s Option Certificate, the Agent’s Warrant Certificate, and the CF Debenture Certificate;

- (b) **“Agent’s Expenses”** has the meaning set forth in section 14;
- (c) **“Agent’s Options”** means the options of Molecule which will be issued to the Agent or any members of the selling group upon the Closing Date;
- (d) **“Agent’s Option Certificate”** means the certificate issued by the Corporation representing the Agent’s Option;
- (e) **“Agent’s Option Units”** means units consisting of one Molecule Common Share and one-half of one Agent’s Warrant;
- (f) **“Agent’s Underlying Securities”** means the Agent’s Option Units, the Agent’s Underlying Units, the Agent’s Warrants, and Agent’s Warrant Shares;
- (g) **“Agent’s Underlying Unit”** means a unit consisting of one Molecule Common Share and one half of one Agent’s Warrant, issuable upon conversion of the CF Debentures;
- (h) **“Agent’s Warrant”** means a warrant to purchase one Molecule Common Share;
- (i) **“Agent’s Warrant Certificate”** means the certificate issued by the Corporation representing the Agent’s Warrant;
- (j) **“Agent’s Warrant Share”** means a Molecule Common Share issuable upon exercise of an Agent’s Warrant;
- (k) **“Anti-Money Laundering Laws”** has the meaning set forth in section 13.1qq);
- (l) **“Applicable Legislation”** means the securities acts in the Selling Jurisdictions in Canada, together with all the regulations and rules made and promulgated thereunder and all administrative policy statements, instruments, blanket orders and rulings, notices and administrative directions issued by the Commissions;
- (m) **“Arrangement”** means the plan of arrangement under the *Business Corporations Act* (Ontario) among the Corporation, Everton and the securityholders of the Corporation (for clarity other than securityholders created as a result of the exercise of the Agent’s Options or conversion of the CF Debentures) to be completed pursuant to the Arrangement Agreement;
- (n) **“Arrangement Agreement”** means the arrangement agreement between the Corporation and Everton dated November 27, 2019, as amended;
- (o) **“Assumption Date”** has the meaning set forth in section 5.4;
- (p) **“Business Day”** means any day other than a Saturday, Sunday or a statutory or civic holiday or any other day on which banks are not open for business Vancouver, British Columbia or Toronto, Ontario and shall be a day on which the CSE is open for trading;
- (q) **“Cannabis Act”** means the *Cannabis Act* (Canada) and the regulations promulgated thereunder;

- (r) **“Cash Commission”** means the fee which is set forth in section 5.1 of this Agreement and which is payable by the Corporation to the Agent subject to and in accordance with the terms of this Agreement in consideration of the services performed by the Agent under this Agreement;
- (s) **“CF Debenture Certificate”** means the certificate issued by the Corporation representing the CF Debentures;
- (t) **“CF Debentures”** has the meaning set forth in section 5.2b);
- (u) **“Closing”** means the completion of the issue and sale by the Corporation and the purchase by the Subscribers of Subscription Receipts pursuant to the Subscription Agreements completed by the Subscribers;
- (v) **“Closing Date”** the date or dates on which a Closing occurs, as such may be agreed to between the Corporation, Everton and the Agent;
- (w) **“Closing Time”** means 10:00 am (Vancouver time) on a Closing Date or such other time as the Corporation, Everton and the Agent may agree;
- (x) **“Commissions”** means the securities commission or equivalent regulatory authority in the Selling Jurisdictions in Canada;
- (y) **“Common Shares”** means a class of common shares in the capital of the Corporation or Everton, as applicable, as constituted on the date hereof;
- (z) **“Consolidation”** means, the consolidation of Everton’s outstanding share capital on the basis of ten pre-consolidation common shares for each one post-consolidation common shares, which consolidation shall be effected immediately prior to completion of the Arrangement;
- (aa) **“Convertible Debenture Certificates”** means the certificates issued by the Resulting Issuer representing the Convertible Debentures issuable upon exercise of the Subscription Receipts;
- (bb) **“Corporate Finance Fee”** means the fee payable to the Agent in consideration for its corporate finance structuring services set forth in section 5.2;
- (cc) **“Corporation Financial Statements”** means the audited financial statements of the Corporation for the fiscal year ended October 31, 2019;
- (dd) **“Corporation’s Knowledge”** means to the best of the knowledge, information and belief of the executive management of the Corporation after reviewing all relevant records and making reasonable inquiries of all relevant representatives of the Corporation regarding the relevant matter;
- (ee) **“Corporation Records”** means the Corporation’s financial statements, information circulars, and all documents provided by the Corporation to the Agent from time-to-time;
- (ff) **“CSE”** means the Canadian Securities Exchange;

- (gg) **“Due Diligence Session”** has the meaning in section 4.1;
- (hh) **“Engagement Letter”** means the engagement letter issued by the Agent dated June 5, 2020 as accepted by the Corporation and Everton relating to the Offering;
- (ii) **“Escrow Agent”** means ECS Law Professional Corporation in its capacity as escrow agent;
- (jj) **“Escrow Deadline”** means 4:00 p.m. (Toronto time) on December 31, 2020 or such other date as mutually agreed between the Agent and the Corporation;
- (kk) **“Escrowed Proceeds”** means the gross proceeds of the Offering less the Agent’s Expenses and 50% of the Cash Commission, such amount to be held in escrow by the Escrow Agent;
- (ll) **“Everton Disclosure Record”** means Everton’s annual reports, financial statements, information circulars, material change reports, technical reports, press releases, and all documents filed by Everton on SEDAR or with the applicable securities regulators from time-to-time;
- (mm) **“Everton Financial Statements”** means the audited financial statements of Everton for the fiscal year ended October 31, 2019 and the unaudited financial statements of Everton for the six months ended April 30, 2020;
- (nn) **“Everton’s Knowledge”** means to the best of the knowledge, information and belief of the executive management of Everton after reviewing all relevant records and making reasonable inquiries of all relevant representatives of Everton regarding the relevant matter;
- (oo) **“Everton Subsidiaries”** means the subsidiaries of Everton as disclosed in the Everton Disclosure Record;
- (pp) **“IFRS”** means International Financial Reporting Standards and applicable accounting requirements set by the International Accounting Standards Board or any successor thereto as in effect from time to time;
- (qq) **“Lease”** means the lease agreement dated April 1, 2019 between the Corporation and an Ontario corporation owned and/or controlled by an officer and director of the Corporation for the Leased Premises;
- (rr) **“Leased Premises”** means the premises located at 591 Reynolds Road, Lansdowne, Ontario, K0E 1L0, which the Corporation occupies as tenant pursuant to the Lease, it being understood that the Subsidiary does not occupy any premises as a tenant pursuant to a lease;
- (ss) **“Liquidity Event”** means the date of listing of the Resulting Issuer Shares on the CSE;
- (tt) **“material”** or **“materially”**, where the terms are used, shall be construed, measured or assessed on the basis of whether the matter would materially affect a party and its subsidiaries, taken as a whole, or would prevent or significantly

impede the Offering or the completion of the other transactions contemplated by the Engagement Letter and this Agreement;

- (uu) **“Material Change”** has the meaning defined in the Applicable Legislation;
- (vv) **“Material Contracts”** has the meaning given in 13.1(x);
- (ww) **“Material Fact”** has the meaning defined in the Applicable Legislation;
- (xx) **“Molecule Common Share”** means one common share in the capital stock of the Corporation which, immediately upon the Assumption Date, shall be exchanged for one Resulting Issuer Share, without payment of any additional consideration or action on the part of its holder;
- (yy) **“Offering”** means the offering of Subscription Receipts pursuant to the Subscription Agreements;
- (zz) **“Offering Price”** means \$1,000.00 per Subscription Receipt;
- (aaa) **“Owned Real Property”** means the owned real property that is material to a corporation and of which a corporation is the registered owner;
- (bbb) **“Recognized Exchange”** means the CSE, or such other stock exchange or quotation system in Canada upon which the Resulting Issuer Shares are listed or quoted from time-to-time;
- (ccc) **“Regulatory Authorities”** means the Commissions and the CSE;
- (ddd) **“Release Conditions”** has the meaning in section 3.9;
- (eee) **“Release Date”** has the meaning set forth in Section 3.4;
- (fff) **“Release Notice”** means a notice executed by the Release Notice Signatories, certifying that the Release Conditions have been satisfied to the satisfaction of the Release Notice Signatories or waived with the consent of the Release Notice Signatories;
- (ggg) **“Release Notice Signatories”** means, collectively, an authorized signatory of each of the Corporation, Everton (the Resulting Issuer following completion of the Arrangement) and the Agent;
- (hhh) **“Reporting Provinces”** has the meaning set forth in Section 13.2(x);
- (iii) **“Resulting Issuer Shares”** means the common shares in the capital of the Resulting Issuer as constituted on completion of the Arrangement. All references to the Resulting Issuer Shares are on a post-Consolidation basis, unless stated otherwise;
- (jjj) **“SEDAR”** means the System for Electronic Document Analysis and Retrieval at www.sedar.com;

- (kkk) **“Selling Jurisdictions”** means the each of the provinces of Canada and certain “offshore” jurisdictions outside Canada and the United States as may be agreed to by the Corporation, Everton and the Agent;
- (lll) **“Subscribers”** means the purchasers of Subscription Receipts;
- (mmm) **“Subscription Agreements”** means the subscription agreements entered into among the Corporation, Everton, the Agent and the Subscribers whereby the Subscribers agree to subscribe for Subscription Receipts;
- (nnn) **“Subscription Receipt Certificates”** means the certificates setting forth the terms and conditions of the Subscription Receipts;
- (ooo) **“Subscription Receipts”** means the subscription receipts of the Corporation offered pursuant to this Agreement;
- (ppp) **“Subsidiary”** means Burrard Bay Capital Corp., a corporation formed under the laws of the Province of Ontario and the sole wholly-owned subsidiary of the Corporation;
- (qqq) **“Tax Act”** means the *Income Tax Act* (Canada), as amended, re-enacted or replaced from time to time, including where applicable any specific proposals to amend the Tax Act that are publicly announced by the Minister of Finance (Canada) to have effect prior to the date of this Agreement;
- (rrr) **“Termination Time”** has the meaning set forth on page 1 of this Agreement;
- (sss) **“Underlying Securities”** means the Convertible Debentures, the Units, the Underlying Shares, the Warrants and the Warrant Shares;
- (ttt) **“Underlying Shares”** means the Resulting Issuer Shares issuable upon conversion of the Convertible Debentures;
- (uuu) **“United States”** means the United States of America;
- (vvv) **“Units”** means the Units consisting of one Resulting Issuer Share and one-half of one Warrant, issuable upon conversion of the Convertible Debentures;
- (www) **“VWAP”** means the daily weighted average price of the Resulting Issuer Shares on a Recognized Exchange;
- (xxx) **“Warrant Certificates”** means the certificates representing the Warrants in such form as may be agreed to by the Agent, the Corporation and Everton; and
- (yyy) **“Warrant Share”** means a common share of the Resulting Issuer issuable upon exercise of a Warrant.

Unless expressly stated otherwise, all references to the Underlying Securities and Resulting Issuer Shares and the terms thereof assume completion of the Arrangement and the Consolidation.

2. TERMS OF THE OFFERING

2.1 The Subscription Receipts will be duly and validly created, authorized and issued at the Offering Price per Subscription Receipt pursuant to the terms of the Subscription Agreements and the Subscription Receipt Certificates and will bear a legend or legends in accordance with the Applicable Legislation.

2.2 Subject to the conditions contained herein, the Agent covenants and agrees that the Escrowed Proceeds received from the sale of the Subscription Receipts to Subscribers will be deposited with the Escrow Agent at a Closing Time pursuant to the terms of this Agreement and the Subscription Receipt Certificates.

2.3 Each of the Corporation and Everton covenant with the Agent to use their commercially reasonable efforts to complete the Arrangement and the transactions contemplated thereby as soon as is practicable.

3. SUBSCRIPTION RECEIPT CERTIFICATES, CONVERTIBLE DEBENTURES, UNITS AND ESCROW RELEASE

3.1 The Subscription Receipts will be issued pursuant to, and will be governed by, the terms of the Subscription Receipt Certificates.

3.2 Upon each Closing, the Escrowed Proceeds will be deposited with and held by the Escrow Agent with a Schedule I bank (as such term is defined in the *Bank Act (Canada)*) until the earlier of the delivery of the Release Notice and the Termination Time, in accordance with the terms of the Subscription Receipt Certificates. Provided the Termination Time has not occurred, the Escrowed Proceeds shall be released to the Corporation upon receipt by the Escrow Agent, on or prior to the Termination Time, of the Release Notice from the Release Notice Signatories in accordance with the terms of the Subscription Receipt Certificates. Upon delivery of the Release Notice before the Termination Time, each Subscription Receipt will be deemed to be automatically exchanged, without payment of any additional consideration and without further action on the part of the holder thereof, for one Convertible Debenture of the Resulting Issuer.

3.3 In the event that the Termination Time has occurred, the Subscription Receipts will be automatically terminated and cancelled and each Subscriber will receive from and after the Termination Time from the Escrowed Proceeds a refund of the aggregate subscription amount in respect of such Subscriber's Subscription Receipts in a manner and on the terms and conditions set out in the Subscription Receipt Certificates. To the extent that the Escrowed Proceeds are insufficient to refund to each Subscriber an amount equal to the aggregate Offering Price for such Subscriber's Subscription Receipts, the Corporation will contribute such amount as is necessary to satisfy the shortfall and such funds will be delivered to the holders of Subscription Receipts on a *pro rata* basis (such that each Subscriber will receive an amount equal to the aggregate Offering Price for such Subscriber's Subscription Receipts).

3.4 The Convertible Debentures will be issued pursuant to, and will be governed by, the terms of the Convertible Debenture Certificates.

3.5 Each Convertible Debenture will be an unsecured debt obligation of the Resulting Issuer and will: (a) have a principal amount of \$1,000; (b) bear Interest at the simple rate of 8.0% per annum; and (c) mature on the Maturity Date. All accrued and unpaid Interest will be paid in instalments within 30 days of (or the next Business Day immediately following such date) each

Interest Payment Date following the Liquidity Event and occurring on or prior to the earlier of: (i) the Conversion Date; (ii) the Accelerated Conversion Date; and (iii) the Maturity Date. Unless converted, the principal amount and any accrued and unpaid Interest then outstanding under the Convertible Debentures will be paid in cash on the Maturity Date. In the event that a Convertible Debenture is converted in accordance with the terms of the Convertible Debenture Certificate, any Interest accrued between the immediately preceding Interest Payment Date, and the Conversion Date or the Accelerated Conversion Date, as the case may be, will be converted together with the then outstanding principal amount of the Convertible Debenture into Units.

3.6 The principal amount and any accrued and unpaid Interest then outstanding under the Convertible Debentures will be convertible into Units of the Resulting Issuer the Unit Conversion Price at the sole option of the Debentureholders at any time prior to 4:00 P.M. (Toronto Time) on the last business day preceding the Maturity Date, which conversion shall occur on the Conversion Date. Notwithstanding the foregoing, if at any time prior to the Maturity Date and following the one year anniversary of the final Closing Date, the VWAP of the Resulting Issuer Shares is greater than \$0.50 for 20 consecutive trading days, the Resulting Issuer will have the Acceleration Option, but not the obligation, to provide an Acceleration Notice to the Debentureholders that the principal amount and any accrued and unpaid Interest then outstanding under the Convertible Debentures will be converted into Units at a price per Unit equal to the Unit Conversion Price on the Accelerated Conversion Date.

3.7 Each Unit issuable on conversion of the Convertible Debentures will consist of: (i) one Resulting Issuer Share; and (ii) one-half of one Warrant.

3.8 The Warrants will be issued pursuant to, and will be governed by, the terms of the Warrant Certificates. Each whole Warrant will be exercisable until the date that is 36 months from the Liquidity Event to purchase one additional Resulting Issuer Share at a price of \$0.30.

3.9 The release conditions (the “**Release Conditions**”) consist of:

- (i) the Corporation and Everton having consummated the transactions contemplated in the Arrangement Agreement;
- (ii) the receipt of written confirmations from each of the Corporation and Everton by the Agent that: (A) all conditions to the completion of the Arrangement as contemplated in the Arrangement Agreement have been waived or completed other than release of the net proceeds of the Offering; (B) no material terms of the Arrangement Agreement or any other agreements or documents contemplated herein have been modified and/or waived without the prior written consent of the Agent, acting reasonably other than with respect to the unit financing as described in the Agent Agreement (the “**Unit Financing**”); and (C) all necessary action has been taken by each of Everton and the Corporation to waive the obligation to complete the Unit Financing;
- (iii) the Resulting Issuer Shares, including Resulting Issuer Shares forming part of the Units, and the Warrant Shares issuable upon exercise of the Warrants, having been conditionally approved for listing on the CSE;
- (iv) the receipt of any necessary shareholder, regulatory and other approvals, with respect to the transactions contemplated herein and in the Arrangement

Agreement, or the requirement for such approvals having been waived by the Agent;

- (v) counsel to the Corporation, or Resulting Issuer, as applicable, having delivered an opinion (in form satisfactory to the Agent) addressed to the Agent and its counsel addressing such legal matters as the Agent and its counsel may request, acting reasonably;
- (vi) an officer's certificate duly executed by one senior executive officer of each of the Corporation and the Resulting Issuer that such entity is not and will not be in breach or default of any of its covenants or obligations under the Arrangement Agreement or this Agreement, other than those in this Agreement which have been waived in writing by the Agent, and all conditions required to be fulfilled in this Agreement by such entity will have been fulfilled; and
- (vii) the Agent being fully satisfied in its sole discretion, acting reasonably, with the results of its due diligence investigations.

4. DUE DILIGENCE REVIEW

4.1 The Corporation and Everton shall each allow the Agent the opportunity to conduct required due diligence and to obtain, acting reasonably, satisfactory results therefrom and in particular, the Corporation and Everton shall each allow the Agent and its counsel to conduct all due diligence which the Agent may reasonably require to satisfy its obligations as registrants and, in this regard, without limiting the scope of the due diligence inquiries the Agent may conduct, the Corporation and Everton shall each make available its senior management, directors and legal counsel and its auditors to answer any questions which the Agent may have and to participate in one or more due diligence sessions to be held prior to a Closing Date (all of such sessions referred to as the "**Due Diligence Session**").

5. AGENT'S CASH COMMISSION AND FEES

5.1 In consideration for their services hereunder in connection with the Offering, the Corporation agrees to pay to the Agent a cash fee equal to [REDACTED] (the "**Cash Commission**") of which:

- (a) [REDACTED]% will be paid to the Agent on the final Closing Date; and
- (b) [REDACTED]% will be included with the Escrowed Proceeds and either:
 - (i) paid to the Agent on the Release Date; or
 - (ii) if the Release Conditions are not satisfied and the Termination Time has occurred, returned to the Subscribers with the balance of the Escrowed Proceeds.

5.2 In addition to the Cash Commission, the Corporation also agrees to issue and deliver to the Agent, on the final Closing Date:

- (a) Agent's Options to acquire that number of Agent's Option Units equal to [REDACTED]% of the aggregate principal amount of the Convertible Debentures divided by the Unit

Conversion Price, where each Agent's Option is exercisable to acquire one Agent's Option Unit at an exercise price equal to the Unit Conversion Price for a period of three years from the Liquidity Event pursuant to the terms of the Agent's Option Certificate; and

- (b) as a fee for its corporate finance services, the Corporate Finance Fee that number of convertible debentures (the "**CF Debentures**") equal to ■■■% of the aggregate number of Subscription Receipts sold under the Offering pursuant to the terms of the CF Debentures Certificate.

5.3 The Corporation and Everton covenant and agree that the Agent's Certificates will, among other things, include provisions for the appropriate adjustment in the class, number and price of the Agent's Underlying Securities upon the occurrence of certain events, excluding the Arrangement and the Consolidation, as well as any other subdivision, consolidation or reclassification of the common shares and the payment of stock dividends.

5.4 Upon completion of the Arrangement, the Corporation and the Resulting Issuer hereby agree that the Resulting Issuer shall automatically assume and accept, undertake to discharge, perform and fulfill, and be bound and liable and responsible for, all obligations and liabilities of the Corporation under the Agent's Certificates from and after the date of completion of the Arrangement Agreement (the "**Assumption Date**"), including the obligation to issue the Agent's Underlying Securities as securities of the Resulting Issuer upon conversion of the CF Debentures, to issue Resulting Issuer Shares and Warrants upon due exercise of the Agent's Option, and to issue Warrant Shares upon due exercise of the Agent's Warrants, such that all references to Molecule Common Shares shall be deemed to be references to Resulting Issuer Shares, all references to Agent's Underlying Securities, Agent's Option Units and Agent's Warrants shall each be deemed to be references to such same securities of the Resulting Issuer, and all references to the Corporation shall be deemed to be references to the Resulting Issuer. For the avoidance of doubt, as of the Assumption Date, the holders of the Agent's Units, CF Debenture, and the Agent's Warrant (for the purposes of this subsection, the "**Holder**"), as applicable, shall not have the option to acquire any securities of the Corporation and any and all securities to which the Holder will be entitled to shall be securities of the Resulting Issuer. Further, to the extent permitted by applicable laws, the Resulting Issuer shall be entitled as of the Assumption Date, in its sole discretion, to exchange any and all Agent's Certificates for corresponding certificates of the Resulting Issuer without consent of the Holder on the same terms set out in the applicable Agent's Certificate.

6. OFFERING RESTRICTIONS

6.1 The Agent will only sell the Subscription Receipts to persons who represent themselves as being:

- (a) persons purchasing as principal; and
- (b) qualified to purchase the Subscription Receipts under exemptions from the prospectus requirements under Applicable Legislation.

6.2 The Offering has not been and will not be advertised in any way.

6.3 No selling or promotional expenses will be paid or incurred in connection with the Offering, except for professional services or for services performed by a registered dealer.

7. SUBSCRIPTIONS

The Agent will obtain from each Subscriber introduced by the Agent, and deliver to the Corporation and Everton, on or before a Closing Date duly completed and signed Subscription Agreements in respect of the Subscription Receipts.

8. FILINGS WITH THE REGULATORY AUTHORITIES

8.1 Within 10 days of Closing of the Offering, the Corporation will file with the Commissions the reports of exempt distribution required to be filed by the Applicable Legislation in connection with the Offering, in the required form.

9. CONDITION PRECEDENTS OF CLOSINGS

9.1 The following are conditions precedent to the obligation of the Agent hereunder which conditions each of the Corporation and Everton covenant to exercise its commercially reasonable efforts to have fulfilled at or prior to each Closing Time and which conditions may be waived in writing in whole or in part by the Agent at any time. If any of the conditions are not met, the Agent may terminate its obligations under this Agreement without prejudice to any other remedies it may have. At each Closing Time:

- (a) the Agent shall have received a copy of a legal opinion of the Corporation's counsel addressed to the Agent and the Agent's counsel and the Subscribers, dated as of the applicable Closing Date, in form and substance satisfactory to the Agent and its counsel, acting reasonably, with respect to all legal matters as the Agent may reasonably request relating to the Corporation, the Offering and as to all other legal matters relevant to the Offering, including compliance with the Applicable Legislation, in any way connected with the creation, issuance, sale and delivery of the Subscription Receipts as the Agent's counsel may reasonably request. It is understood that the Corporation's counsel may rely on or cause to be delivered the opinions of local counsel acceptable to them and on certificates of one or more officers of the Corporation as to relevant matters of fact. It is further understood that the Agent's counsel may rely on the opinion of the Corporation's counsel as to matters which specifically relate to the Corporation and Offering;
- (b) the Agent shall have received a copy of a legal opinion of Everton's counsel addressed to the Agent and the Agent's counsel and the Subscribers, dated as of the applicable Closing Date, in form and substance satisfactory to the Agent and its counsel, acting reasonably, with respect to all legal matters as the Agent may reasonably request relating to Everton, the Offering and as to all other legal matters relevant to the Offering, including compliance with the Applicable Legislation, in any way connected with the creation, issuance, sale and delivery of the Subscription Receipts, Underlying Securities, Agent's Options and CF Debentures as the Agent's counsel may reasonably request. It is understood that Everton's counsel may rely on the opinions of local counsel acceptable to them and on certificates of one or more officers of Everton as to relevant matters of fact. It is further understood that the Agent's counsel may rely on the opinion of Everton's counsel as to matters which specifically relate to Everton and Offering;

- (c) the Agent shall have received a certificate of incumbency of each of the Corporation and Everton, dated as of the applicable Closing Date, including specimen signatures of their respective Chief Executive Officers, Chief Financial Officers and any other officer signing this Agreement or any document delivered hereunder;
- (d) the Agent shall have received a certificate of the Corporation, addressed to the Agent and the Agent's counsel, dated the applicable Closing Date and signed on the Corporation's behalf by its Chief Executive Officer and Chief Financial Officer or such other senior officer(s) satisfactory to the Agent, acting reasonably, certifying that:
 - (i) the Corporation has complied with and satisfied all material covenants, terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Time;
 - (ii) the representations and warranties of the Corporation contained herein are true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time;
 - (iii) no event of a nature referred to in Sections 12.1(a), 12.1(b) and 12.1(c) has occurred since the date of this agreement or to the knowledge of such officers, is pending, contemplated or threatened;
 - (iv) the Corporation has made and/or obtained, on or prior to the Closing Time, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which the Corporation is a party or by which it is bound in respect of the execution and delivery of this Agreement, the Subscription Receipt Certificates and the consummation of the other transactions contemplated herein and therein other than the listing of the Resulting Issuer Shares on the CSE; and
 - (v) there has been no material adverse change (actual, anticipated, contemplated or threatened (of which such officers are aware), whether financial or otherwise) to such date in its business, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Corporation from that disclosed in the Corporation Records,and the Agent shall have no knowledge to the contrary;
- (e) the Agent shall have received a certificate of Everton, addressed to the Agent and the Agent's counsel, dated the Closing Date and signed on Everton's behalf by on behalf of Everton by its Chief Executive Officer and Chief Financial Officer or such other senior officer(s) satisfactory to the Agent, acting reasonably, certifying that:
 - (i) Everton has complied with and satisfied all material covenants, terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Time;

- (ii) the representations and warranties of Everton contained herein are true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time;
- (iii) no event of a nature referred to in Sections 12.1(a), 12.1(b) and 12.1(c) has occurred since the date of this agreement or to the knowledge of such officers, is pending, contemplated or threatened;
- (iv) Everton has made and/or obtained, on or prior to the Closing Time, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which Everton is a party or by which it is bound in respect of the execution and delivery of this Agreement, the Subscription Receipt Certificates, the certificates representing the Agent's Options, the certificate representing the CF Debentures and the consummation of the other transactions contemplated herein and therein, other than the listing of the Resulting Issuer Shares on the CSE and the delisting of the common shares of Everton on the TSX Venture Exchange; and
- (v) there has been no material adverse change (actual, anticipated, contemplated or threatened (of which such officers are aware), whether financial or otherwise) to such date in its business, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of Everton from that disclosed in the Everton Disclosure Record,

and the Agent shall have no knowledge to the contrary;

- (f) the Agent shall have received evidence satisfactory to the Agent that all necessary approvals have been obtained for the issuance of the Subscription Receipts the Agent's Options and CF Debentures;
- (g) intentionally deleted;
- (h) the Agent shall have received copies of the articles and by-laws of the Corporation delivered at Closing certified by a senior officer of the Corporation to be full, true and correct copies, unamended and in effect on the date thereof;
- (i) the Agent shall have received copies of the articles and by-laws of Everton delivered at Closing certified by a senior officer of Everton to be full, true and correct copies, unamended and in effect on the date thereof;
- (j) the Agent shall have received executed copies of the Subscription Receipt Certificates in form and substance reasonably satisfactory to the Agent and the Agent's counsel;
- (k) the Agent shall have received such other documents and certificates as the Agent or the Agent's counsel may request, acting reasonably;
- (l) the Arrangement Agreement shall not have been further amended or terminated;
- (m) the final order of the Ontario Superior Court of Justice in respect of the Arrangement shall not have been amended or revoked;

- (n) the Agent's counsel shall have received legal undertakings on terms satisfactory to them, in their sole discretion, from the Escrow Agent in respect of the Escrowed Proceeds; and
- (o) the Agent shall be satisfied, in its sole discretion, with the results of its due diligence investigations in respect of the Corporation, Everton and their respective businesses.

10. CLOSING AND RELEASE DATE

10.1 Each Closing shall be completed at the Closing Time at the offices of MLT Aikins LLP in Vancouver, British Columbia or at such other place as the Corporation and the Agent may agree in writing.

10.2 The initial Closing of the Offering shall be for gross proceeds of not less than \$940,000.

10.3 At each Closing Time, the Agent shall deliver to the Escrow Agent, by wire transfer, the Escrowed Proceeds from the sale of the Subscription Receipts sold against delivery by the Corporation to or as directed by the Agent of:

- (a) the opinions, certificates and documents referred to in Section 9.1 (in electronic form);
- (b) definitive Subscription Receipt Certificates registered in such name or names as the Agent shall notify the Corporation in writing not less than 48 hours prior to the Closing Time; and
- (c) definitive certificates representing: (i) the Agent's Options registered as directed by the Agent; and (ii) the CF Debentures, registered as directed by the Agent.

10.4 On the Release Date:

- (a) the Escrow Agent shall send to the Agent a wire transfer, electronic funds transfer, certified cheque or bank draft representing the balance of the Cash Commission forming part of the Escrowed Proceeds; and
- (b) the Resulting Issuer shall send to or as directed by the Agent definitive certificates representing the Convertible Debentures issuable upon conversion of the Subscription Receipts, registered as directed by the Agent.

11. MATERIAL CHANGES

11.1 During the period from the date hereof until the Release Date, the Corporation and Everton each shall promptly notify the Agent, in writing, with full particulars, of:

- (a) any change (actual, anticipated, contemplated or threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Corporation or Everton, as applicable; and
- (b) any other fact, event or circumstance in respect of the Corporation or Everton, as applicable;

which is, or may be, of such a nature as to render any statement in the Corporation Records or Everton Disclosure Record, as applicable, misleading or untrue or which would result in the Corporation Records or Everton Disclosure Record, as applicable, containing a misrepresentation or which would result in any of such documents not complying with any of the Applicable Legislation or which would reasonably be expected to have a significant effect on the market price or value of the Subscription Receipts, the Convertible Debentures or the Units.

11.2 The Corporation and Everton shall in good faith discuss with the Agent any change, fact, event or circumstance (actual, anticipated, contemplated or threatened) which is of such a nature that there is reasonable doubt whether notice need be given to the Agent pursuant to Section 11.1 and in any event, prior to making any filing referred to in Section 11.3.

11.3 The Corporation and Everton shall each promptly comply with all applicable disclosure, filing and other requirements under the Applicable Legislation arising as a result of any change, fact, event or circumstance referred to in Section 11.1.

11.4 During the period commencing on the date hereof and ending on the Release Date, the Corporation and Everton will each promptly inform the Agent of the full particulars of:

- (a) any request of any Commission for any amendment to any part of the Everton Disclosure Record, as applicable, or for any additional information; or
- (b) the issuance by any Commission, stock exchange or other competent authority of any order to cease or suspend trading of any securities of the Everton or of the institution or threat of institution of any proceedings for that purpose.

12. TERMINATION

12.1 In addition to any other remedies which may be available to the Agent, the Agent shall be entitled, at its option, to terminate and cancel its obligations under this Agreement, without any liability on its part, if prior to the Closing Time:

- (a) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is instituted, announced or threatened or any order is issued by any federal, provincial, state, municipal, local or other governmental or body, domestic or foreign, any subdivision or authority of any of the foregoing or any quasi-governmental, self-regulatory organization or private body exercising any regulatory, expropriation or taxing authority under or for the account of its members or any of the above (collectively, "**Governmental Authority**") in respect of the Corporation, Everton or any of their respective directors and officers (other than an inquiry, investigation, proceeding or order based upon the activities or alleged activities of the Agent); or there is any change of law, or the interpretation or administration thereof; or any order to cease trading (including communicating with persons in order to obtain expressions of interest) in the securities of the Corporation or Everton is made by a Governmental Authority and that order is still in effect, which in the reasonable opinion of the Agent operates to prevent or restrict the trading in the Subscription Receipts or Underlying Securities or the distribution of the Subscription Receipts or Underlying Securities or which in the reasonable opinion of the Agent, could be expected to have a material adverse effect on the market price or value of the Subscription Receipts or Underlying Securities, by giving the Corporation and Everton written notice to that effect;

- (b) there shall occur any material change in the business, financial condition, assets, liabilities (contingent or otherwise), results of operations or prospects of the Corporation or Everton, or there shall exist or be discovered by the Agent any Material Fact which is, or may be, of such a nature as to render the Corporation Records or Everton Disclosure Record, untrue, false or misleading in a material respect or result in a misrepresentation (other than a change or fact related solely to the Agent), which in the opinion of the Agent could be expected to have a material adverse effect on the market price or value of the Subscription Receipts or Underlying Securities, by giving Corporation and Everton written notice to that effect;
- (c) except for the global pandemic related to virus known as "COVID-19" (unless there should develop material adverse developments in Canada related thereto after July 1, 2020), there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence, acts of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions or any action, law, regulation or inquiry which, in the opinion of the Agent, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada, or the business, operations or affairs of the Corporation or Everton, by giving the Corporation written notice to that effect;
- (d) the state of financial markets in Canada is such that, in the opinion of the Agent, the Subscription Receipts or Underlying Securities cannot be marketed profitably;
- (e) the Agent, acting reasonably, is not satisfied in its sole discretion with the scope or results of its due diligence review and investigations conducted by them or on their behalf, of the Corporation, Everton, their respective properties, businesses, operations, affairs, prospects, liabilities (contingent or otherwise), financial condition or assets; or
- (f) either of the Corporation or Everton is in breach of any material term, condition or covenant of this Agreement or any of the representations and warranties made by the Corporation or Everton in this Agreement is false or becomes false.

Any such termination shall be effected by giving written notice to the Corporation and Everton at any time prior to the Closing Time. In the event of a termination by the Agent pursuant to this Section 12.1, there shall be no further liability on the part of the Agent to the Corporation or Everton.

13. WARRANTIES, REPRESENTATIONS AND COVENANTS

13.1 The Corporation represents, warrants and covenants to and with the Agent, and acknowledges that the Agent and Agent's counsel are relying upon same, that:

- (a) the Corporation has been duly organized and continued and is validly subsisting and in good standing under the laws of the Province of Ontario; it has the corporate power to own or lease its property and to carry on its business as now being conducted by it; it is duly qualified as a corporation to do business and is in good

standing in each jurisdiction in which the nature of its business conducted by it or the property owned or leased by it makes such qualification necessary;

- (b) the Corporation has full corporate power and authority to create, issue and sell the Subscription Receipts;
- (c) at each Closing Date the Subscription Receipts to be issued on such date will be duly and validly created, issued, sold and delivered;
- (d) to the Corporation's Knowledge, the Corporation has conducted, and is conducting, its business in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable licensing and environmental legislation, environmental permits and orders, regulations or by-laws or other similar legislation, regulations or by-laws or other lawful requirements of any governmental or regulatory bodies which are applicable to the Corporation in each jurisdiction where the Corporation carries on any material portion of its business and the Corporation is not aware of any such legislation, regulation, permit or order, by-law or lawful requirement presently in force or proposed to be brought into force by any governmental or regulatory authority which the Corporation anticipates it will be unable to comply with without materially adversely affecting its business;
- (e) to the Corporation's Knowledge, each of the Corporation and the Subsidiary hold all material requisite licences, registrations, qualifications, permits and consents necessary or appropriate for carrying on their respective businesses as currently carried on and all such licences, registrations, qualifications, permits and consents are valid and subsisting and in good standing in all material respects. Without limiting the generality of the foregoing, neither the Corporation nor the Subsidiary has received a written notice of non-compliance, nor does it know of, nor have reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which would have a material adverse effect;
- (f) other than the Leased Premises and except as disclosed in the Corporation Records and to the Agent or the Agent's counsel, each of the Corporation and the Subsidiary is the absolute legal and beneficial owner of, and has good and marketable title to, all of the material properties and assets thereof as described in the Corporation Records. Any and all of the agreements and other documents and instruments pursuant to which each of the Corporation and Subsidiary holds the material property and assets thereof (including any interest in, or right to earn an interest in, any Intellectual Property (as hereinafter defined)) are valid and subsisting agreements, documents and instruments in full force and effect, enforceable in accordance with the terms thereof, and such material properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, and all material leases, licenses and other agreements pursuant to which the Corporation or the Subsidiary derives the interests thereof in such property are in good standing. The Corporation does not know of any claim or the basis for any claim that might or could materially and adversely affect the right of the Corporation or the Subsidiary to use, transfer or otherwise exploit their respective assets, none of the properties (or any interest in, or right to earn an interest in, any property) of the Corporation or the Subsidiary is

subject to any right of first refusal or purchase or acquisition right, and neither the Corporation nor the Subsidiary has a responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the property and assets thereof;

- (g) with respect to the Leased Premises, the Corporation occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises and the Lease is in good standing and in full force and effect, except where failure to be so would not reasonably be expected to result in a material adverse effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement and the completion of the transactions described herein by the Corporation, will not afford any of the parties to the Lease or any other person the right to terminate the Lease or result in any additional or more onerous obligations under the Lease. The Corporation has provided the Agent with true and complete copies of the Lease, being the only lease to which the Corporation is a party;
- (h) neither the Corporation nor the Subsidiary owns any Owned Real Property;
- (i) other than as disclosed to the Agent or forms part of the Corporation Records, there has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation from the position set forth in the Corporation Financial Statements other than in the ordinary course of business and there has not been any material adverse change in the business, operations, capital or condition (financial or otherwise) or results of the operations of the Corporation since October 31, 2019 other than in the ordinary course of business, and since that date there have been no Material Facts, transactions, events or occurrences other than in the ordinary course of business which could materially adversely affect the capital, assets, liabilities (absolute, accrued, contingent or otherwise), business, operations or condition of the Corporation, which have not been disclosed in the Corporation Record; the Corporation Financial Statements comply as to form in all material respects with the requirements of the Applicable Legislation and (i) present fairly, in all material respects, the financial position of the Corporation and its financial performance and its cash flows and other information purported to be shown therein at the respective dates and for the respective periods to which they apply, (ii) have been prepared in accordance with IFRS, consistently applied throughout the period covered thereby, and all adjustments necessary for a fair presentation of the results for such periods have been made in all material respects, and (iii) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Corporation, and, except as disclosed in the Corporation Records, there has been no change in accounting policies or practices of the Corporation since October 31, 2019;
- (j) since the date of the most recent balance sheet contained in the Corporation Financial Statements, the Corporation has not incurred, assumed or suffered any liability (absolute, accrued, contingent or otherwise) or entered into any transaction which is or may be material to the Corporation, and is not in the ordinary course of business, except as disclosed in the Corporation Records;
- (k) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurance: (i) that transactions are completed in accordance

with the general or a specific authorization of management or directors of the Corporation; (ii) that transactions are recorded as necessary to permit the preparation of the financial statements for the Corporation in conformity with IFRS and to maintain asset accountability; (iii) that access to assets of the Corporation is permitted only in accordance with the general or a specific authorization of management or directors of the Corporation; (iv) that the recorded accountability for assets of the Corporation is compared with the existing assets of the Corporation at reasonable intervals and appropriate action is taken with respect to any differences therein; and (v) regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Corporation's assets that could have a material effect on its financial statements or interim financial statements;

- (l) the auditors who audited the audited Corporation Financial Statements and who provided their audit report thereon are independent public accountants and there has not, during the last two financial years, been a reportable event (within the meaning of NI 51-102) between the Corporation and any such auditor;
- (m) to the Corporation's Knowledge, except as disclosed to the Agent prior to the execution of this Agency Agreement, there are no actions, suits, proceedings or inquiries pending or threatened against or affecting the Corporation at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality which may in any way materially adversely affect the business, operations or condition (financial or otherwise) of the Corporation or its properties or assets or which may affect the distribution of the CF Debentures, Agent's Underlying Units, Agent's Warrants, Agent's Warrant Shares or Agent's Options or questions the validity of the issuance of the CF Debentures, Agent's Underlying Units, Agent's Warrants, Agent's Warrant Shares or Agent's Options in accordance with the Applicable Legislation; and to the Corporation's knowledge, there is no existing ground on which such action, suit, proceeding or inquiry might be commenced with any reasonable likelihood of success;
- (n) the Corporation has full corporate power and authority to create and issue the CF Debentures, the Agent's Underlying Units, the Agent's Warrants, the Agent's Warrant Shares, the Agent's Options, and any Molecule Common Shares issuable on exercise or conversion thereof;
- (o) intentionally deleted;
- (p) the Corporation has not committed an act of bankruptcy or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to be declared bankrupt or wound up, taken any proceeding to have a receiver appointed of any of the assets thereof, had any person holding any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement or other security interest or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had any petition for a receiving order in bankruptcy filed against it;

- (q) except as disclosed in the Corporation Records or as disclosed to the Agent, there are no actions, suits, proceedings or inquiries pending or threatened against or affecting the Corporation at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality which may in any way materially adversely affect the business, operations or condition (financial or otherwise) of the Corporation or its properties or assets or which may affect the distribution of the Subscription Receipts or questions the validity of the issuance of the Subscription Receipts in accordance with the Applicable Legislation; and to the Corporation's Knowledge, there is no existing ground on which such action, suit, proceeding or inquiry might be commenced with any reasonable likelihood of success;
- (r) to the Corporation's Knowledge, none of the offering and sale of the Subscription Receipts, the execution and delivery of the Engagement Letter, this Agreement, the Subscription Receipt Certificates, the compliance by the Corporation with the provisions of the Engagement Letter and this Agreement or the consummation of the transactions contemplated herein and therein including, without limitation, the issue of the Subscription Receipts upon the terms and conditions as set forth herein, do or will (i) subject to compliance by the Agent with the provisions of the Engagement Letter and this Agreement, require the consent, approval, authorization, order or agreement of, or registration or qualification with, any governmental agency, body or authority, court, stock exchange, securities regulatory authority or other person, except (A) such as have been, or will by the Closing Date, be obtained, which includes the any required shareholder approvals or (B) such as may be required under the Applicable Legislation of any of the Selling Jurisdictions and the policies of the TSX Venture Exchange or the CSE, as applicable, or (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Corporation is a party or by which it or any of the properties or assets thereof is bound, or the articles or any other constating document of the Corporation or any resolution passed by the directors (or any committee thereof) or shareholders of the Corporation, or any statute or any judgment, decree, order, rule, policy or regulation of any court, governmental authority, arbitrator, stock exchange or securities regulatory authority applicable to the Corporation or any of the properties or assets thereof;
- (s) except as disclosed in the Corporation Records and to the Corporation's Knowledge, the Corporation is in compliance with all its obligations, covenants and terms contained in any banking or financing agreements to which it is a party;
- (t) the authorized capital of the Corporation consists of an unlimited number of Class A common shares, Class B common shares, Class C common shares, Class D common shares, Class E common shares and an unlimited number of Class F preference shares, Class G preference shares, Class H preference shares, Class I preference shares, and Class J preference shares of which as at the date hereof 74,700,000 Class A common shares and 100 Class B common shares are issued and outstanding, as fully paid and non-assessable shares and no other shares are issued and outstanding;
- (u) other than stock options and restricted share units granted to directors, officers employees and consultants of the Corporation, no person holds any securities

convertible or exchangeable into any class of securities of the Corporation or has any agreement, warrant, option, right or privilege that is, or is capable of becoming, an agreement, warrant, option or right for the purchase of any unissued securities of the Corporation, except as disclosed in the Corporation Records or as has been disclosed in writing to the Agent, which includes, without limitation:

- (i) as of July 29, 2020, 2,500,000 stock options to acquire Common Shares pursuant to the Corporation's incentive stock option plan; and
 - (ii) as of July 29, 2020, 1,706,667 restricted share units pursuant to the Corporation's restricted share unit plan;
- (v) no person other than the Agent holds any right of first refusal over any securities offerings or financings by the Corporation which have not been waived in writing by such person, except as disclosed to the Agent;
- (w) the Corporation has full corporate power and capacity to enter into the Engagement Letter, this Agreement and the Subscription Receipt Certificates and to perform its obligations set out herein and therein, and each of the Engagement Letter, this Agreement, and the Subscription Receipt Certificates has been, or will be, upon execution, duly authorized, executed and delivered by the Corporation and the Engagement Letter, this Agreement and the Subscription Receipt Certificates are, or will be, upon execution, legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms, subject to the approval in each instance of Everton; subject to the usual qualification including applicable bankruptcy, insolvency, moratorium, reorganization and other laws and equitable principles affecting creditors' rights generally, the statutory and equitable powers of the courts in Canada to stay proceedings before them and the execution of judgments and by the fact that specific performance and injunctive relief are equitable remedies which may be ordered by a court in its discretion and, accordingly, may not be available as a remedy in an action to enforce a covenant and subject to the fact that the rights to indemnity, contribution and waiver set forth herein may be limited by applicable laws or the public policy underlying such laws;
- (x) each of the contracts (the "**Material Contracts**") to which the Corporation is a party or by which it is bound and which are material to the business, affairs or operations of the Corporation, constitute a legal, valid and binding obligation of the Corporation, enforceable in accordance with its terms subject to the usual qualification including applicable bankruptcy, insolvency, moratorium, reorganization and other laws and equitable principles affecting creditors' rights generally, the statutory and equitable powers of the courts in Canada to stay proceedings before them and the execution of judgments and by the fact that specific performance and injunctive relief are equitable remedies which may be ordered by a court in its discretion and, accordingly, may not be available as a remedy in an action to enforce a covenant and subject to the fact that the rights to indemnity, contribution and waiver set forth herein may be limited by applicable laws or the public policy underlying such laws, and, to the Corporation's Knowledge, no party to any such Material Contract is in default thereunder;

- (y) except as has been disclosed to the Agent, the Corporation is not in default of any material term, covenant or condition under or in respect of any judgement, order, agreement or instrument to which it is a party or to which it or any of the property or assets thereof are or may be subject, and no event has occurred and is continuing, and to the Corporation's Knowledge, no circumstance exists which has not been waived, which constitutes a default in respect of any commitment, agreement, document or other instrument to which the Corporation is a party or by which it is otherwise bound entitling any other party thereto to accelerate the maturity of any material amount owing;
- (z) to the Corporation's Knowledge, no counterparty to any material obligation, agreement, covenant or condition contained in any contract, indenture, trust deed, mortgage, loan agreement, note, lease or other agreement or instrument to which the Corporation or the Subsidiary is a party is in default in the performance or observance thereof, except where such violation or default in performance would not have a material adverse effect;
- (aa) no securities commission or similar regulatory authority in Canada has issued any order preventing or suspending trading in any securities of the Corporation, no such proceeding is to the Corporation's Knowledge, pending, contemplated or threatened and the Corporation is not in default of any material requirement of the Applicable Legislation;
- (bb) the Corporation has no subsidiaries or interest in any other person or entity other than its interest in the Subsidiary and the Corporation beneficially owns, directly or indirectly, all of the issued and outstanding shares in the capital of the Subsidiary, which are free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands of any kind whatsoever, all of such shares have been duly authorized and are validly issued and are outstanding as fully paid and non-assessable shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Corporation of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of the Subsidiary or any other security convertible into or exchangeable for any such shares;
- (cc) the Corporation Records, as of the date thereof, do not contain any untrue statement of a Material Fact or, to the extent applicable to a non-reporting issuer, omit to state a Material Fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and such documents, to the extent applicable to a non-reporting issuer, collectively constitute full, true and plain disclosure of all Material Facts relating to the Corporation and do not contain any untrue statement of a Material Fact or, to the extent applicable to a non-reporting issuer, omit to state a Material Fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, as of the date thereof. There is no Material Fact known to the Corporation which the Corporation has not disclosed in the Corporation Records, to the extent applicable to a non-reporting issuer, and to the Agent, which has resulted in a material adverse effect, or so far as the Corporation can reasonably foresee, will have a

material adverse effect or materially adversely affect the ability of the Corporation to perform its obligations under this Agreement;

- (dd) the Corporation has duly and on a timely basis filed all tax returns required to be filed by it, has paid all taxes due and payable by it and has paid all assessments and re-assessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are claimed by any governmental authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or repayment of any tax, governmental charge or deficiency by the Corporation and, to the Corporation's Knowledge, there are no actions, suits, proceedings, investigations or claims threatened or pending against the Corporation in respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority;
- (ee) to the Corporation's Knowledge, the Corporation has title to its assets and properties as disclosed in the Corporation Records necessary to carry on its business (for the purposes of this clause, the foregoing are referred to as the "**Interests**") and it does represent and warrant that the Interests are free and clear of adverse claims created by, through or under the Corporation, except as disclosed in the Corporation Records or those arising in the ordinary course of business, which are not material in the aggregate, and, to the Corporation's Knowledge, the Corporation and the Subsidiary, as applicable, holds their respective Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;
- (ff) the Corporation and the Subsidiary, as applicable, owns or has all proprietary rights provided in law and at equity to all patents, trademarks, service marks, logos, slogans, whether in word mark or stylized or design format, copyrights, industrial designs, software, trade secrets, industrial designs, invention, technical data and information, know how, concepts, information and other intellectual and industrial property, whether registered or unregistered, and all rights and claims related thereto, as applicable (collectively, "**Intellectual Property**") necessary to permit the Corporation and the Subsidiary, as applicable, to conduct their respective business as currently conducted, as applicable. Neither the Corporation nor the Subsidiary, as applicable, has received any notice nor is the Corporation aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances that would render any Intellectual Property invalid or inadequate to protect the interests of the Corporation or the Subsidiary, as applicable, therein and which infringement or conflict (if subject to an unfavourable decision, ruling or finding) or invalidity or inadequacy would have a material adverse effect;
- (gg) the Corporation and the Subsidiary, as applicable, has taken or is in the process of taking all reasonable steps to protect its Intellectual Property in those jurisdictions where, in the reasonable opinion of the Corporation and/or the

Subsidiary carries on a sufficient business to justify such filings, except that the Corporation may wish to file additional trademark and/or patent applications;

- (hh) neither the Corporation nor the Subsidiary has received any notice or claim (whether written, oral or otherwise) challenging its ownership or right to use of any Intellectual Property 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 Corporation's Knowledge, is there a reasonable basis for any claim that any person other than the Corporation or the Subsidiary has any claim of legal or beneficial ownership or other claim or interest in any Intellectual Property;
- (ii) the Corporation is not aware of any licensing or legislation, regulation, bylaw or other lawful requirement of any Governmental Authority having lawful jurisdiction over the Corporation presently in force or, to its knowledge, proposed to be brought into force, or any pending or contemplated change to any licensing or legislation, regulation, by-law or other lawful requirement of any Governmental Authority having lawful jurisdiction over the Corporation or the Subsidiary presently in force, with which the Corporation anticipates the Corporation or the Subsidiary will be unable to comply or which could reasonably be expected to materially adversely affect the business of the Corporation or the Subsidiary or the business environment or legal environment under which such entity operates;
- (jj) the minute books of the Corporation in all material respects, contain full, true and correct copies of the articles and by-laws of the Corporation and contain copies of all minutes of all meetings and all consent resolutions of the directors and shareholders of the Corporation, and all such meetings were duly called and properly held and all consent resolutions were properly adopted as of the date thereof;
- (kk) except as disclosed in the Corporation Records or as has been disclosed to the Agent and except employee or consulting arrangements made in the ordinary and normal course of business, the Corporation is not a party to, or bound by:
 - (i) bonus, deferred compensation, pension, profit sharing, stock option, phantom stock plan, employee stock purchase plan, management, consulting or any other similar agreement or commitment;
 - (ii) any agreement or commitment not entered into in the ordinary course of business which is currently material to the Corporation;
 - (iii) other than in the ordinary course of business or as disclosed to the Agent, any agreement, arrangement with any person with whom the Corporation (or its present or former directors, officers and employees) does not deal at arm's length within the meaning of the Tax Act;
- (ll) the Corporation has provided the Agent with copies of the license (the "**License**") issued by Health Canada pursuant to the Cannabis Act to the Corporation and the Subsidiary and there is no other material documentation outside of the application package submitted to Health Canada in connection therewith. The Corporation and the Subsidiary are in compliance with the terms and conditions of all such License and all other licences required in connection with their respective businesses and

the Corporation does not anticipate any variations or difficulties in renewing such License or any other required licence or permit. The Offering (including the proposed use of proceeds of the Offering) will not have any adverse impact on the License or require the Corporation or the Subsidiary to obtain any new license under the Cannabis Act;

- (mm) except as disclosed to the Agent and to the Corporation's Knowledge, neither the Corporation nor the Subsidiary is required to obtain any permits or licences other than the License pursuant to the Cannabis Act or any other permits from Health Canada or any similar federal, provincial or municipal regulatory body or self-regulatory body in connection with the current and proposed conduct of its business;
- (nn) neither the Corporation nor the Subsidiary has received any notice or communication from any customer or Health Canada alleging a defect or claim in respect of any products supplied or sold by the Corporation or the Subsidiary to a customer and, to the Corporation's Knowledge, there are no circumstances that would give rise to any reports, recalls, public disclosure, announcements or customer communications that are required to be made by the Corporation or the Subsidiary in respect of any products supplied or sold by the Corporation or the Subsidiary;
- (oo) to the Corporation's Knowledge, all product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by the Corporation and the Subsidiary, as applicable, in connection with their business is being conducted in accordance with best industry practices and in compliance, in all material respects, with all industry, laboratory safety, management and training standards applicable to the Corporation's current and proposed business, and all such processes, procedures and practices, required in connection with such activities are in place as necessary and are being complied with, in all material respects;
- (pp) to the Corporation's Knowledge, the Corporation has security measures and safeguards in place consistent with those that would be applicable to a corporation in the same or similar industry and at the same or similar status (pre-production) to protect personal information it collects from customers and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties. The Corporation and the Subsidiary have each complied, in all material respects, with all applicable privacy and consumer protection legislation and none has collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws, whether collected directly or from third parties, in an unlawful manner. The Corporation has taken all reasonable steps to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse;
- (qq) to the Corporation's Knowledge, the operations of the Corporation are and have been conducted, at all times, in all material respects, in material compliance with all applicable financial recordkeeping and reporting requirements of applicable anti-money laundering statutes of the jurisdictions in which the Corporation

conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (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 with respect to the Anti-Money Laundering Laws is pending or, to the Corporation’s Knowledge, threatened;

- (rr) to the Corporation’s Knowledge, the Corporation has not, directly or indirectly: (A) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (B) made any contribution to any candidate for public office, in either case where either the payment or the purpose of such contribution, payment or gift was, is or would be prohibited under the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (United States) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Corporation and its operations, and will not use any portion of the proceeds of the Offering, in contravention of such legislation;
- (ss) the Corporation or, to the Corporation’s Knowledge, any director, officer, agent, employee, affiliate or person acting on behalf of the Corporation has not been or is not currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department and the Corporation will not directly or indirectly use any proceeds of the distribution of the Units or lend, contribute or otherwise make available such proceeds to the Corporation or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States;
- (tt) except as disclosed in the Corporation Records, the Corporation does not owe any amount to, nor has the Corporation any present loans to, or borrowed any amount from or is otherwise indebted to, any officer, director, employee or securityholder of any of them or any person not dealing at “arm’s length” (as such term is defined in the Tax Act) with any of them except for usual employee and consultant reimbursements and compensation paid or payable or other advances of funds in the ordinary and normal course of the business of the Corporation. Except for the Lease and employee or consulting arrangements made in the ordinary and normal course of business, the Corporation is not a party to any contract, agreement or understanding with any officer, director, consultant or employee or securityholder of any of them or any other person not dealing at arm’s length with the Corporation. To the Corporation’s Knowledge and except as described in the Corporation Records, no officer, director, employee or securityholder of the Corporation has any cause of action or other claim whatsoever against, or owes any amount to, the Corporation except for claims in the ordinary and normal course of the business of the Corporation such as for accrued vacation pay or other amounts or matters which would not be material to the Corporation; and
- (uu) the Corporation has not intentionally withheld from the Agent any Material Fact relating to the Corporation.

13.2 Everton represents, warrants and covenants to and with the Agent, and acknowledges that the Agent and Agent's counsel are relying upon same, that:

- (a) Everton has been duly organized and continued and is validly subsisting and in good standing under the federal laws of Canada; it has the corporate power to own or lease its property and to carry on its business as now being conducted by it; it is duly qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of its business conducted by it or the property owned or leased by it makes such qualification necessary;
- (b) Everton has full corporate power and authority to create, issue and sell the Convertible Debentures upon exercise of the Subscription Receipts, the Warrants, the Warrant Shares, and any Resulting Issuer Shares issuable on exercise or conversion thereof;
- (c) at each Closing Date and thereafter, as the case may be:
 - (i) the Convertible Debentures to be issued upon exercise of the Subscription Receipts will be duly and validly created, issued, sold and delivered;
 - (ii) the Underlying Shares to be issued pursuant to the conversion of the Convertible Debentures, and the Warrant Shares to be issued upon exercise of the Warrants, will be duly and validly authorized, allotted and reserved for issuance upon such conversion or exercise (as the case may be) and will, upon issuance, upon such conversion or exercise (as the case may be), be issued as fully paid and non-assessable Resulting Issuer Shares;
 - (iii) the Warrants to be issued pursuant to the conversion of the Convertible Debentures on such date will be duly and validly created, issued, sold, and delivered; and
- (iv) intentionally deleted;
- (v) the Resulting Issuer Shares to be issued on exercise of the Agent's Options if so exercised on or following the Conversion Date, will, upon issuance, be issued as fully paid and non-assessable Resulting Issuer Shares;
- (vi) the Warrants to be issued on exercise of the Agent's Option, if so exercised on or following the Conversion Date, will, upon issuance, be duly and validly created, issued, sold, and delivered;
- (vii) the Resulting Issuer Shares to be issued on exercise of the Warrants issuable upon exercise of the Agent's Options if so exercised on or following the Conversion Date, will, upon issuance, be duly and validly created, issued and delivered;
- (d) to the best of Everton's Knowledge, Everton has conducted, and is conducting, its business in compliance in all material respects with all applicable laws, rules and regulations and, in particular, all applicable licensing and environmental legislation, environmental permits and orders, regulations or by-laws or other similar

legislation, regulations or by-laws or other lawful requirements of any governmental or regulatory bodies which are applicable to Everton in each jurisdiction where Everton carries on any material portion of its business and Everton is not aware of any such legislation, regulation, permit or order, by-law or lawful requirement presently in force or proposed to be brought into force by any governmental or regulatory authority which Everton anticipates it will be unable to comply with without materially adversely affecting its business;

- (e) other than in the ordinary course of business and other than fluctuations in market value of securities held by Everton, there has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Everton from the position set forth in the Everton Financial Statements and there has not been any material adverse change in the business, operations, capital or condition (financial or otherwise) or results of the operations of Everton since April 30, 2020, and since that date there have been no Material Facts, transactions, events or occurrences which could materially adversely affect the capital, assets, liabilities (absolute, accrued, contingent or otherwise), business, operations or condition of Everton, which have not been disclosed in the Everton Disclosure Record;
- (f) the Everton Financial Statements comply as to form in all material respects with the requirements of the Applicable Legislation of the Reporting Provinces, (i) present fairly, in all material respects, the financial position of Everton and its financial performance and its cash flows and other information purported to be shown therein at the respective dates and for the respective periods to which they apply, (ii) have been prepared in accordance with IFRS, consistently applied throughout the period covered thereby, and all adjustments necessary for a fair presentation of the results for such periods have been made in all material respects, and (iii) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of Everton, and, except as disclosed in the Everton Disclosure Record there has been no change in accounting policies or practices of Everton since April 30, 2020. The latest financial statements of Everton as filed on www.sedar.com accurately reflect the financial position of Everton as at the date thereof and no material changes in such position have taken place since the date thereof, save in the ordinary course of Everton's business or as disclosed in the Everton Disclosure Record;
- (g) to the best of Everton's Knowledge, since the date of the most recent balance sheet contained in the Everton Financial Statements, Everton has not incurred, assumed or suffered any liability (absolute, accrued, contingent or otherwise) or entered into any transaction which is or may be material to Everton, and is not in the ordinary course of business, except as disclosed in the Everton Disclosure Record;
- (h) Everton maintains a system of internal accounting controls sufficient to provide reasonable assurance: (i) that transactions are completed in accordance with the general or a specific authorization of management or directors of Everton; (ii) that transactions are recorded as necessary to permit the preparation of the financial statements for Everton in conformity with IFRS and to maintain asset accountability; (iii) that access to assets of Everton is permitted only in accordance with the general or a specific authorization of management or directors of Everton;

- (iv) that the recorded accountability for assets of Everton is compared with the existing assets of Everton at reasonable intervals and appropriate action is taken with respect to any differences therein; and (v) regarding the prevention or timely detection of unauthorized acquisition, use or disposition of Everton's assets that could have a material effect on its financial statements or interim financial statements;
- (i) the auditors who audited the audited Everton Financial Statements and who provided their audit report thereon are independent public accountants as required under Applicable Legislation of the Reporting Provinces and there has not, during the last two financial years, been a reportable event (within the meaning of NI 51-102) between Everton and any such auditor;
 - (j) the audit committee of Everton operates in all material respects in accordance with the requirements of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators;
 - (k) Everton has not committed an act of bankruptcy or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to be declared bankrupt or wound up, taken any proceeding to have a receiver appointed of any of the assets thereof, had any person holding any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement or other security interest or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had any petition for a receiving order in bankruptcy filed against it;
 - (l) to Everton's Knowledge, except as disclosed in the Everton Disclosure Record or as disclosed to the Agent, there are no actions, suits, proceedings or inquiries pending or threatened against or affecting Everton at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality which may in any way materially adversely affect the business, operations or condition (financial or otherwise) of Everton or its properties or assets or which may affect the distribution of the Convertible Debentures, Underlying Shares, Warrants, Warrant Shares or questions the validity of the issuance of the Convertible Debentures, Underlying Shares, Warrants, Warrant Shares in accordance with the Applicable Legislation; and to Everton's Knowledge, there is no existing ground on which such action, suit, proceeding or inquiry might be commenced with any reasonable likelihood of success;
 - (m) none of the execution and delivery of the Engagement Letter, this Agreement, the Convertible Debenture Certificates, the compliance by Everton with the provisions of the Engagement Letter and this Agreement or the consummation of the transactions contemplated herein and therein including, without limitation, the issue of the Convertible Debentures, Underlying Shares, Warrants, and, as applicable, the issuance of Resulting Issuer Shares on conversion or exercise thereof, upon the terms and conditions as set forth herein, do or will (i) subject to compliance by the Agent with the provisions of the Engagement Letter and this

Agreement, require the consent, approval, authorization, order or agreement of, or registration or qualification with, any governmental agency, body or authority, court, stock exchange, securities regulatory authority or other person, except (A) such as have been, or will by the Closing Date, be obtained, which includes any required shareholder approvals or (B) such as may be required under the Applicable Legislation of any of the Selling Jurisdictions and the policies of the CSE or the TSX Venture Exchange, as applicable, or (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which Everton is a party or by which it or any of the properties or assets thereof is bound, or the articles or any other constating document of Everton or any resolution passed by the directors (or any committee thereof) or shareholders of Everton, or any statute or any judgment, decree, order, rule, policy or regulation of any court, governmental authority, arbitrator, stock exchange or securities regulatory authority applicable to Everton or any of the properties or assets thereof;

- (n) except as disclosed in the Everton Disclosure Record and to Everton's Knowledge, Everton is in compliance with all its obligations, covenants and terms contained in any banking or financing agreements which it is a party to;
- (o) the authorized capital of Everton consists of an unlimited number of Common Shares and an unlimited number of preferred shares of which as at the date hereof, 93,134,470 Common Shares are issued and outstanding, as fully paid and non-assessable shares and zero preferred shares are issued and outstanding;
- (p) other than as disclosed to the Agent and other than stock options granted to directors, officers and employees of Everton and share purchase warrants issued and outstanding as at the date of this Agreement, as disclosed in the Everton Disclosure Record, no person holds any securities convertible or exchangeable into Common Shares of Everton or has any agreement, warrant, option, right or privilege that is, or is capable of becoming, an agreement, warrant, option or right for the purchase of any unissued securities of Everton, except as disclosed in the Everton Disclosure Record or as has been disclosed in writing to the Agent;
- (q) no person holds any right of first refusal over any securities offerings or financings by Everton which have not been waived in writing by such person, except as disclosed in the Everton Disclosure Record or as has been disclosed in writing to the Agent;
- (r) Everton has full corporate power and capacity to enter into the Engagement Letter, this Agreement, the Convertible Debenture Certificates, Agent's Option certificates and to perform its obligations set out herein and therein, and the Engagement Letter, this Agreement, the Convertible Debenture Certificates and the Agent's Option certificates have been, or will be, upon execution, duly authorized, executed and delivered by Everton and the Engagement Letter, this Agreement, the Convertible Debenture Certificates and the Agent's Option certificates are, or will be, upon execution, legal, valid and binding obligations of Everton enforceable against Everton in accordance with their respective terms; subject to the usual qualification including applicable bankruptcy, insolvency, moratorium, reorganization and other laws and equitable principles affecting creditors' rights generally, the statutory and equitable powers of the courts in Canada to stay

proceedings before them and the execution of judgments and by the fact that specific performance and injunctive relief are equitable remedies which may be ordered by a court in its discretion and, accordingly, may not be available as a remedy in an action to enforce a covenant and subject to the fact that the rights to indemnity, contribution and waiver set forth herein may be limited by applicable laws or the public policy underlying such laws;

- (s) each of the Material Contracts to which Everton is a party or by which it is bound and which are material to the business, affairs or operations of Everton, constitute a legal, valid and binding obligation of Everton, enforceable in accordance with its terms subject to the usual qualification including applicable bankruptcy, insolvency, moratorium, reorganization and other laws and equitable principles affecting creditors' rights generally, the statutory and equitable powers of the courts in Canada to stay proceedings before them and the execution of judgments and by the fact that specific performance and injunctive relief are equitable remedies which may be ordered by a court in its discretion and, accordingly, may not be available as a remedy in an action to enforce a covenant and subject to the fact that the rights to indemnity, contribution and waiver set forth herein may be limited by applicable laws or the public policy underlying such laws, and, to Everton's Knowledge, no party to any such Material Contract is in default thereunder;
- (t) to Everton's Knowledge and except as has been disclosed to the Agent, Everton is not in default of any material term, covenant or condition under or in respect of any judgement, order, agreement or instrument to which it is a party or to which it or any of the property or assets thereof are or may be subject, and no event has occurred and is continuing, and no circumstance exists which has not been waived, which constitutes a default in respect of any commitment, agreement, document or other instrument to which Everton is a party or by which it is otherwise bound entitling any other party thereto to accelerate the maturity of any material amount owing;
- (u) no securities commission or similar regulatory authority in Canada has issued any order preventing or suspending trading in any securities of Everton, no such proceeding is to Everton's Knowledge, pending, contemplated or threatened and Everton is not in default of any material requirement of the Applicable Legislation;
- (v) intentionally deleted;
- (w) except as disclosed in the Everton Disclosure Record, Everton has no subsidiaries or interest in any other person or entity;
- (x) since January 2018, Everton is in compliance in all material respects with all its disclosure obligations under the Applicable Legislation of the provinces in which it is a reporting issuer (the "**Reporting Provinces**") (including, without limitation, all of its disclosure obligations pursuant to NI 51-102 and pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators). Since January 2018, the Everton Disclosure Record is, as of the date thereof, in compliance in all material respects with the Applicable Legislation of the Reporting Provinces and did not contain any untrue statement of a Material Fact or omit to state a Material Fact required to be stated

therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and such documents collectively constitute full, true and plain disclosure of all Material Facts relating to Everton and do not contain any untrue statement of a Material Fact or omit to state a Material Fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, as of the date thereof. There is no fact known to Everton which Everton has not publicly disclosed which results in a material adverse effect, or so far as Everton can reasonably foresee, will have a material adverse effect or materially adversely affect the ability of Everton to perform its obligations under this Agreement;

- (y) since January 2018, Everton is in compliance in all material respects with all timely disclosure obligations under the Applicable Legislation of the Reporting Provinces and, without limiting the generality of the foregoing, there has not occurred any material change which has not been publicly disclosed and none of the documents filed by or on behalf of Everton pursuant to the Applicable Legislation of the Reporting Provinces contain a misrepresentation as of the date thereof;
- (z) to Everton's Knowledge, no insider has a present intention to sell any material portion of securities of Everton held by it;
- (aa) Computershare, at its principal offices in the City of Montreal is the duly appointed registrar and transfer agent for the Common Shares of Everton.
- (bb) Everton has duly and on a timely basis filed all tax returns required to be filed by it, has paid all taxes due and payable by it and has paid all assessments and re-assessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are claimed by any governmental authority to be due and owing and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time with respect to the filing of any tax return or repayment of any tax, governmental charge or deficiency by Everton and, to Everton's Knowledge, there are no actions, suits, proceedings, investigations or claims threatened or pending against Everton in respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority;
- (cc) to Everton's Knowledge, Everton has title to its assets and properties as disclosed in the Everton Disclosure Record and including, without limitation, all intellectual property rights necessary to carry on its business (for the purposes of this clause, the foregoing are referred to as the "**Interests**") and it does represent and warrant that the Interests are free and clear of adverse claims created by, through or under Everton, except as disclosed in the Everton Disclosure Record or those arising in the ordinary course of business, which are not material in the aggregate, and, to Everton's Knowledge, Everton and the Everton Subsidiaries each hold their respective Interests under valid and subsisting leases, licenses, permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;

- (dd) Everton owns or possesses adequate enforceable rights to use all trademarks, patents, copyrights and trade secrets used or proposed to be used in the conduct of the business thereof and, to Everton's Knowledge, Everton is not infringing upon the rights of any other person with respect to any such trademarks, patents, copyrights or trade secrets and no other person has infringed any such trademarks, patents, copyrights or trade secrets;
- (ee) since January 2018, the minute books of Everton in all material respects, contain full, true and correct copies of the articles and by-laws of Everton and contain copies of all minutes of all meetings and all consent resolutions of the directors, committees of directors and shareholders of Everton, and all such meetings were duly called and properly held and all consent resolutions were properly adopted as of the date thereof;
- (ff) except as disclosed in the Everton Disclosure Record or as has been disclosed in writing to the Agent, Everton is not a party to, or bound by:
 - (i) any employment agreement, bonus, deferred compensation, pension, profit sharing, stock option, phantom stock plan, employee stock purchase plan, management, consulting or any other similar agreement or commitment;
 - (ii) other than in connection with the Arrangement any agreement or commitment not entered into in the ordinary course of business which is currently material to Everton;
 - (iii) other than in the ordinary course of business, any agreement, arrangement with any person with whom Everton (or its present or former directors, officers and employees) does not deal at arm's length within the meaning of the Tax Act;
- (gg) to Everton's Knowledge, the operations of Everton are and have been conducted, at all times, in all material respects, in material compliance with all 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 Everton with respect to the Anti-Money Laundering Laws is pending or, to Everton's Knowledge, threatened;
- (hh) to Everton's Knowledge, Everton has not, directly or indirectly: (A) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (B) made any contribution to any candidate for public office, in either case where either the payment or the purpose of such contribution, payment or gift was, is or would be prohibited under the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (United States) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable

to Everton and its operations, and will not use any portion of the proceeds of the Offering, in contravention of such legislation;

- (ii) Everton or, to Everton's Knowledge, any director, officer, agent, employee, affiliate or person acting on behalf of Everton has not been or is not currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department and Everton will not directly or indirectly use any proceeds of the distribution of the Convertible Debentures or lend, contribute or otherwise make available such proceeds to Everton or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States;
- (jj) except as disclosed in the Everton Disclosure Record, Everton does not owe any amount to, nor has Everton any present loans to, or borrowed any amount from or is otherwise indebted to, any officer, director, employee or securityholder of any of them or any person not dealing at "arm's length" (as such term is defined in the *Income Tax Act (Canada)*) with any of them except for usual employee reimbursements and compensation paid or other advances of funds in the ordinary and normal course of the business of Everton. Except employee or consulting arrangements made in the ordinary and normal course of business, Everton is not a party to any contract, agreement or understanding with any officer, director, employee or securityholder of any of them or any other person not dealing at arm's length with Everton. Except as described in the Everton Disclosure Record, no officer, director, employee or securityholder of Everton has any cause of action or other claim whatsoever against, or owes any amount to, Everton except for claims in the ordinary and normal course of the business of Everton such as for accrued vacation pay or other amounts or matters which would not be material to Everton; and
- (kk) Everton has not intentionally withheld from the Agent any Material Fact relating to Everton.

13.3 The Agent warrants and represents to the Corporation and Everton that:

- (a) it is a valid and subsisting corporation under the law of the jurisdiction in which it was incorporated;
- (b) it is duly registered under Applicable Legislation in which the Agent is required to be so registered in order to perform the services contemplated by this Agreement;
- (c) it has the power and authority to enter into this Agreement and to perform its obligations set out herein, and represents a legal, valid and binding obligation of the Agent enforceable against such Agent in accordance with its terms, subject to bankruptcy, insolvency, moratorium or similar laws affecting creditors' rights generally and except as limited by the application of equitable remedies which may be granted in the discretion of a court of competent jurisdiction;
- (d) the Agent 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 the offer and sale of the Subscription Receipts,

including but not limited to, by causing the sale of the Subscription Receipts to be advertised in any newspaper, magazine, printed public media or similar medium of general and regular paid circulation or broadcast over radio, television or telecommunications, including electronic display, and have not conducted, any seminar or meeting in connection with the offer and sale of the Subscription Receipts whose attendees have been invited by general solicitation or general advertising;

- (e) the Agent and its affiliates have not and will not solicit offers to purchase or sell the Subscription Receipts so as to require the filing of a prospectus, registration statement or offering memorandum with respect thereto or the provision of a contractual right of action under the laws of any jurisdiction; and
- (f) the execution and delivery of, and the performance of and compliance with the terms of, this Agreement and the performance of any of the transactions contemplated hereby by the Agent, do not and will not result in any breach of, or constitute a 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 constitute a default under Applicable Legislation.

13.4 The Agent covenants and agrees with the Corporation and Everton that it will:

- (a) conduct its activities in connection with the proposed offer and sale of the Subscription Receipts in compliance with this Agreement and all Applicable Legislation in the Selling Jurisdictions;
- (b) not solicit subscriptions for the Subscription Receipts, trade in the Subscription Receipts or do any act in furtherance of a trade of the Subscription Receipts outside of the Selling Jurisdictions;
- (c) not solicit subscriptions for Subscription Receipts except in accordance with the terms and conditions of this Agreement;
- (d) the Agent shall not make any representation or warranty with respect to the Subscription Receipts in connection with the Offering, other than as set forth in this Agreement or the Subscription Agreements;
- (e) the Agent shall provide in a timely manner the Corporation with all necessary information in respect of the Agent, the Subscribers and the Agent's Selling Group to allow the Corporation to file reports of the sale of the Subscription Receipts in accordance with Applicable Legislation within ten days of Closing;
- (f) ensure that the sub-agents they retain in connection with the Offering comply with the covenants and obligations given by the Agent herein; and
- (g) obtain from each Subscriber an executed Subscription Agreement in a form acceptable to the Corporation and the Agent and in compliance with Applicable Legislation, and all applicable undertakings, questionnaires and other forms required under Applicable Legislation of the Selling Jurisdictions and supplied to the Agent by the Corporation for completion in connection with the distribution of

the Subscription Receipts and deliver such Subscription Agreements to the Corporation.

14. EXPENSES OF AGENT

14.1 The Corporation will pay, on the Closing Date, all of the reasonable expenses of the Offering and all the expenses reasonably incurred by the Agent in connection with the Offering (the “**Agent’s Expenses**”), including without limitation, the reasonable fees and disbursements of legal counsel for the Agent, which legal expenses shall be subject to a maximum of \$ [REDACTED] inclusive of all disbursements and applicable taxes.

14.2 The Corporation agrees to pay the expenses of or incidental to the Offering and the distribution of the Subscription Receipts, including the listed Agent’s Expenses even if the Offering or other transactions contemplated by this Agreement are not completed for any reason whatsoever other than a breach of this Agreement by the Agent.

15. INDEMNITY

Each of the Corporation and Everton (and their respective subsidiaries, (each, an “**Indemnitor**”) hereby agrees to jointly and severally indemnify and hold the Agent, and other members of the Agent’s Selling Group, and each of their respective subsidiaries and affiliate referred to collectively as the “**Agent Group Parties**”), and each of their respective directors, officers, and employees (hereinafter referred to as the “**Personnel**”, together with the Agent Group Parties, the “**Indemnified Parties**” and individually an “**Indemnified Party**”) harmless from and against any and all losses (other than loss of profit), expenses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatsoever nature or kind, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees, disbursements and taxes of their counsel (collectively, “**Losses**”) in connection with any action, suit, proceeding, investigation or claim (including, without limitation, security holder or derivative actions, arbitration proceedings or otherwise) that may be made or threatened against any Indemnified Party or in enforcing this indemnity (collectively, the “**Claims**”) to which an Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly:

- (i) any untrue statement or alleged untrue statement of Material Fact contained in the information (whether written or oral) supplied to any prospective investor by or on behalf of the Corporation or Everton, as applicable, or any omission or alleged omission to state therein a Material Fact necessary to make the statements therein, in light of the circumstances under which they are made, not misleading, or
- (ii) this Agreement,

and to reimburse each Indemnified Party forthwith, upon demand, for any legal or other expenses reasonably incurred by such Indemnified Party in connection with any Claim.

Each Indemnitor agrees to waive any right that the Indemnitor may have of first requiring an Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim payment from any other person before claiming under the indemnity provided by this section (the “**Indemnity**”). Each Indemnitor also agrees that no Indemnified Party shall have any liability

(whether direct or indirect, in contract or tort or otherwise) to an Indemnitor or any person asserting Claims on behalf of or in right of an Indemnitor for or in connection with either i or ii above, except, in the case of ii above only, to the extent any Losses suffered by Indemnitor are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted primarily from the negligence, illegal act or willful misconduct of such Indemnified Party.

Each Indemnitor shall not, without the Agent's prior written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless the Indemnitor has acknowledged in writing that the Indemnified Parties are entitled to be indemnified in respect of such Claim and such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Party from any liabilities arising out of such Claim without any admission of negligence, misconduct, liability or responsibility by or on behalf of any Indemnified Party.

Promptly after receiving notice of a Claim against the Agent or any other Indemnified Party or 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 an Indemnitor, the Agent or any such other Indemnified Party shall notify the Indemnitor in writing of the particulars thereof, provided that the omission so to notify the Indemnitor shall not relieve the Indemnitor of any liability which the Indemnitor may have to the Agent or any other Indemnified Party except and only to the extent that any such delay in or failure to give notice as herein required prejudices the defense of such Claim or results in any material increase in the liability which the Indemnitor may have under this Indemnity. The Indemnitor shall have 14 calendar days after receipt of the notice to undertake, conduct and control, through counsel of its own choosing and at its own sole expense, the settlement or defense of the Claim. If the Indemnitor undertakes, conducts and controls the settlement or defense of the Claim, the relevant Indemnified Parties shall have the right to participate in the settlement or defense of the Claim.

The foregoing indemnity shall not apply, with respect to item ii above only, to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that such Losses to which the Indemnified Party may be subject were primarily caused by the negligence or willful misconduct of the Indemnified Party.

If for any reason the foregoing indemnity is unavailable (other than in accordance with the terms hereof) to the Agent or any other Indemnified Party or insufficient to hold the Agent or any other Indemnified Party harmless in respect of a Claim, an Indemnitor shall contribute to the amount paid or payable by the Agents or the other Indemnified Party as a result of such Claim in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Agent or any other Indemnified Party on the other hand but also the relative fault of the Indemnitor, the Agent or any other Indemnified Party as well as any relevant equitable considerations; provided that Indemnitor shall in any event contribute to the amount paid or payable by the Agent or any other Indemnified Party as a result of such Claim any excess of such amount over the amount of the fees received the Agent under this Agreement.

Each Indemnitor hereby constitutes the Agent as trustee for each of the other Indemnified Parties of the Indemnitors' covenants under this indemnity with respect to those persons and the Agent agrees to accept that trust and to hold and enforce those covenants on behalf of those persons.

The Agent may retain counsel to separately represent themselves in the defense of a Claim and the Indemnitors shall pay the reasonable fees and disbursements of such counsel if:

- (i) the Indemnitor does not promptly assume the defense of the Claim no later than 14 calendar days after receiving actual notice of the Claim;
- (ii) the Indemnitor agrees to separate representation; or
- (iii) the Agent is advised in writing by counsel that there is an actual or potential conflict in the Indemnitor's and the Agent's respective interests or additional defenses are available to the Agent which makes representation by the same counsel inappropriate.

The obligations of the Corporation hereunder are in addition to any liabilities which the Corporation may otherwise have to the Agent or any other Indemnified Party. Each Indemnitor acknowledges that the Agent acts as trustee for the Agent Group Parties and Personnel in respect of the covenants of the Indemnitor set out in this Section 15 and shall be entitled to enforce such covenants for and on behalf of such Agent Group Parties and Personnel.

16. ALTERNATE TRANSACTION

The Corporation agrees that during the term of this Agreement none of its, nor the Subsidiary's, respective directors, officers, agents, accountants, financial advisors or attorneys shall (and the Corporation shall direct and use commercially reasonable efforts to cause its and its Subsidiary's employees who are not officers or directors not to), directly or indirectly, without the prior consent of the Agent: (i) initiate, solicit, knowingly encourage (including by providing information or assistance) or knowingly facilitate any inquiries, proposals or offers with respect to, or the making or completion of, any proposal that constitutes, or would reasonably be expected to lead to, an alternative financing proposal (an "**Alternative Proposal**"), (ii) provide or cause to be provided any non-public information or data relating to the Corporation or any of its Subsidiaries in connection with, or have any discussions with, any person or its representatives (other than the Corporation and its representatives) relating to or in connection with an actual or proposed Alternative Proposal, (iii) engage in any discussions or negotiations with any person (other than the Corporation and its representatives) concerning an actual or proposed Alternative Proposal, (iv) approve, endorse or recommend, agree to or accept any actual or proposed Alternative Proposal, (v) approve, endorse or recommend, agree to or accept or execute or enter into, any letter of intent, agreement in principle, merger agreement, acquisition agreement, option agreement or other similar agreement related to any actual or proposed Alternative Proposal; or (vi) agree to do any of the foregoing. Without limiting the foregoing, it is agreed that any violation of the restrictions set forth in this paragraph by the Corporation, or any affiliate or representative of the Corporation, shall constitute a breach of this Agreement by the Corporation and shall result in the immediate payment of a \$100,000 termination fee by the Corporation to the Agent.

17. RIGHT OF FIRST REFUSAL

For a period from the date of this Agreement to the later of 12 months from the Closing Date or the date of the next financing round in excess of \$100,000 (the "**Right of First Refusal Period**"), the Corporation and Everton grant to the Agent the exclusive right and opportunity to act as lead agent and sole book runner for any offering of securities of the Corporation or the Resulting Issuer to be issued and sold in Canada and the U.S. by private placement or public offering or to provide professional, sponsorship or advisory services performed (or normally performed) by a broker or investment dealer. If the Corporation or the Resulting Issuer, as applicable, is intending to proceed with any such issuance or has received a proposal for any such issuance, the Corporation or the

Resulting Issuer, as the case may be, shall provide to the Agent written notice of the proposed terms thereof (including the commission payable to those agents) and the Agent shall have an opportunity to respond, within five Business Days following receipt of the notice, to the Corporation or the Resulting Issuer, as the case may be, that they wish to act as lead agent, sponsor or advisor, as the case may be, on the terms and conditions contained therein. If the Agent declines, in writing, the Corporation or the Resulting Issuer, as the case may be, may proceed with such offering or advisory engagement through another agent, advisor or underwriter, provided the arrangements with such agent, advisor or underwriter are no less favourable to the Corporation or the Resulting Issuer, as the case may be, and are entered into within 30 days thereafter. The rights of participation provided by this section shall not terminate in the event that the Agent declines to act as agent, advisor or underwriter, as the case may be.

18. SELLING GROUP PARTICIPATION

The Agent shall be entitled, in connection with the Offering and sale of the Subscription Receipts, to retain as sub-agents other registered securities dealers and may receive from other registered dealers (for delivery to the Corporation at the Closing Time) subscriptions for Subscription Receipts. The fee payable to such sub-agents shall be for the account of the Agent.

19. NOTICE

19.1 Any notice or other communication to be given hereunder shall, in the case of notice to:
to the Corporation:

Molecule Inc.
591 Reynolds Road
Lansdowne, Ontario
K0E 1L0

With a copy (for information purposes only and not constituting notice) to:

ECS Law Professional Corporation
8th Floor - 2425 Matheson Boulevard E.
Mississauga, Ontario
L4W 5K4

to Everton:

Everton Resources Inc.
c/o 591 Reynolds Road
Lansdowne, Ontario
K0E 1L0

[REDACTED]

With a copy (for information purposes only and not constituting notice) to:

McMillan S.E.N.C.R.L., s.r.l./LLP
1000 Sherbrooke O./W., #2700
Montreal, Quebec
H3A 3G4

[REDACTED]

and in the case of notice to the Agent, be addressed to:

Gravitas Securities Inc.
1700 - 333 Bay Street
Toronto, Ontario
M5H 2R2

[REDACTED]

With a copy (for information purposes only and not constituting notice) to:

MLT Aikins LLP
Suite 2600 – 1066 West Hastings Street
Vancouver, British Columbia
V6E 3X1

[REDACTED]

or such other address or email address to the attention of such other person as may be communicated by the Corporation or Everton to the Agent or the Agent to the Corporation or Everton in the manner provided for above.

19.2 The parties agree that a communication which is personally delivered shall, if delivered before 4:00 p.m. (local time at the place of delivery) on a Business Day, be deemed to be given and received on that day and, in any other case be deemed to be given and received on the first Business Day following the day on which it is delivered.

19.3 The parties agree that a communication which is sent by email transmission shall, if sent on a business day (a day which is not a Saturday, Sunday or public holiday in the city of receipt) before 4:00 p.m. (local time at the place of receipt), be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first business day following the day on which it is sent.

20. TIME

Time shall, in all respects, be of the essence hereof.

21. CANADIAN DOLLARS

Unless otherwise specified hereunder, all references herein to dollar amounts are to lawful money of Canada.

22. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

It is understood that all representations, warranties, covenants, indemnities, terms and conditions herein or contained in certificates or documents submitted pursuant to or in connection with the transactions contemplated herein shall survive the Closing and the termination of this Agreement and shall continue in full force and effect for the benefit of the Agent for a period of two (2) years from the last Closing Date regardless of any investigation by or on behalf of the Agent.

23. NO FIDUCIARY DUTY AND USE OF ADVICE

23.1 Each of the Corporation and Everton hereby acknowledges that (i) the transactions contemplated hereunder are arm's-length commercial transactions between the Corporation and Everton, on the one hand, and the Agent and any affiliate through which it may be acting, on the other hand, (ii) the Agent is acting as agent but not as fiduciary of the Corporation and Everton and (iii) the Corporation's and Everton's engagement of the Agent in connection with the Offering and the process leading up to the Offering is as agent and not in any other capacity. Furthermore, the Corporation and Everton each agree that it is solely responsible for making its own judgments in connection with the Offering (irrespective of whether the Agent had advised or is currently advising the Corporation or Everton on related or other matters). The Agent has not rendered advisory services beyond those, if any, required of an investment dealer by Applicable Legislation in respect of an offering of the nature contemplated by this Agreement and the Corporation and Everton agree that it will not claim that the Agent has rendered advisory services beyond those, if any, required of an investment dealer by Applicable Legislation in respect of the Offering, or that the Agent owes a fiduciary or similar duty to the Corporation or Everton, in connection with such transaction or the process leading thereto.

23.2 The Corporation and Everton each acknowledge that the Agent and its affiliates act as principals and agents in the financial banking and investment banking industries in financial markets and, in such capacities, may, in the ordinary course of their activities, hold long or short positions, and may trade or otherwise effect or recommend transactions, for their own account or the accounts of their customers, in debt, equity or derivative securities of the Corporation, Everton or their affiliates or any other company (or affiliates) that may be involved in the transactions contemplated by this Agreement.

23.3 Except as required for the purposes of completing the Arrangement and/or listing the Resulting Issuer Shares on the CSE, none of (a) the names of the Agent, (b) the written or verbal advice, opinions or conclusions of the Agent, including, but not limited to, any background or supporting materials or analysis, or (c) any communication, fee or other arrangements with the Agent in connection with the services performed by the Agent pursuant to this Agreement, will be knowingly publicly disclosed, reproduced or referred to or provided to any third party by the Corporation or Everton, without the prior written consent of the Agent in each specific instance (email shall suffice), such consent not to be unreasonably withheld. The Agent expressly disclaims any liability or responsibility by reason of any unauthorized use, publication, distribution of or reference to any written or verbal advice or opinions or materials provided by the Agent or any unauthorized reference to the Agent or this Agreement. This Agreement and the terms thereof are confidential and may not be publicly disclosed, referred to or provided to any third party by the

Corporation or Everton without the prior written consent of the Agent in each specific instance or unless required by applicable law in which case the Corporation or Everton, as applicable, shall provide the Agent with prior written notice so that the Agent may seek a protective order, injunction or other appropriate remedy.

24. LANGUAGE

This Agreement is to be read with all changes in gender or number as required by the context.

25. ENUREMENT

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

26. HEADINGS

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

27. ENFORCEABILITY

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

28. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement and supersedes any other previous agreement between the parties with respect to the Offering and there are no other terms, conditions, representations or warranties whether express, implied, oral or written by the Corporation, Everton or the Agent. This Agreement may be amended or modified in any respect by written instrument only signed by each of the parties hereto.

29. COUNTERPARTS

This Agreement may be executed in two or more counterparts and may be delivered by facsimile transmission or scanned pdf, 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.

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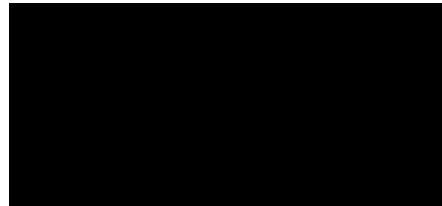
30. LAW

This Agreement is governed by the laws of Ontario and the federal laws of Canada applicable therein, and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of Ontario and the courts of appeal therefrom with respect to any dispute related to this Agreement.

If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing below and returning a signed copy to counsel to the Agent.

Yours very truly,

GRAVITAS SECURITIES INC.



Per: _____
Authorized Signatory

The undersigned hereby accept the foregoing as of the date first above written and agree that the foregoing accurately reflects the terms and conditions of the transaction.

MOLECULE INC.

Per: _____

EVERTON RESOURCES INC.

Per: _____

30. LAW

This Agreement is governed by the laws of Ontario and the federal laws of Canada applicable therein, and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of Ontario and the courts of appeal therefrom with respect to any dispute related to this Agreement.

If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing below and returning a signed copy to counsel to the Agent.

Yours very truly,

GRAVITAS SECURITIES INC.

Per: _____

The undersigned hereby accept the foregoing as of the date first above written and agree that the foregoing accurately reflects the terms and conditions of the transaction.

MOLE 
Per: 

EVERTON RESOURCES INC.
Per: 