

## SHARE EXCHANGE AGREEMENT

**THIS AGREEMENT** is made effective as of June 15, 2016 (the "**Effective Date**")

### AMONG:

**ABBA MEDIX GROUP INC.**, a corporation incorporated under the federal laws of Canada with its registered address at 1773 Bayly Street, Pickering, Ontario, M5K 0A1

("Abba")

- and -

**672800 NB INC.**, doing business as **MARIJUANA FOR TRAUMA**, a corporation incorporated under the laws of the Province of New Brunswick with its registered address at 255 Restigouche Road, Oromocto, New Brunswick, E2V 2H1

("MFT")

- and -

**THE LONGEVITY PROJECT CORP.**, a corporation incorporated under the laws of Ontario with its registered address at 29 Kilworth Park Drive, Komoka, Ontario, N0L 1R0

("LPC" and together with MFT, the "**Targets**" and each, a "**Target**")

- and -

### **EACH OF THE UNDERSIGNED SHAREHOLDERS OF MFT**

(collectively, the "**MFT Shareholders**")

- and -

### **EACH OF THE UNDERSIGNED SHAREHOLDERS OF LPC**

(collectively, the "**LPC Shareholders**" and together with the MFT Shareholders, the "**Target Shareholders**")

(each, a "**Party**" and collectively, the "**Parties**")

### WHEREAS:

- A. The MFT Shareholders are collectively the legal and beneficial owners of all of the issued and outstanding common shares in the capital of MFT (the "**MFT Shares**");

- B. The LPC Shareholders are collectively the legal and beneficial owners of all of the issued and outstanding common shares in the capital of LPC (the "**LPC Shares**"); and
- C. The Target Shareholders have agreed to sell, and Abba has agreed to purchase, all of the outstanding MFT Shares and LPC Shares (collectively, the "**Purchased Shares**") (the "**Acquisition**") on the terms and conditions set forth herein.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto do covenant and agree each with the other as follows:

## **1. Definitions and Schedules**

### 1.1 Definitions: In this Agreement:

"**1933 Act**" has the meaning ascribed to that term in paragraph (j)(v) of Schedule "D";

"**Abba**" has the meaning ascribed to that term on the face page of this Agreement

"**Abba Approvals**" means all necessary approvals and consents required to be obtained by Abba in connection with the transactions contemplated by this Agreement;

"**Abba Assets**" mean all assets, rights, contracts and contractual rights held or owned by Abba;

"**Abba Common Shares**" means common shares in the capital of Abba;

"**Abba Corp.**" means Abba Medix Corp., the Subsidiary of Abba;

"**Abba Financial Statements**" means the audited consolidated balance sheets, statements of income, retained earnings and cash flows of Abba for its fiscal period ended July 31, 2015, prepared in accordance with international financial reporting standards, along with Abba's condensed interim consolidated financial statements for the three and six month periods ended January 31, 2016;

"**Abba Material Contracts**" means contracts, agreements and other material documents of any kind whatsoever including, without limitation, lease agreements, license agreements, assignment agreements, operating agreements, joint venture agreements, acquisition and disposition agreements, employment agreements, shareholder or voting agreements, share purchase or sale agreements, bank and financial institution loans, promissory notes, debenture, general security, subordination and priority agreements that are material to Abba's business;

"**Abba Options**" means the 450,000 unvested options outstanding, which are exercisable at \$0.46 per share until June 5, 2020;

"**Abba Payment Shares**" has the meaning ascribed to that term in Section 2.2(b);

"**Abba Resignations**" has the meaning ascribed to that term in Section 7.2;

"**Abba Shareholders' Meeting**" means the meeting of the shareholders of Abba to be called for the purpose of approving the Acquisition and certain related matters;

"**Abba Warrants**" means the 5,487,723 warrants outstanding, which are exercisable at \$0.25 per share until March 13, 2018;

"**Accountants**" has the meaning ascribed to that term in Section 4.4;

"**Acquisition**" has the meaning ascribed to that term in Recital C;

"**Agreement**" means this agreement and any Schedules attached hereto;

"**Applicable Laws**" means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any governmental authority, regulatory body or stock exchange having jurisdiction over the transactions contemplated hereby;

"**Approvals**" means all necessary approvals and consents required to be obtained by either MFT or LPC in connection with the transactions contemplated by this Agreement;

"**Bonus Earn-Out Payment**" has the meaning ascribed to that term in Section 2.2(d);

"**Bonus Earn-Out Tranche**" has the meaning ascribed to that term in Section 5.7;

"**Budget Committee**" has the meaning ascribed to that term in Section 9.1(c);

"**Business Liabilities**" has the meaning ascribed to that term in Section 8.3;

"**Cancellation Documents**" has the meaning ascribed to that term in Section 15.2(a)(iii);

"**Cash Payment**" has the meaning ascribed to that term in Section 2.2(a);

"**Closing**" has the meaning ascribed to that term in Section 15.1;

"**Closing Date**" has the meaning ascribed to that term in Section 15.1;

"**Commercial Licence**" means the full licence to be issued by Health Canada under Section 25 of the MMPR permitting a Person to undertake the following activities in connection with medicinal marijuana:

- (a) production;
- (b) sale;
- (c) possession;
- (d) transport; and
- (e) destruction;

"**Communication**" has the meaning ascribed to that term in Section 21.9;

"**Corporate Debt**" has the meaning ascribed to that term in Section 8.2;

"**Deposit**" has the meaning ascribed to that term in Section 2.3(a)(i);

"**Drop Dead Date**" means October 31, 2016, or such other date as the Parties may mutually approve in writing;

"**Earn-Out Payment**" has the meaning ascribed to that term in Section 2.2(c);

"**Earn-Out Tranche**" has the meaning ascribed to that term in Section 5.1;

"**EBITDA**" means Earnings Before Interest, taxes, Depreciation and Amortization;

"**EBITDA Target**" has the meaning ascribed to that term in Section 3.1(b);

"**Effective Date**" means the date stated on the first page hereof;

"**Employment Agreements**" has the meaning ascribed to that term in Section 7.3;

"**Encumbrances**" means mortgages, charges, pledges, security interests, liens, encumbrances, actions, claims, liabilities, demands and equities of any nature, including without limitation, any liability for accrued but unpaid taxes;

"**Escrow**" has the meaning ascribed to that term in Section 3.1(b);

"**Escrow Agreement**" has the meaning ascribed to that term in Section 3.1(b);

"**Escrow Policy**" means National Policy 46-201, Escrow for Initial Public Offerings and associated Exchange policies;

"**Exchange**" or "**CSE**" means the Canadian Securities Exchange;

"**Exemptions**" has the meaning ascribed to that term in Section 5.14(a);

"**Final EBITDA Calculation**" has the meaning ascribed to that term in Section 4.2;

"**Financing**" means the concurrent equity, debt and/or convertible debt financing(s) of Abba for minimum aggregate gross proceeds of \$5,000,000;

"**First Tranche Earn-Out EBITDA Target**" has the meaning ascribed to that term in Section 5.2;

"**IFRS**" means International Financial Reporting Standards applicable as at the date on which date such calculation is made or required to be made in accordance with generally accepted accounting principles applied on a basis consistent with preceding years;

"**ITA**" means the *Income Tax Act* (Canada);

"**Lock-up Agreement**" has the meaning ascribed to that term in Section 3.2;

"**LOI**" means the letter of intent between Abba, MFT and LPC dated April 8, 2016;

"**LP**" has the meaning ascribed to that term in Section 9.1(d)(i);

"**LPC**" has the meaning ascribed to that term on the face page of this Agreement;

"**LPC Assets**" means all properties, assets, privileges, rights, interests and claims, real and personal, tangible and intangible, of every type and description, which are belonging to or usually or ordinarily used in the LPC Business, as a going concern, or to which LPC is entitled in connection with the LPC Business, including without limitation:

- (a) the LPC Books and Records;
- (b) the LPC Material Contracts;
- (c) the LPC Goodwill;
- (d) the LPC Intangible Property; and
- (e) the LPC Owned Equipment;

"**LPC Books and Records**" means all books, records, files, documents and other written information relating to the LPC Business or to LPC, including without limitation the following:

- (a) lists of customers, service providers and suppliers (past, present and potential)
- (b) price lists;
- (c) records with respect to costs, prepaids, deposits and equipment;
- (d) advertising matter, correspondence, mailing lists, photographs, sales materials and records, purchasing materials and records;
- (e) sales order and purchase order files;
- (f) correspondence files (including correspondence relating to discounts, rebates, deposits, tax credits, future commitments, standards of any relevant Regulatory Authority, social service taxes, goods and services taxes, and claims or complaints by customers or clients); and
- (g) other records used in or required to continue the LPC Business as heretofore and presently being conducted by LPC;

"**LPC Business**" means the business and operations of LPC;

**"LPC Financial Statements"** means the audited consolidated balance sheets, statements of income, retained earnings and cash flows of LPC for the fiscal period from incorporation to March 31, 2016, prepared in accordance with international financial reporting standards;

**"LPC Goodwill"** means the goodwill of LPC, including, without limitation, all customer lists, documents, records, correspondence and other information related to the LPC Business;

**"LPC Intangible Property"** means all right, title and interest of LPC in and to all registered and unregistered trademarks, trade or brand names, copyrights, designs, inventions, patents, software, licenses, distribution agreements, authorities, restrictive covenants, and other rights used in connection with the LPC Business;

**"LPC Material Contracts"** means contracts, agreements and other material documents of any kind whatsoever including, without limitation, lease agreements, license agreements, assignment agreements, operating agreements, joint venture agreements, acquisition and disposition agreements, employment agreements, shareholder or voting agreements, share purchase or sale agreements, bank and financial institution loans, promissory notes, debenture, general security, subordination and priority agreements that are material to the LPC Business;

**"LPC Owned Equipment"** means all equipment, computer equipment, production equipment, office equipment, furniture, furnishings and tools of any kind owned by LPC and used or held for use in connection with the LPC Business and any warranties of manufacturers and maintenance in relation to the foregoing;

**"LPC Representative"** has the meaning ascribed to that term in Section 18.1;

**"LPC Shareholders"** has the meaning ascribed to that term in the Recitals to this Agreement;

**"LPC Shares"** has the meaning ascribed to that term in the Recitals to this Agreement;

**"MFT"** has the meaning ascribed to that term on the face page of this Agreement;

**"MFT Assets"** means all properties, assets, privileges, rights, interests and claims, real and personal, tangible and intangible, of every type and description, which are belonging to or usually or ordinarily used in the MFT Business, as a going concern, or to which MFT is entitled in connection with the MFT Business, including without limitation:

- (a) the MFT Books and Records;
- (b) the MFT Material Contracts;
- (c) the MFT Goodwill;
- (d) the MFT Intangible Property; and
- (e) the MFT Owned Equipment;

"**MFT Books and Records**" means all books, records, files, documents and other written information relating to the MFT Business or to MFT, including without limitation the following:

- (a) lists of customers, service providers and suppliers (past, present and potential)
- (b) price lists;
- (c) records with respect to costs, prepaids, deposits and equipment;
- (d) advertising matter, correspondence, mailing lists, photographs, sales materials and records, purchasing materials and records;
- (e) sales order and purchase order files;
- (f) correspondence files (including correspondence relating to discounts, rebates, deposits, tax credits, future commitments, standards of any relevant Regulatory Authority, social service taxes, goods and services taxes, and claims or complaints by customers or clients); and
- (g) other records used in or required to continue the MFT Business as heretofore and presently being conducted by MFT;

"**MFT Business**" means the business and operations of MFT;

"**MFT Financial Statements**" means the audited consolidated balance sheets, statements of income, retained earnings and cash flows of MFT for its fiscal period ended April 30, 2016, prepared in accordance with international financial reporting standards (and together with the LPC Financial Statements, the "**Audited Financials**");

"**MFT Goodwill**" means the goodwill of MFT, including, without limitation, all customer lists, documents, records, correspondence and other information related to the MFT Business;

"**MFT Intangible Property**" means all right, title and interest of MFT in and to all registered and unregistered trademarks, trade or brand names, copyrights, designs, inventions, patents, software, licenses, distribution agreements, authorities, restrictive covenants, and other rights used in connection with the MFT Business;

"**MFT Material Contracts**" means contracts, agreements and other material documents of any kind whatsoever including, without limitation, lease agreements, license agreements, assignment agreements, operating agreements, joint venture agreements, acquisition and disposition agreements, employment agreements, shareholder or voting agreements, share purchase or sale agreements, bank and financial institution loans, promissory notes, debenture, general security, subordination and priority agreements that are material to the MFT Business;

"**MFT Owned Equipment**" means all equipment, computer equipment, production equipment, office equipment, furniture, furnishings and tools of any kind owned by MFT and used or held for use in connection with the MFT Business and any warranties of manufacturers and maintenance in relation to the foregoing;

"**MFT Representative**" has the meaning ascribed to that term in Section 17.1;

"**MFT Shareholders**" has the meaning ascribed to that term in the Recitals to this Agreement;

"**MFT Shares**" has the meaning ascribed to that term in the Recitals to this Agreement;

"**MMPR**" means the *Marihuana for Medical Purposes Regulations* (Canada) pursuant to the *Controlled Drugs and Substances Act* (Canada);

"**Name Change**" has the meaning ascribed to that term in Section 10.3(a);

"**New Employee**" or "**New Employees**" has the meaning ascribed to those terms in Section 7.3;

"**Non-Competition Agreement**" has the meaning ascribed to that term in Section 7.5;

"**CBCA**" means the *Canada Business Corporations Act*, as amended from time to time;

**< redacted – commercially sensitive confidential information >**

"**OpCo**" means the designated affiliate of Abba that will carry on the Target Business after the completion of the Acquisition;

"**Person**" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or association, or a governmental entity (or any department, agency, or political subdivision thereof);

"**Personal Information**" has the meaning ascribed to that term in Section 20.2;

"**Pre-Existing Liabilities**" has the meaning ascribed to that term in Section 8.3;

"**Purchase Price**" has the meaning ascribed to that term in Section 2.2;

"**Quarterly Bonus Earn-Out EBITDA Target**" has the meaning ascribed to that term in Section 5.8;

"**Regulatory Approval**" means all approvals, consents, waivers, permits, orders or exemptions from any Regulatory Authority having jurisdiction or authority over any Party hereto which are required to be obtained in order to permit the Acquisition to be effected, including, without limitation, approval of the Exchange and the applicable Securities Commissions;

"**Regulatory Authority**" means any (i) multinational, federal, provincial, state, regional, municipal, local or other government or any governmental or public department, court, tribunal, arbitral body, commission, board, bureau or agency; (ii) self-regulatory organization or stock exchange including the Exchange; (iii) subdivision, agent, commission, board or authority of any of the foregoing; or (iv) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;

"**Second Tranche Earn-Out EBITDA Target**" has the meaning ascribed to that term in Section 5.4;

"**Securities Act**" means the *Ontario Securities Act*, R.S.O. 1990, c. S.5, as amended and the current rules and regulations thereunder, and the blanket rulings, orders and instruments issued by the Ontario Securities Commission;

"**Security**" or "**Securities**" means any shares, ownership interests, stock options, stock option plans, employee share ownership plans, warrants, convertible notes or debentures, agreements, documents, instruments or other writings of any kind whatsoever which constitute a "**security**" as that term is defined in the Securities Act;

"**Securities Commissions**" means collectively the Ontario Securities Commission and such other commissions as may hold jurisdiction over the transactions contemplated herein;

"**Securities Laws**" means the securities legislation having application, the regulations and rules thereunder and all administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable securities regulatory authority, all as amended;

"**SEDAR**" means System for Electronic Document Analysis and Retrieval;

"**Share Consolidation**" or "**Consolidation**" has the meaning ascribed to that term in Section 10.3(a);

"**Subsidiary**" means a subsidiary within the meaning of Section 2(5) of the CBCA and "**Subsidiaries**" means more than one Subsidiary;

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"**Target Business**" means collectively, the business and operations of the LPC Business and the MFT Business;

"**Third Party**" means any partnership, corporation, trust, unincorporated organization, union, government, governmental department or agency, individual or any heir, executor, administrator or other legal representative of an individual other than a Party to this Agreement;

"**Working Capital Commitment**" has the meaning ascribed to that term in Section 9.1(b); and

"**Working Capital Schedule**" has the meaning ascribed to that term in Section 9.1(b).

## 1.2 Schedules:

The following schedules are attached to and form part of this Agreement:

<b>Schedule</b>	<b>Title</b>
Schedule "A"	Representations and Warranties of MFT
Schedule "B"	Representations and Warranties of LPC
Schedule "C"	Representations and Warranties of Abba
Schedule "D"	Representations and Warranties of the Target Shareholders

## **2. Purchase Price**

2.1 Subject to the terms and conditions of this Agreement, each of the Target Shareholders agrees to sell all of their ownership interest in and to the Purchased Shares, to Abba free and clear of all Encumbrances, and Abba agrees to purchase all of the Purchased Shares for the consideration set forth below.

2.2 The purchase price for the Purchased Shares shall consist, collectively, of (the "**Purchase Price**"):

- (a) \$250,000.00 (the "**Cash Payment**");
- (b) the issue of such number of Abba Common Shares as would represent approximately 66% of all of Abba's issued and outstanding common shares immediately post-Acquisition and without giving effect to the Financing (collectively, the "**Abba Payment Shares**"), it being understood that the total number of Abba Payment Shares shall be adjusted downward dollar-for-dollar for any Pre-Existing Liabilities, as more particularly described in Article 8;
- (c) \$2,000,000 in cash, payable based on OpCo achieving certain EBITDA performance bonus targets as more fully described below or, in the event the EBITDA performance targets are not met, shall be payable on the 3<sup>rd</sup> anniversary of the Closing Date as set out below (the "**Earn-Out Payment**"); and
- (d) \$2,000,000 in cash, payable based on OpCo achieving certain EBITDA performance targets as more fully described below or, in the event the EBITDA performance targets are not met, shall be payable on the 3<sup>rd</sup> anniversary of the Closing Date as set out below (the "**Bonus Earn-Out Payment**").

2.3 The Purchase Price shall be payable as follows:

- (a) the Cash Payment, to be delivered to the MFT Shareholders by Abba as set out below:
  - (i) \$50,000.00 paid as a refundable deposit, which the Parties acknowledge was paid upon the signing of the LOI, to be held in trust by the solicitors to the MFT Shareholders (the "**Deposit**"), and to be released to the MFT Shareholders upon the execution of this Agreement; and

- (ii) \$200,000.00 on the Closing Date, payable in certified funds or by Abba's solicitor's trust cheque payable to the solicitors for the MFT Shareholders, in trust;
- (b) with respect to the Abba Payment Shares:
  - (i) 77.27% of the Abba Payment Shares shall be attributable to, and payable to the MFT Shareholders, in accordance with each MFT Shareholder's proportionate interest in the MFT Shares; and
  - (ii) 22.73% of the Abba Payment Shares shall be attributable to, and payable to the LPC Shareholders, in accordance with each LPC Shareholder's proportionate interest in the LPC Shares;
- (c) with respect to each Earn-Out Payment:
  - (i) 77.27% of any Earn-Out Payment shall be attributable to, and payable to the MFT Shareholders, in accordance with each MFT Shareholder's proportionate interest in the MFT Shares; and
  - (ii) 22.73% of any Earn-Out Payment shall be attributable to, and payable to the LPC Shareholders, in accordance with each LPC Shareholder's proportionate interest in the LPC Shares;
- (d) with respect to each Bonus Earn-Out Payment, 100% of any payment shall be attributable to, and payable to the MFT Shareholders, in accordance with each MFT Shareholder's proportionate interest in the MFT Shares.

### 3. Escrow and Resale Restrictions

#### 3.1 The Abba Payment Shares will:

- (a) be subject to such resale restrictions and/or escrow conditions as may be imposed by the Exchange; and
- (b) in addition to the foregoing, be placed into escrow with a third party trustee designed by Abba (the "**Escrow**") and shall be released from Escrow and delivered to the Target Shareholders based on OpCo's achievement of certain EBITDA performance targets more particularly described below (each, an "**EBITDA Target**") and pursuant to the terms of an escrow agreement to be entered into between the Parties and Abba's counsel (the "**Escrow Agreement**");

For greater certainty, subject to Applicable Laws it is the intention of the Parties that any resale restrictions and/or escrow conditions imposed by the Exchange and the Escrow shall run concurrently.

For further greater certainty, the Parties hereto agree that any and all voting rights attached to Abba Payment Shares in Escrow shall at all times be exercised by the Target

Shareholder holding those Abba Payment Shares in Escrow. The Parties hereto further agree that the Target Shareholders holding Abba Payment Shares in Escrow shall be entitled to the right to receive payment of dividends, if any, as determined by the Abba board of directors from time to time and in accordance with the share terms of the then current issued and outstanding common shares of Abba.

- 3.2 On or before the Closing Date, Abba shall use its reasonable commercial efforts to cause each of its directors and officers to enter into a lock-up agreement pursuant to which such person will not sell its securities (including any convertible securities) for a period of not less than six (6) months from the Closing Date without first offering such securities (or convertible securities) to the MFT Shareholders (each, a "**Lock-Up Agreement**").
- 3.3 With respect to the delivery of the Abba Payment Shares and conditions of Escrow, the Abba Payment Shares shall be delivered to the Target Shareholders as follows, subject to any escrow conditions imposed by the Exchange:
- (a) 20% of the Abba Payment Shares shall be delivered to the Target Shareholders on the Closing Date;
  - (b) subject to OpCo achieving the applicable EBITDA Target, 20% of the Abba Payment Shares shall be released from Escrow and delivered to the Target Shareholders on the 6 month anniversary of the Closing Date;
  - (c) subject to OpCo achieving the applicable EBITDA Target, 20% of the Abba Payment Shares shall be released from Escrow and delivered to the Target Shareholders on the 12 month anniversary of the Closing Date;
  - (d) subject to OpCo achieving the applicable EBITDA Target, 20% of the Abba Payment Shares shall be released from Escrow and delivered to the Target Shareholders on the 18 month anniversary of the Closing Date; and
  - (e) subject to OpCo achieving the applicable EBITDA Target, 20% of the Abba Payment Shares shall be released from Escrow and delivered to the Target Shareholders on the 24 month anniversary of the Closing Date;

In the event that OpCo does not achieve the applicable EBITDA Target by the applicable anniversary date of the Closing Date, then such portion of the Abba Payment Shares shall remain in Escrow until the 3<sup>rd</sup> anniversary of the Closing Date at which time they shall be released and delivered to the Target Shareholders.

#### **4. EBITDA Targets and Calculation**

4.1 The relevant EBITDA Targets shall be as follows:

- (a) **<redacted – commercially sensitive confidential information>;**
- (b) **<redacted – commercially sensitive confidential information>;**

(c) <redacted – commercially sensitive confidential information>;

(d) <redacted – commercially sensitive confidential information>

4.2 Abba shall calculate OpCo's EBITDA for the applicable period within 45 days of the end of such period and, subject to any escrow conditions imposed by the Exchange, the applicable Abba Payment Shares shall be released from Escrow and delivered to the Target Shareholders within 75 days of the end of such fiscal period (the "**Final EBITDA Calculation**").

4.3 If the Target Shareholders notify Abba that they agree with the Final EBITDA Calculation within 30 days after receipt thereof or fails to deliver notice to Abba of its disagreement therewith within such 30-day period, the Final EBITDA Calculation shall be conclusive and binding upon the Target Shareholders and Abba, and the Target Shareholders shall be deemed to have agreed thereto, in the first case, on the date Abba receives the notice and, in the second case, on such 30th day.

4.4 Only the Target Shareholders may challenge Abba's Final EBITDA Calculation. If the Target Shareholders notify Abba of their disagreement with the Final EBITDA Calculation within such 30-day period, then Abba and the Target Shareholders shall attempt, in good faith, to resolve their differences within 30 days after Abba's receipt of the Target Shareholders notice of disagreement. Any disagreement over the Final EBITDA Calculation not resolved by Abba and the Target Shareholders within such 30-day period shall be submitted to an accounting firm, as mutually agreed upon by Abba and the Target Shareholders (the "**Accountants**"), which firm may be the auditors of Abba. The Accountants shall act as experts, not as arbitrators, and the determination of the Accountants shall, in the absence of manifest error, be final and binding on Abba and the Target Shareholders. Abba and the Target Shareholders shall cooperate with the Accountants and promptly provide all documents and information requested by the Accountants. The Accountants shall consider only those items or amounts in, the Final EBITDA Calculation which the Target Shareholders have disputed in their notice of disagreement duly delivered pursuant to Section 4.3. The Accountant's calculations shall be based on written submissions by Abba and the Target Shareholders, and any independent review deemed necessary or appropriate by the Accountant, so long as such independent review is reasonable in scope and duration. The Accountant shall deliver to Abba and the Target Shareholders, as promptly as practicable (but in any case no later than 30 days from the date of engagement of the Accountant), a written report setting forth its determination. Such report shall be final and binding upon Abba and the Target Shareholders, and neither Abba nor the Target Shareholders shall seek further recourse to courts or other tribunals, other than to enforce such report. Judgment may be entered to enforce such report in any court of competent jurisdiction. All fees and expenses associated with obtaining and utilizing the services of the Accountant shall be allocated by the Accountant between Abba and the Target Shareholders in accordance with the Accountant's judgment as to the relative merits of the Parties' proposals in respect of the disputed items specified in the Final EBITDA Calculation. Each party shall bear its own expenses of preparing for and participating in the resolution of any dispute as to the determination of such purchase price adjustment, including legal fees.

## 5. Earn-Out Payments

- 5.1 The Earn-Out Payment shall consist of two tranches, each of which shall be **<redacted – commercially sensitive confidential information>** in cash (each an "Earn-Out Tranche").
- 5.2 The first Earn-Out Tranche shall be payable to the Target Shareholders in cash 75 days after the **<redacted – commercially sensitive confidential information>** of the Closing Date if OpCo has achieved a minimum of 2x the EBITDA Target set out above for such period (the "First Tranche Earn-Out EBITDA Target").
- 5.3 In the event that OpCo does not achieve the First Tranche Earn-Out EBITDA Target by the **<redacted – commercially sensitive confidential information>** date of the Closing Date, then the First Earn-Out Tranche shall be payable to the Target Shareholders in cash on the 3<sup>rd</sup> anniversary of the Closing Date.
- 5.4 The second Earn-Out Tranche shall be payable to the Target Shareholders in cash 75 days after the **<redacted – commercially sensitive confidential information>** of the Closing Date if OpCo has achieved a minimum of 2x the EBITDA Target set out above for such period (the "Second Tranche Earn-Out EBITDA Target").
- 5.5 In the event that OpCo does not achieve the Second Tranche Earn-Out EBITDA Target by the **<redacted – commercially sensitive confidential information>** date of the Closing Date, then the Second Earn-Out Tranche shall be payable to the Target Shareholders in cash on the 3<sup>rd</sup> anniversary of the Closing Date.
- 5.6 For greater certainty, irrespective of whether OpCo achieves the First Tranche Earn-Out EBITDA Target or the Second Tranche Earn-Out EBITDA Target, both Earn-Out Tranches shall be paid to the Target Shareholders in cash no later than the 3<sup>rd</sup> anniversary of the Closing Date.
- 5.7 The Bonus Earn-Out Payment shall consist of eight tranches, each of which shall be **<redacted – commercially sensitive confidential information>** in cash (each a "Bonus Earn-Out Tranche") payable on a quarterly basis over the first 24 months after the Closing Date, if OpCo achieves certain EBITDA targets. Irrespective of whether OpCo achieves the Quarterly Bonus Earn-Out EBITDA Targets set out below, the entire Bonus Earn-Out Payment shall be paid to the Target Shareholders in cash no later than the 3<sup>rd</sup> anniversary of the Closing Date.
- 5.8 For the purposes of determining the timing of the payment of each Bonus Earn-Out Tranche, the EBITDA Targets shall be equal to the Earn-Out EBITDA Targets, but shall be expressed quarterly as follows: (each a "Quarterly Bonus Earn-Out EBITDA Target"):
- (a) **<redacted – commercially sensitive confidential information>**;
  - (b) **<redacted – commercially sensitive confidential information>**;

- (c) **<redacted – commercially sensitive confidential information>;**
- (d) **<redacted – commercially sensitive confidential information>;**
- (e) **<redacted – commercially sensitive confidential information>;**
- (f) **<redacted – commercially sensitive confidential information>;**
- (g) **<redacted – commercially sensitive confidential information>;**
- (h) **<redacted – commercially sensitive confidential information>;**

5.9 The first 4 Bonus Earn-Out Tranches shall be payable to the Target Shareholders in cash 45 days after the applicable quarterly period if OpCo has achieved the Quarterly Bonus Earn-Out Target for such quarterly period. However, notwithstanding the foregoing, if at the end of the **<redacted – commercially sensitive confidential information>** of the Closing Date, OpCo has achieved an EBITDA target **<redacted – commercially sensitive confidential information>** the Target Shareholders shall be entitled to receive all four quarters of Bonus Earn-Out Payment (i.e. a total of **<redacted – commercially sensitive confidential information>**) which have not otherwise been earned during the first 12 months after the Closing Date. For greater certainty, and by way of example only, if OpCo failed to achieve the Quarterly Bonus Earn-Out EBITDA Target during the first and second quarterly periods, but did achieve the Quarterly Earn-Out EBITDA Target in the third and fourth quarterly period, the Target Shareholders would receive: \$0 Bonus Earn-Out Payment in respect of the first and second quarterly periods; **<redacted – commercially sensitive confidential information>** in respect of the third quarterly period and **<redacted – commercially sensitive confidential information>** in respect of the fourth quarterly period. In the event that at the end of the **<redacted – commercially sensitive confidential information>** anniversary of the Closing Date, OpCo has not achieved an EBITDA target of **<redacted – commercially sensitive confidential information>**, then all of the first four Bonus Earn-Out Tranches (i.e. **<redacted – commercially sensitive confidential information>**) shall be payable to the Target Shareholders in cash on the 3<sup>rd</sup> anniversary of the Closing Date.

5.10 The second 4 Bonus Earn-Out Tranches shall be payable to the Target Shareholders in cash 45 days after the applicable quarterly period if OpCo has achieved the Quarterly Bonus Earn-Out Target for such quarterly period. However, notwithstanding the foregoing, if at the end of the **<redacted – commercially sensitive confidential information>** of the Closing Date, OpCo has achieved an EBITDA target **<redacted – commercially sensitive confidential information>** the Target Shareholders shall be entitled to receive all four quarters of Bonus Earn-Out Payment (i.e. **<redacted – commercially sensitive confidential information>**) which have not otherwise been earned during the period starting on the first day after the 12 month anniversary of the Closing Date and ending on the 24 month anniversary of the Closing Date. For greater certainty, and by way of example only, if OpCo failed to achieve the Quarterly Bonus Earn-Out EBITDA Target during the fifth and sixth quarterly periods, but did achieve the Quarterly Earn-Out EBITDA Target in the seventh and eighth quarterly period, the

Target Shareholders would receive: \$0 Bonus Earn-Out Payment in respect of the fifth and sixth quarterly periods; <redacted – commercially sensitive confidential information> in respect of the seventh quarterly period and <redacted – commercially sensitive confidential information> in respect of the eighth quarterly period. In the event that at the end of the period starting on the first day after the <redacted – commercially sensitive confidential information> of the Closing Date and ending on the <redacted – commercially sensitive confidential information> of the Closing Date OpCo has not achieved an EBITDA target of <redacted – commercially sensitive confidential information>, then all four quarters of the second four Bonus Earn-Out Tranches (i.e. a total <redacted – commercially sensitive confidential information>) shall be payable to the Target Shareholders in cash on the <redacted – commercially sensitive confidential information> of the Closing Date.

- 5.11 Abba agrees that any eligible Target Shareholder that wishes to jointly elect with Abba under subsection 85(1) of the ITA in respect of the Acquisition in the prescribed form and within the time as prescribed by the ITA, may do so, and the amount to be jointly elected by such Target Shareholder and Abba may be determined by such Target Shareholder, acting reasonably and in compliance with the provisions of the ITA, provided that such Target Shareholder will reimburse Abba in respect of any reasonable professional fees incurred by Abba in respect of the filing of such elections.
- 5.12 Prior to the release of any of Abba Payment Shares to any Target Shareholder not resident in Canada, such Target Shareholder will provide Abba with a clearance certificate under §116 of the ITA, or such security in lieu of the same as Abba may agree.
- 5.13 Abba does not assume and shall not be liable for any taxes under the ITA or any other taxes whatsoever which may be or become payable by Target Shareholders including, without limiting the generality of the foregoing, any taxes resulting from or arising as a consequence of the sale by Target Shareholders to Abba of the Purchased Shares herein contemplated, and Target Shareholders shall indemnify and save harmless Abba from and against all such taxes.
- 5.14 Each Target Shareholder hereby acknowledges and agrees with Abba as follows:
  - (a) the transfer of such Target Shareholder's Purchased Shares and the issuance of the Abba Payment Shares in exchange therefor will be made pursuant to appropriate exemptions (the "**Exemptions**") from the formal takeover bid and registration and prospectus (or equivalent) requirements of the Securities Laws;
  - (b) as a consequence of acquiring the Abba Payment Shares pursuant to the Exemptions:
    - (i) the Target Shareholder will be restricted from using certain of the civil remedies available under the Securities Laws;
    - (ii) the Target Shareholder may not receive information that might otherwise be required to be provided to the Target Shareholders, and Abba is

relieved from certain obligations that would otherwise apply under Securities Laws if the Exemptions were not being relied upon by Abba;

- (iii) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Abba Payment Shares;
  - (iv) there is no government or other insurance covering the Abba Payment Shares; and
  - (v) an investment in the Abba Payment Shares is speculative and of high risk;
- (c) the certificates representing the Abba Payment Shares will bear such legends as required by Securities Laws and the policies of the Exchange and it is the responsibility of the Target Shareholder to find out what those restrictions are and to comply with them before trading any Abba Payment Shares; and
- (d) the Target Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Laws of those jurisdictions which apply to the sale of the Purchased Shares and the issuance of the Abba Payment Shares and which may impose restrictions on the resale of such Abba Payment Shares in those jurisdictions and it is the responsibility of the Target Shareholder to find out what those resale restrictions are, and to comply with them before trading any Abba Payment Shares.

## **6. Concurrent Financing**

- 6.1 As soon as practicable and in any event prior to Closing, Abba will arrange to secure a firm commitment for the Financing for an aggregate minimum amount of \$5,000,000.
- 6.2 MFT, LPC and Abba shall cooperate to provide all agents for the Financing and their legal counsel with all documents, information and commercially reasonable assistance required to prepare the necessary private placement offering documents and conduct the necessary marketing and due diligence for the Financing.

## **7. Director and Officer Appointments, Employees and Non-Competition**

- 7.1 On the Closing Date, the Abba board of directors will be reconstituted as follows:
- (a) three existing directors, namely, Gerry Goldberg, Brad Rogers and David Shpilt;
  - (b) Mike Southwell;
  - (c) Edwin Corey; and
  - (d) two "independent" (within the meaning of applicable Law) nominees to be mutually designated by Abba and the Targets,

provided such persons meet all necessary legal and regulatory requirements and are willing and able to act.

- 7.2 On the Closing Date, Abba shall deliver resignations and mutual releases (the "**Abba Resignations**") of those directors and officers of Abba who are either not continuing with Abba or are continuing in a different capacity or role; such resignations and mutual releases to be in a form acceptable to each of Abba, MFT and LPC, acting reasonably.
- 7.3 On the Closing Date, Abba or OpCo shall enter into employment agreements for the employment of Fabian Henry, Mike Southwell, Scott Fitzgerald and David Shpilt (each a "**New Employee**" and together, the "**New Employees**") (the "**Employment Agreements**").
- 7.4 Each Employment Agreement shall be for an initial term of three (3) years, automatically renewable thereafter for further one (1) year periods until terminated in accordance with its terms.
- 7.5 On the Closing Date, each Target Shareholder will enter into a mutually agreeable non-competition and non-solicitation agreement (each a "**Non-Competition Agreement**") which will provide that, other than such business interests that have been disclosed by MFT and LPC and agreed to in writing by Abba, the Target Shareholders will not engage with any business that is competitive to the businesses of OpCo, Abba or the Target Business (other than as a passive arm's length investment in publicly traded entities not to exceed 1% of any investee company), nor solicit any of their employees, contractors, agents, suppliers and customers during a period of three (3) years following the Closing Date.
- 7.6 If a Target Shareholder breaches the terms of the Non-Competition Agreement, 25% of the Abba Payment Shares attributable to such Target Shareholder, in addition to any other rights and remedies available to Abba and OpCo at law or in equity, which remain in Escrow (other than any Abba Payment Shares which have not yet been released because of an escrow condition imposed by the Exchange) shall be forfeited by the Target Shareholder, and shall be returned to Abba for cancellation.

## **8. Pre-Existing Debt and Long-Term Liabilities**

- 8.1 **<redacted – commercially sensitive confidential information.**
- 8.2 Except any liabilities related to the **<redacted – commercially sensitive confidential information**, on the Closing Date neither MFT, LPC nor any of its respective subsidiaries, if any, shall have any direct, indirect or contingent debt or other long-term liabilities (other than such debt as is disclosed by MFT and LPC and agreed to by Abba) ("**Corporate Debt**").
- 8.3 In addition, neither Abba nor OpCo (or their respective affiliates) shall assume or purchase, as the case may be any liabilities or obligations relating to the Target Business which arose on, concurrently with or prior to the Closing Date other than liabilities related to the Ongoing Litigation and as otherwise specifically agreed to by Abba (the

**"Business Liabilities"** and, together with the Corporate Debt, the **"Pre-Existing Liabilities"**).

8.4 The Target Shareholders agree that they shall remain liable for and indemnify Abba against any Pre-Existing Liabilities. Without limiting the foregoing:

- (a) to the extent that any Pre-Existing Liabilities are quantifiable on the Closing Date, the number of Abba Payment Shares which are payable to the Target Shareholders shall be reduced by the amount of such Pre-Existing Liabilities on a dollar-for-dollar basis and such reduction shall be applied to the first tranche of Abba Payment Shares delivered to the Target Shareholders on the Closing Date; and
- (b) with respect to Pre-Existing Liabilities which are not quantifiable on the Closing Date (and, therefore, have not reduced the number of Abba Payment Shares delivered to the Target Shareholders on the Closing Date), Abba shall be entitled to set-off such Pre-Existing Liabilities from time to time, as they arise, from the Purchase Price, including, without limitation, any Earn-Out Payment which has become due and payable.

8.5 For the purposes of calculating the number of Abba Payment Shares which are to be deducted from the Purchase Price on account of Pre-Existing Liabilities, the price per Abba Payment Share shall be deemed to be equal to the prevailing price per Abba Payment Share in the Acquisition (anticipated to be \$0.25 per Abba Payment Share post-Consolidation but subject to Exchange approval).

8.6 For the purpose of determining any Pre-Existing Liabilities on Closing giving rise to a Purchase Price adjustment, each of LPC and MFT shall, upon Closing, deliver to Abba an updated balance sheet, certified by an officer of such entity, updated to a date that is no more than two Business Days prior to Closing.

## **9. Covenants, Agreements and Acknowledgements**

9.1 Abba covenants and agrees with the Targets that from and including the Effective Date through to and including the Closing Date it shall:

- (a) with the cooperation of the Targets and the Target Shareholders, use commercially reasonable efforts to obtain Regulatory Approval for this Agreement and the transactions contemplated hereunder as soon as reasonably possible, which efforts will include, among other things:
  - (i) producing and filing with the Exchange an information circular and Listing Statement, or such other form as is required or permitted by the Exchange in respect of the Acquisition, with the assistance of the Targets;
  - (ii) producing and filing with the Exchange and the applicable Securities Commissions all forms required by applicable Securities Law, along with producing the applicable closing documents, for the Financing;

- (iii) obtaining the Exchange's acceptance of the Financing;
- (b) provide OpCo with a mutually acceptable commitment of working capital in accordance with a negotiated and capped budget (the "**Working Capital Commitment**") to enable OpCo to carry on its business and achieve its EBITDA Targets, and a mutually acceptable schedule for the provision of such working capital (the "**Working Capital Schedule**");
- (c) submit the Working Capital Commitment and Working Capital Schedule to regular (and no less than semi-annual) review and revision by a committee formed by a designated representative of Abba and a designated representative of OpCo (which representative of OpCo shall be one of the Employees) (the "**Budget Committee**") and may be revised by the mutual agreement of the Budget Committee, acting reasonably;
- (d) use good faith commercially reasonable efforts to:
  - (i) **<redacted – commercially sensitive confidential>**;
  - (ii) **<redacted – commercially sensitive confidential information>**;
- (e) do all such acts and things necessary to ensure that all of the representations and warranties of Abba remain true and correct in all material respects, and not do any such act or thing that would render any representation or warranty of Abba untrue or incorrect;
- (f) use reasonable commercial efforts to obtain all Abba Approvals, any consents and waivers and give all notices, which are required prior to Closing;
- (g) execute all undertakings and comply with all requirements of the applicable Securities Laws, the Exchange, the Securities Commissions and any other Persons or governmental or Regulatory Authority, which may be necessary or reasonable to obtain the necessary Abba Approvals and Regulatory Approval under Applicable Laws and Exchange requirements to the transactions contemplated hereby;
- (h) not declare or pay any dividends or distribute any of its properties or assets to shareholders;
- (i) not alter or amend its articles or by-laws except as contemplated by the terms hereof;
- (j) not redeem, purchase or offer to purchase any of its common shares or other securities;

9.2 Each of MFT and LPC severally but not jointly nor jointly and severally covenant and agree with Abba that from and including the Effective Date through to and including the Closing Date it shall:

- (a) use its reasonable commercial efforts to provide to Abba, at the request of Abba as soon as available, all such further information, documents, instruments and materials and do all such acts and things as may be required by Abba to obtain Regulatory Approval including, but not limited to, providing to Abba:
  - (i) the MFT Financial Statements and LPC Financial Statements in a form acceptable to the Exchange in connection with the Acquisition;
  - (ii) a valuation of the MFT Assets and LPC Assets in a form acceptable to the Exchange in connection with the Acquisition, if such valuation is requested by the Exchange or it is mutually determined by MFT, LPC and Abba that it would be beneficially to provide such valuation to the Exchange; and
  - (iii) a fully completed and properly executed personal information form in the form required by the Exchange, for each director, senior officer and 10% shareholder of Abba;
- (b) do all such acts and things necessary to ensure that all of the representations and warranties of MFT and LPC remain true and correct in all material respects and not do any such act or thing that would render any representation or warranty of MFT or LPC untrue or incorrect in any material respects except as contemplated by this Agreement;
- (c) preserve and protect the MFT Assets and LPC Assets;
- (d) complete and deliver a valuation of the MFT Assets and LPC Assets in a form acceptable to the Exchange in connection with the Acquisition, if such valuation is requested by the Exchange or it is mutually determined by MFT, LPC and Abba that it would be beneficially to provide such valuation to the Exchange;
- (e) execute and deliver the Employment Agreements and the Non-Competition Agreements;
- (f) not solicit or negotiate with any other Person in respect of any participation interest or agreement in relation to the MFT Assets or LPC Assets, offer to buy, or offer to agree to sell, or sell any of the MFT Assets or LPC Assets or other assets of either of the Targets or any interest therein or issue any shares in the capital of either of the Targets or other securities and shall not merge or enter into a business combination with or solicit or negotiate any offer to merge or enter into a business combination with or into any corporation or entity other than Abba;
- (g) use its reasonable commercial efforts to obtain all Approvals, any consents and waivers and give all notices which are required prior to Closing;
- (h) ensure that the board of directors of each of MFT and LPC, respectively, approve the transfer of the Purchased Shares to Abba;

- (i) execute all undertakings and comply with all requirements of the applicable securities laws, the Exchange, the Securities Commissions and any other Persons or governmental or Regulatory Authority, which may be necessary or reasonable to obtain the necessary Approvals and Regulatory Approvals under Applicable Laws and Exchange requirements to the transactions contemplated hereby;
- (j) excepting the acquisition of real property located 255 Restigouche Road, Oromocto, New Brunswick and more particularly described as PIDs 60010931 and 60161171 (the “**Restigouche Road Property**”), not incur or commit to incur liabilities except (i) in the ordinary course of business consistent with past practice and (ii) transaction costs to a maximum of \$25,000;
- (k) not make any material expenditures out of the ordinary course of business, other than as contemplated herein;
- (l) not declare or pay any dividends or distribute any of its properties or the MFT Assets or LPC Assets to its shareholders;
- (m) not enter into or amend or terminate any MFT Material Contracts or LPC Material Contracts;
- (n) not alter or amend its articles or by-laws;
- (o) not sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber the MFT Assets or LPC Assets; and
- (p) not acquire, directly or indirectly, any assets, including but not limited to securities of other companies, other than in the ordinary course of business or as contemplated herein.

9.3 Each of the Target Shareholders severally but not jointly nor jointly and severally covenant and agree with Abba that, prior to the Closing Date, such Target Shareholder, as the case may be, shall:

- (a) from and including the Effective Date through to and including the Closing Date, not enter into any agreement for the sale, option, transfer, encumbrance or other disposition of all or any part of its Purchased Shares;
- (b) from and including the Effective Date through to and including the Closing Date, do all such acts and things necessary to ensure that all of its representations and warranties remain true and correct and not do any act or thing that would render any of their representations or warranty untrue or incorrect except as contemplated by this Agreement;
- (c) assign any intellectual property rights necessary for the conduct of OpCo and the Target Business to MFT or LPC, respectively;

- (d) lease to OpCo, or as Abba may direct, any real property which is directly or indirectly owned or leased by a Target Shareholder or an affiliate thereof, which is used in whole or in part to carry on the business of either Target, at lease rates which are no greater than current market rates for equivalent property which is similarly situated; and
- (e) execute all undertakings and comply with all requirements of applicable securities laws, the Exchange and any other Persons or governmental or regulatory authorities, which may be necessary or reasonable to obtain the necessary approvals under Applicable Laws and Exchange requirements to the transactions contemplated hereby.

## **10. Conditions Precedent**

10.1 The respective obligations of the Parties hereto to complete the transactions contemplated by this Agreement will be subject to the satisfaction of the following conditions, any of which may be waived by any Party hereto in whole or in part without prejudice to such Party's right to rely on any other of them:

- (a) Abba shall have received a firm commitment for the Financing;
- (b) all other required Regulatory Approvals and other third-party approvals necessary for the Closing and for the conduct of the business of OpCo and the Target Business, including, without limiting the generality of the foregoing, the approval of the Acquisition by the Exchange, will have been obtained for the Acquisition and all other transactions contemplated by this Agreement;
- (c) as of the Closing Date, Abba will meet the minimum listing requirements of the Exchange;
- (d) there will not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, including, without limitation, the Acquisition; and all consents, orders and approvals required or necessary or desirable for the completion of the transactions provided for in this Agreement will have been obtained or received, all on terms satisfactory to each of the Parties hereto, acting reasonably.

10.2 Abba's obligations under this Agreement, including, without limitation, its obligation to close the transactions contemplated under this Agreement, are subject to the fulfillment, to its satisfaction, of the following conditions that:

- (a) the representations and warranties of MFT and LPC contained in Schedule "A" and Schedule "B", respectively, will be true and correct in all material respects at and as of the Closing;
- (b) the representation and warranties of the Target Shareholders contained in Schedule "D" be true and correct in all material respects at and as of the Closing;

- (c) all covenants, agreements and obligations hereunder on the part of MFT, LPC and the Target Shareholders to be performed or complied with at or prior to the Closing Date contained herein will have been performed and complied with;
- (d) there will have been no material adverse change in the business, affairs, financial condition or operations of MFT or LPC between the date of the MFT Financial Statements and LPC Financial and the Closing Date;
- (e) on the Closing Date, MFT, LPC and the Target Shareholders will each have delivered to Abba the documents required to be delivered by them pursuant to Section 15.2; and
- (f) at any time prior to and including the Closing Date, there will not have been any adverse material change in the business or affairs of MFT or LPC.

The conditions precedent set forth above are for the exclusive benefit of Abba and may, where so capable, be waived by it in whole or in part on or before the Closing Date.

10.3 MFT, LPC and the Target Shareholders' respective obligations under this Agreement, including, without limitation, their obligations to close the transactions contemplated under this Agreement, are subject to the fulfillment, to their satisfaction, of the following conditions:

- (a) on or before the Closing Date, Abba will have obtained the consent of the Abba shareholders to the transactions contemplated herein and the Abba Shareholder Meeting will have taken place, approving the consolidation of Abba Common Shares on a 1.5 : 1 basis (the "**Share Consolidation**" or "**Consolidation**"), change of name to a new name to be mutually determined by the parties and acceptable to the Exchange (the "**Name Change**"), the Acquisition, and the reconstitution of the Abba board of directors;
- (b) on or before the Closing Date, Abba will have entered into a Third Party supply arrangement with one or more existing LP's pursuant to which such Supplying LP's will, in the aggregate, supply at least 125kgs of cannabis per month to such patients;
- (c) on Closing the board of Abba shall have been reconstituted to consist of the members set out in Section 7.1;
- (d) Abba will have completed the Share Consolidation;
- (e) the delivery of the balance of the Cash Payment on the Closing Date;
- (f) the representations and warranties of Abba contained in Schedule "C" will be true and correct in all material respects at and as of the Closing;

- (g) all covenants, agreements and obligations hereunder on the part of Abba to be performed or complied with at or prior to the Closing Date contained herein will have been performed and complied with;
- (h) on the Closing Date, Abba will have delivered to MFT and LPC the documents required to be delivered by them pursuant to Section 15.3; and
- (i) at any time prior to and including the Closing Date, there will not have been any adverse material change in the business or affairs of Abba.

The conditions precedent set forth above are for the exclusive benefit of MFT, LPC and the Target Shareholders and may be waived by MFT or LPC on their behalf and on behalf of the Target Shareholders in whole or in part on or before the Closing Date.

#### **11. MFT and the MFT Shareholders' Representations and Warranties**

- 11.1 In order to induce Abba to enter into this Agreement and complete its obligations hereunder, MFT makes the representations and warranties to Abba set forth in Schedule "A".
- 11.2 The representations and warranties of MFT contained in Schedule "A" are true and correct as of the Effective Date and shall be true and correct at the Closing Date as though they were made at that time.

#### **12. LPC and the LPC Shareholders' Representations and Warranties**

- 12.1 In order to induce Abba to enter into this Agreement and complete its obligations hereunder, LPC makes the representations and warranties to Abba set forth in Schedule "B".
- 12.2 The representations and warranties of LPC contained in Schedule "B" are true and correct as of the Effective Date and shall be true and correct at the Closing Date as though they were made at that time.

#### **13. Abba Representations and Warranties**

- 13.1 In order to induce MFT, LPC and Target Shareholders to enter into this Agreement and complete their respective obligations hereunder, Abba makes the representations and warranties to MFT, LPC and Target Shareholders contained in Schedule "C".
- 13.2 The representations and warranties of Abba contained in Schedule "C" are true and correct as of the Effective Date and shall be true and correct at the Closing Date as though they were made at that time.

#### **14. Target Shareholders' Representations, Warranties and Acknowledgements**

- 14.1 In order to induce Abba to enter into this Agreement and complete its obligations hereunder, each of the Target Shareholders makes the representations and warranties to Abba set forth in Schedule "D".
- 14.2 The representations and warranties of the Target Shareholders contained in Schedule "D" are true and correct as of the Effective Date and shall be true and correct at the Closing Date as though they were made at that time.

#### **15. Closing**

- 15.1 The completion of the transactions contemplated under this Agreement shall be closed (the "**Closing**") at the offices of Abba's legal counsel, at 10:00 a.m. (Toronto Time) on August 31, 2016 or such other date prior to the Drop-Dead Date as may be mutually agreed in writing by Abba and the Targets (the "**Closing Date**"). In the event that the transactions contemplated under this Agreement have not closed on or before the Drop Dead Date, any one or more of Abba, MFT or LPC may terminate this Agreement by notice in writing to the other Parties to this Agreement and this Agreement shall be of no further force and effect.
- 15.2 At the Closing Date, MFT and LPC shall each deliver to Abba the following documents:
- (a) certified true copies of any corporate authorizations which are necessary in order to authorize and approve this Agreement, MFT, LPC and the Target Shareholders' execution and delivery hereof and all of the transactions of each of MFT and LPC contemplated hereunder, which authorization shall include specific reference to:
    - (i) the sale and transfer of all beneficial ownership in and to the Purchased Shares from the Target Shareholders to Abba as provided for in this Agreement;
    - (ii) the transfer of all legal title of the Purchased Shares from the Target Shareholders to Abba or their designated nominees; and
    - (iii) the cancellation or endorsement for transfer of the certificates, documents and agreements providing for and representing the outstanding Purchased Shares;
  - (b) duly executed copies of the Escrow Agreement signed by all Principals (as that term is defined in the Escrow Policy) of each of MFT and LPC;
  - (c) a certificate of an officer of each of MFT and LPC certifying that (i) all of MFT's and all of LPC's representations and warranties are true as of the Closing Date, (ii) all of MFT's and all of LPC's covenants have been performed, and (iii) all of the conditions for the benefit of MFT and LPC and have been complied with or waived;

- (d) a certificate of an officer of each of MFT and LPC to certify that MFT and LPC have no other Encumbrances on the MFT Assets or LPC Assets or incurred any other liabilities other than as disclosed in the MFT Financial Statements and LPC Financial Statements or as permitted hereby;
- (e) the Non-Competition Agreements executed by each Target Shareholder;
- (f) the Employment Agreements executed by the New Employees; and
- (g) such other materials that are, in the opinion of Abba, acting reasonably, required to be delivered by the Target Shareholders, MFT and LPC in order for them to have met their obligations under this Agreement.

15.3 At the Closing Date, Abba shall deliver to MFT and LPC the following:

- (a) certified true copies of the corporate authorizations of Abba which are necessary in order to authorize and approve this Agreement, Abba's execution and delivery hereof and all of the transactions of Abba contemplated hereunder, which authorization shall include specific reference to the approval of:
  - (i) this Agreement and the authorization of Abba's entry hereinto;
  - (ii) the purchase of the Purchased Shares;
  - (iii) the issuance of Abba Payment Shares to the Target Shareholders pursuant to the terms of this Agreement;
  - (iv) the Financing;
  - (v) the Share Consolidation;
  - (vi) the Name Change; and
  - (vii) receipt of and acceptance of the Abba Resignations and the reconstitution of the Abba board of directors;
- (b) certificates representing Abba Payment Shares issued on the Closing Date which are not subject to Escrow, registered in the names of or as directed by the Target Shareholders;
- (c) evidence that Regulatory Approval has been obtained for the Acquisition and Financing;
- (d) the Abba Resignations;
- (e) a certificate of an officer of Abba certifying that (i) all of its representations and warranties are true as of the Closing Date, (ii) all of its covenants have been performed, and (iii) all of the conditions for the benefit of Abba have been complied with or waived;

- (f) the Escrow Agreement executed by Abba, with copies of certificates representing Abba Payment Shares issued on the Closing Date which are subject to Escrow, registered in the names of or as directed by the Target Shareholders;
- (g) the Employment Agreements executed by Abba; and
- (h) such other materials that are, in the opinion of MFT and LPC, each acting reasonably, required to be delivered by Abba in order for Abba to have met its obligations under this Agreement.

15.4 The items tabled at Closing pursuant to Sections 15.2 and 15.3 shall be held in escrow until all of such items have been tabled and Abba, the MFT Representative (as defined in Section 17.1) and the LPC Representative (as defined in Section 18.1) have acknowledged that they are satisfied therewith, whereupon such escrow shall be terminated and the Closing shall have occurred. If such escrow is not released on or before 5:00 p.m. on the Closing Date and the MFT Representative and LPC Representative do not agree to an extension of the escrow, the Closing shall not occur, and the balance of the documents tabled by each Party pursuant to this Section 15.4 shall be returned to such Party.

## **16. Termination**

16.1 This Agreement may be terminated by the mutual agreement of the Parties hereto. Unless otherwise agreed in writing by the Parties hereto, this Agreement shall terminate without further notice or agreement in the event that:

- (a) the Acquisition is rejected by the Exchange and all recourse and rights of appeal in respect of such rejection have been exhausted;
- (b) any condition precedent set out in Article 10 is not satisfied, released or waived on or before the Closing Date or such earlier date indicated therein; or
- (c) the Closing has not occurred on or before the Drop Dead Date, or such later date as may be approved by MFT, LPC and Abba in writing, and one of the Parties hereto has provided a written termination notice to the other Parties hereto pursuant to Sections 16.1 and 21.9.

## **17. MFT Power of Attorney**

17.1 Each MFT Shareholder hereby irrevocably nominates, constitutes and appoints Fabian Henry, as his, her or its agent and attorney-in-fact (the "**MFT Representative**") to act on his, her or its behalf with full power and authority in his, her or its name, place and stead to:

- (a) deliver all certificates, documents and agreements representing the MFT Shares to Abba;

- (b) execute and deliver a stock power or agreement to transfer the MFT Shares to Abba;
- (c) execute and deliver all such further documents and instruments including, without limitation the Escrow Agreement and do all such acts and things as any party may, either before or after the Closing Date of this Agreement, reasonably require of the other in order that the full intent and meaning of this Agreement is carried out;
- (d) give and receive Communications; and
- (e) take all actions necessary or appropriate in the judgment of the MFT Representative for the accomplishment of the foregoing, including without limitation the right to resolve any disagreements or disputes, and to exercise such rights, power and authority as are incidental thereto;

and this power of attorney shall terminate upon the termination of this Agreement.

- 17.2 In the event that the MFT Representative is unavailable to act as the MFT Representative, or becomes incapable (through death or legal incapacity) of acting as the MFT Representative, then such person as is then designated by a majority of the members of MFT's board of directors, as then constituted, is authorized and directed to take such action on behalf of MFT and each MFT Shareholder and to exercise such rights, power and authority as are authorized, delegated and granted to the MFT Representative under this Agreement.
- 17.3 MFT and each MFT Shareholder agree to be bound by the actions taken by the MFT Representative pursuant to this power of attorney in accordance with the terms hereof and hereby waives any and all defences which may be available to MFT and each MFT Shareholder to contest, negate or disaffirm the action of the MFT Representative taken under this power of attorney.
- 17.4 The MFT Representative, MFT and each of MFT's directors, officers, employees, advisors and agents, shall not be liable for any act done or omitted hereunder as attorney for MFT and each MFT Shareholder. MFT and each MFT Shareholder indemnifies the MFT Representative and holds him harmless against any loss, liability or expense arising out of, or in connection with, any actions taken pursuant to this power of attorney.

## **18. LPC Power of Attorney**

- 18.1 Each LPC Shareholder hereby irrevocably nominates, constitutes and appoints David Shpilt, as his, her or its agent and attorney-in-fact (the "**LPC Representative**") to act on his, her or its behalf with full power and authority in his, her or its name, place and stead to:
- (a) deliver all certificates, documents and agreements representing the LPC Shares to Abba;

- (b) execute and deliver a stock power or agreement to transfer the LPC Shares to Abba;
- (c) execute and deliver all such further documents and instruments including, without limitation the Escrow Agreement and do all such acts and things as any party may, either before or after the Closing Date of this Agreement, reasonably require of the other in order that the full intent and meaning of this Agreement is carried out;
- (d) give and receive Communications; and
- (e) take all actions necessary or appropriate in the judgment of the LPC Representative for the accomplishment of the foregoing, including without limitation the right to resolve any disagreements or disputes, and to exercise such rights, power and authority as are incidental thereto;

and this power of attorney shall terminate upon the termination of this Agreement.

- 18.2 In the event that the LPC Representative is unavailable to act as the LPC Representative, or becomes incapable (through death or legal incapacity) of acting as the LPC Representative, then such person as is then designated by a majority of the members of LPC's board of directors, as then constituted, is authorized and directed to take such action on behalf of LPC and each LPC Shareholder and to exercise such rights, power and authority as are authorized, delegated and granted to the LPC Representative under this Agreement.
- 18.3 LPC and each LPC Shareholder agree to be bound by the actions taken by the LPC Representative pursuant to this power of attorney in accordance with the terms hereof and hereby waives any and all defences which may be available to LPC and each LPC Shareholder to contest, negate or disaffirm the action of the LPC Representative taken under this power of attorney.
- 18.4 The LPC Representative, LPC and each of LPC's directors, officers, employees, advisors and agents, shall not be liable for any act done or omitted hereunder as attorney for LPC and each LPC Shareholder. LPC and each LPC Shareholder indemnifies the LPC Representative and holds him harmless against any loss, liability or expense arising out of, or in connection with, any actions taken pursuant to this power of attorney.

## **19. Independent Legal Advice**

- 19.1 Each of the Parties to this Agreement acknowledges and agrees that legal counsel for Abba, MFT and LPC has acted as counsel only to Abba, MFT and LPC respectively, and that neither is protecting the rights and interests of the Target Shareholders. Each Party to this Agreement acknowledges and agrees that they have been given the opportunity to seek independent legal advice with respect to the subject matter of this agreement and, further, the Target Shareholders hereby represent and warrant to Abba, MFT and LPC that they have sought independent legal advice or waive such advice.

## 20. Personal Information

- 20.1 Each Target Shareholder acknowledges and consents to: (i) the disclosure by Abba, MFT and LPC of Personal Information (hereinafter defined) concerning the Target Shareholder to any Regulatory Authority including, but not limited to, the Exchange and its affiliates, authorized agents, subsidiaries and divisions; and (ii) the collection, use and disclosure of Personal Information by the Exchange for the following purposes (or as otherwise identified by the Exchange, from time to time):
- (a) to conduct background checks;
  - (b) to verify the Personal Information that has been provided about the Target Shareholder;
  - (c) to consider the suitability of each Target Shareholder as a holder of securities of Abba;
  - (d) to consider the eligibility of Abba to continue to list on the Exchange;
  - (e) to provide disclosure to market participants as the security holdings of Abba's shareholders, and their involvement with any other reporting issuers, issuers subject to a cease trade order or bankruptcy, and information respecting penalties, sanctions or personal bankruptcies, and possible conflicts of interest with Abba;
  - (f) to detect and prevent fraud;
  - (g) to conduct enforcement proceedings; and
  - (h) to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.
- 20.2 Herein, "**Personal Information**" means any information about a Target Shareholder required to be disclosed to any Regulatory Authority, whether pursuant to a prescribed form or pursuant to a request made by a Regulatory Authority.
- 20.3 Each Target Shareholder acknowledges and consents to: (i) the fact that Abba is collecting its Personal Information for the purpose of completing this Agreement; (ii) Abba retaining such Personal Information for as long as permitted or required by law or business practices; (iii) the fact that Abba may be required by securities laws, the rules and policies of any stock exchange or the rules of the Investment Industry Regulatory Organization of Canada to provide regulatory authorities with any Personal Information provided by the Target Shareholder in this Agreement.

## **21. General**

- 21.1 Neither Abba, MFT nor LPC will make any press release, public announcement or public statement about the transactions contemplated herein which has not been previously approved by the others, except that Abba may make a press release or filing with a regulatory authority if counsel for Abba advises that such press release or filing is necessary under applicable securities laws or the rules and policies of the Exchange, provided that Abba will provide MFT and LPC with the opportunity to review and provide comments prior to dissemination.
- 21.2 Each Party to this Agreement will be responsible for all of his, her or its own expenses and costs in respect of the transactions contemplated hereunder including, without limitation, expenses and costs incurred for professional advice such as legal, accounting, tax, financial and business advice, among others, finder's fees and any personal or corporate sales taxes, income taxes and capital gains.
- 21.3 All express or implied references in this Agreement to dollars or monetary amounts are references to Canadian currency.
- 21.4 Time and each of the terms and conditions of this Agreement shall be of the essence of this Agreement and any waiver by the Parties of this subsection or any failure by them to exercise any of their rights under this Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or otherwise affect any of their rights or remedies under this Agreement.
- 21.5 The Schedules to this Agreement and the recitals to this Agreement constitute a part of this Agreement. The headings in this Agreement are for reference only and do not constitute terms of the Agreement. Whenever the singular or masculine is used in this Agreement the same shall be deemed to include the plural or the feminine or the body corporate or vice versa as the context may require.
- 21.6 This Agreement, together with the agreement and documents (including certificates and instruments) delivered pursuant hereto, contain the entire agreement between the Parties pertaining to the subject matter hereof, and this Agreement supersedes all prior agreements and undertakings (written or oral) between the Parties, including the LOI, except for section 13 of the LOI (Confidentiality).
- 21.7 The Parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any Party may, either before or after the Closing Date, reasonably require of the other in order that the full intent and meaning of this Agreement is carried out. The provisions contained in this Agreement which, by their terms, require performance by a Party to this Agreement subsequent to the Closing Date, shall survive the Closing of this Agreement.
- 21.8 No alteration, amendment, modification or interpretation of this Agreement or any provision of this Agreement shall be valid and binding upon the Parties hereto unless such alteration, amendment, modification or interpretation is in written form executed by all of the Parties to this Agreement.

21.9 Any payment, notice, request, demand, election and other communication of any kind whatsoever (a "**Communication**") to be given under this Agreement shall be in writing and shall be delivered by hand, e-mail or by fax to the Parties at their following respective addresses:

To MFT or the MFT Shareholders:

Marijuana for Trauma Inc.  
255 Restigouche Road  
Oromocto, New Brunswick E2V 2H1

Attention: Fabian Henry  
Email: fabian@mftgroup.ca

With a copy to MFT's counsel (which shall not constitute notice hereunder):

Cox and Palmer  
Suite 400 Phoenix Square 371 Queen Street West  
Fredericton, New Brunswick E3B 4Y9

Attention: Steven Pearce  
Fax: (506) 453-9600  
Email: spearse@coxandpalmer.com

To LPC or the LPC Shareholders:

The Longevity Project Corp.  
29 Kilworth Park Drive  
Komoko, Ontario N0L 1R0

Attention: David Shpilt  
Email: davidshpilt@gmail.com

With a copy to LPC's counsel (which shall not constitute notice hereunder):

Macdonald Tuskey  
Corporate and Securities Lawyers  
409 – 221 W. Esplanade  
North Vancouver, BC V7M 3J3

Attention: William L. Macdonald  
Email: wmacdonald@wlmlaw.ca

To Abba:

Abba Medix Group Inc.  
1773 Bayly Street  
Pickering, Ontario M5K 0A1

Attention: Gerald Goldberg  
Email: gerry.goldberg@slf.ca

With a copy to Abba's counsel (which shall not constitute notice hereunder):

Bennett Jones LLP  
3400 One First Canadian Place  
Toronto, Ontario, M5X 1A4

Attention: Hugo Alves/Aaron Sonshine  
Fax: (416) 863-1716  
Email: alvesh@bennettjones.com/sonshinea@bennettjones.com

or to such other addresses as may be given in writing by the Parties hereto in the manner provided for in this subsection, and the Party sending such notice should request acknowledgment of delivery and the Party receiving such notice should provide such acknowledgment. Notwithstanding whether or not a request for acknowledgment has been made or replied to, whether or not delivery has occurred will be a question of fact. If a Party can prove that delivery was made as provided for above, then it will constitute delivery for the purposes of this Agreement whether or not the receiving Party acknowledged receipt. Each of the MFT Shareholders hereby appoints the MFT Representative as its nominee and each of the LPC Shareholders hereby appoints the LPC Representative as its nominee for the purpose of receiving a Communication from Abba pursuant to this Agreement.

- 21.10 This Agreement may not be assigned by any Party hereto without the prior written consent of all of the Parties hereto.
- 21.11 This Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and the Parties hereby agree to attorn to the non-exclusive jurisdiction of the Courts of Ontario (and in particular, the Commercial List in Toronto, Ontario) and not to commence any form of proceedings in any other forum.
- 21.12 The headings in this Agreement are solely for convenience or reference and are not intended to be complete or accurate descriptions of content or to be guides to interpretation of this Agreement or any part of it.
- 21.13 The word "including", when following any general statement or terms, is not to be construed as limiting the general statement or term to the specific items or matters set forth or to similar items or matters, but rather as permitting the general statement or term

to refer to all other items or matters that could reasonably fall within its broadest possible scope.

- 21.14 A reference to a statute includes all regulations made thereunder, all amendments to the statute or regulation in force from time to time, and every statute or regulation that supplements or supersedes such statute or regulation.
- 21.15 Words importing the masculine gender include the feminine or neuter; words in the singular include the plural; a word importing a corporate entity includes an individual; and vice versa.
- 21.16 This Agreement may be signed by fax, email or other electronic transmission and in counterparts, and each copy so signed shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

*[Signature Page Follows]*

**IN WITNESS WHEREOF** the Parties have executed this Agreement as of the Effective Date first above written.

**ABBA MEDIX GROUP INC.**

Per: (signed) Gerry Goldberg  
Name: Gerry Goldberg  
Title: Interim Chief Executive Officer  
Authorized Signatory

**MARIJUANA FOR TRAUMA INC.**

Per: (signed) Fabian Henry  
Name: Fabian Henry  
Title: President  
Authorized Signatory

**THE LONGEVITY PROJECT CORP.**

Per: (signed) Scott Fitzgerald  
Name: Scott Fitzgerald  
Title: COO  
Authorized Signatory

**MFT SHAREHOLDERS:**

Please see the following pages for the MFT Shareholders signatures.

**LPC SHAREHOLDERS:**

Please see the following pages for the LPC Shareholders signatures.

**Signatures of MFT Shareholders**

**MFT Shareholder Details:**

Name of MFT Shareholder: <redacted – confidential information>

Address of MFT Shareholder: <redacted – confidential information>

The undersigned hereby agrees to be bound by the terms and conditions of the Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the Effective Date first above written.

**WITNESSED BY:**

<redacted – confidential information> )  
Signature )  
<redacted – confidential information> )  
Name )  
<redacted – confidential information> )  
Address )  
<redacted – confidential information> )  
Occupation )

<redacted – confidential information>  
Print Name: <redacted – confidential information>

**Name of Corporate Shareholder:**

<redacted – confidential information>  
Names redacted  
<redacted – confidential information>  
Signatures redacted

<redacted – confidential information>  
Authorized Signatory

## Signatures of LPC Shareholders

### **LPC Shareholder Details:**

Name of LPC Shareholder: <redacted – confidential information>

Address of LPC Shareholder: <redacted – confidential information>

The undersigned hereby agrees to be bound by the terms and conditions of the Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the Effective Date first above written.

### **WITNESSED BY:**

<u>&lt;redacted – confidential information&gt;</u>	)	
Signature	)	
<u>&lt;redacted – confidential information&gt;</u>	)	
Name	)	
<u>&lt;redacted – confidential information&gt;</u>	)	<u>&lt;redacted – confidential information&gt;</u>
Address	)	
<u>&lt;redacted – confidential information&gt;</u>	)	Print Name:
	)	
<u>&lt;redacted – confidential information&gt;</u>	)	
Occupation	)	
	)	

### **Name of Corporate Shareholder:**

<redacted – confidential information>  
Names redacted

<redacted – confidential information>  
Signatures redacted

<redacted – confidential information>  
Authorized Signatory

**SCHEDULE "A"**  
**TO THE SHARE EXCHANGE AGREEMENT**  
**MADE AMONG ABBA, MFT, LPC AND THE VENDOR SHAREHOLDERS**

**Representations and Warranties of MFT**

MFT hereby represents and warrants to Abba as follows, and confirms that where a representation and warranty contained herein is stated to be made in accordance with the knowledge, information and belief of MFT, such representation and warranty shall be deemed to be made to the best of the knowledge of MFT after having made reasonable enquiries of the officers and directors of MFT. MFT confirms that Abba is relying upon the accuracy of each of such representations and warranties in connection with the completion of the transactions hereunder:

- (a) **Incorporation:** As of the date hereof, MFT is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, and has all necessary corporate power to own its MFT Assets and to conduct the MFT Business as such business is now being conducted and as currently proposed to be conducted;
- (b) **Constituting Documents:** The articles, by-laws and other constituting documents of MFT as made available to Abba are complete and accurate.
- (c) **Authority and Binding Obligation:** MFT has good right, full corporate power and absolute authority to enter into this Agreement and to perform all of its obligations under this Agreement. MFT, its board of directors and shareholders have (or will, prior to the Closing Date, have) taken all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of this Agreement.
- (d) **Corporate Records:** As of the date hereof, the minute books and other corporate records of MFT are complete and accurate in all material respects. The share certificate books, register of security holders, register of transfers and register of directors and officers and any similar corporate records of MFT are complete and accurate in all material respects.
- (e) **Taxes:** MFT has filed with appropriate taxation authorities, federal, state, provincial and local, all returns, reports and declarations which are required to be filed by it and has paid all taxes which have become due and no taxing authority is asserting or has, to the knowledge of MFT, threatened to assert, or has any basis for asserting against MFT any claim for additional taxes or interest thereon or penalty.
- (f) **MFT Material Contracts:** MFT has provided or made available to Abba copies of all MFT Material Contracts. MFT is not in default or breach of any MFT Material Contract.

- (g) **Authorized and Issued Capital:** The authorized share capital of MFT, now and at the Closing Date, consists of an unlimited number of voting Class A Common Shares and an unlimited number of non-voting Class B Common Shares. As of the date hereof, the issued capital of MFT consists of 98 Class A Common Shares, all of which have been duly issued and are outstanding as fully paid and non-assessable common shares, and will be free and clear of all Encumbrances of any kind whatsoever at the Closing Date. There are no options, warrants, purchase rights, subscription rights, conversion privileges, exchange rights, pre-emptive rights or other rights, agreements or commitments of a similar nature to which MFT is bound relating to the outstanding or unissued share capital of MFT or obligating MFT to issue any shares of, or other equity interest in, MFT or securities or obligations of any kind convertible into or exchangeable for any shares of MFT.
- (h) **Subsidiaries and Other Interests:** MFT has no Subsidiaries and does not own any securities issued by, or any equity or ownership interest in, any other Persons.
- (i) **Consents:** Other than the approval of the MFT Shareholders, no consent, approval of or by, or filing with or notice to any Person is required with respect to MFT in connection with the execution, delivery or enforceability of this Agreement or the consummation of the transactions provided for hereby.
- (j) **Transaction Compliance with Constating Documents, Agreements and Laws:** The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by MFT, and the completion of the transactions contemplated hereby, will not constitute or result in a violation or breach of or default under, or cause the acceleration of any obligations of MFT under:
  - (i) any term or provision of any of the articles, by-laws or other constating documents of MFT or resolutions of the directors or shareholders of MFT;
  - (ii) the terms of any agreement (written or oral), indenture, instrument or understanding or other obligation or restriction to which MFT is a party or by which it is bound; or
  - (iii) any order of any court, Regulatory Authority or governmental body made against MFT or the MFT Assets or any law or regulation of any jurisdiction in which business is carried on which is applicable to MFT or the MFT Assets.
- (k) **Compliance with Laws:** To the best of the MFT Shareholders' knowledge, information and belief after due and diligent inquiry, MFT is, in all material respects, conducting the MFT Business in compliance with all Applicable Laws, rules and regulations (including all material applicable federal, provincial, municipal, and local zoning, environmental, controlled substance laws and regulations and other lawful requirements of any governmental or Regulatory

Authority, including, but not limited, to relevant permits and licenses) of each jurisdiction in which its business is carried on and is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable the MFT Business to be carried on as now conducted and contemplated to be conducted and its property and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which could have a material adverse effect on MFT.

(l) **Financial Statements:**

- (i) The MFT Financial Statements have been prepared in accordance with IFRS and are true, correct and complete in all material respects and present fairly the financial condition of MFT as of their respective dates; and
- (ii) There has been no change in the financial condition of MFT since the date of the MFT Financial Statements that would constitute a material adverse effect.

(m) **Liabilities of MFT:** There are no liabilities, contingent or otherwise, of MFT of any kind whatsoever, including, without limitation, any bonds, debentures, mortgages, promissory notes, loan agreements or Corporate Debt and there is no basis for assertion against MFT of any liabilities of any kind, other than:

- (i) liabilities disclosed or reflected in or provided for in the MFT Financial Statements or this Agreement;
- (ii) liabilities incurred since the date of the MFT Financial Statements which were incurred in the ordinary course of business; and
- (iii) liabilities which may arise from the Ongoing Litigation.

(n) **Dividends and Distributions:** MFT has not declared or paid any dividend or made any other distribution on any of its shares of any class, or redeemed or purchased or otherwise acquired any of its shares of any class (other than such acquired shares as disclosed by MFT to Abba in writing), or reduced its authorized capital or issued capital or agreed to any of the foregoing.

(o) **Litigation:** Other than the Ongoing Litigation, there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of MFT) active, pending or, to the knowledge of the MFT Shareholders after due and diligent inquiry, threatened by or against MFT or affecting the MFT Assets at law or in equity, or before or by any federal, provincial, state, municipal or other governmental court, department, commission, board, bureau, agency or instrumentality, domestic or foreign and MFT is not aware of any existing ground

on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success.

- (p) **Not a Reporting Issuer:** MFT is not a reporting issuer (or the equivalent thereof) in any jurisdiction.
- (q) **Employees:** To the best of the MFT Shareholders' knowledge, information and belief after due and diligent inquiry, MFT is in compliance with all laws respecting employment and employment practices, terms and conditions of employment, occupational health and safety, pay equity and wages; there is not currently any labour disruption or conflict involving MFT. MFT is not party to a collective bargaining agreement.
- (r) **Environmental Matters:** MFT has been and is in compliance with all applicable environmental laws, including orders, directives and decision rendered by any ministry, department or administrative or regulatory agency relating to the protection of the environment, occupational health and safety or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, transport or handling of hazardous substances.
- (s) **Title to MFT Assets:** MFT is the owner of and has good and marketable title to all of the MFT Assets, including, without limitation, all MFT Assets reflected in the MFT Financial Statements and all MFT Assets acquired by MFT after the date of the MFT Financial Statements.
- (t) **Sufficiency of MFT Assets:** The MFT Assets constitute all of the assets, of any nature whatsoever, necessary to operate the MFT Business in the manner presently operated by MFT.
- (u) **Real Property Interests:** MFT is not the beneficial or registered owner of, and has not agreed to acquire any real property or any interest in any real property (excepting the Restigouche Road Property).
- (v) **Shareholders' Agreements:** There are no shareholders' agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the securities of MFT.
- (w) **Restrictions on Doing Business:** MFT is not a party to or bound by any agreement which would restrict or limit its right to carry on any business or activity or to solicit business from any Person or in any geographical area or otherwise to conduct its business as MFT may determine.
- (x) **Broker's Fees:** MFT has not incurred any obligation or liability, contingent or otherwise requiring it or Abba to pay broker's or finder's fees in respect of the transaction herein provided for.

**SCHEDULE "B"**  
**TO THE SHARE EXCHANGE AGREEMENT**  
**MADE AMONG ABBA, MFT, LPC AND THE VENDOR SHAREHOLDERS**

**Representations and Warranties of LPC**

LPC hereby represents and warrants to Abba as follows, and confirms that where a representation and warranty contained herein is stated to be made in accordance with the knowledge, information and belief of LPC, such representation and warranty shall be deemed to be made to the best of the knowledge of LPC after having made reasonable enquiries of the officers and directors of LPC. LPC confirms that Abba is relying upon the accuracy of each of such representations and warranties in connection with the completion of the transactions hereunder:

- (a) **Incorporation:** As of the date hereof, LPC is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, and has all necessary corporate power to own its LPC Assets and to conduct the LPC Business as such business is now being conducted and as currently proposed to be conducted;
- (b) **Status, Constating Documents:** The articles, by-laws and other constating documents of LPC as made available to Abba are complete and accurate.
- (c) **Authority and Binding Obligation:** LPC has good right, full corporate power and absolute authority to enter into this Agreement and to perform all of its obligations under this Agreement. LPC, its board of directors and shareholders have (or will, prior to the Closing Date, have) taken all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of this Agreement.
- (d) **Corporate Records:** As of the date hereof, the minute books and other corporate records of LPC are complete and accurate in all material respects. The share certificate books, register of security holders, register of transfers and register of directors and officers and any similar corporate records of LPC are complete and accurate in all material respects.
- (e) **Taxes:** LPC has filed with appropriate taxation authorities, federal, state, provincial and local, all returns, reports and declarations which are required to be filed by it and has paid all taxes which have become due and no taxing authority is asserting or has, to the knowledge of LPC, threatened to assert, or has any basis for asserting against LPC any claim for additional taxes or interest thereon or penalty.
- (f) **LPC Material Contracts:** LPC has provided or made available to Abba copies of all LPC Material Contracts. LPC is not in default or breach of any LPC Material Contract.

- (g) **Authorized and Issued Capital:** The authorized share capital of LPC, now and at the Closing Date, consists of an unlimited number of common shares. As of the date hereof, the issued capital of LPC consists of 100 common shares, all of which have been duly issued and are outstanding as fully paid and non-assessable common shares, and will be free and clear of all Encumbrances of any kind whatsoever at the Closing Date. There are no options, warrants, purchase rights, subscription rights, conversion privileges, exchange rights, pre-emptive rights or other rights, agreements or commitments of a similar nature to which LPC is bound relating to the outstanding or unissued share capital of LPC or obligating LPC to issue any shares of, or other equity interest in, LPC or securities or obligations of any kind convertible into or exchangeable for any shares of LPC.
- (h) **Subsidiaries and Other Interests:** LPC has no Subsidiaries and does not own any securities issued by, or any equity or ownership interest in, any other Persons.
- (i) **Consents:** Other than the approval of the LPC Shareholders, no consent, approval of or by, or filing with or notice to any Person is required with respect to LPC in connection with the execution, delivery or enforceability of this Agreement or the consummation of the transactions provided for hereby.
- (j) **Transaction Compliance with Constatng Documents, Agreements and Laws:** The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by LPC, and the completion of the transactions contemplated hereby, will not constitute or result in a violation or breach of or default under, or cause the acceleration of any obligations of LPC under:
  - (i) any term or provision of any of the articles, by-laws or other constating documents of LPC or resolutions of the directors or shareholders of LPC;
  - (ii) the terms of any agreement (written or oral), indenture, instrument or understanding or other obligation or restriction to which LPC is a party or by which it is bound; or
  - (iii) any order of any court, Regulatory Authority or governmental body made against LPC or the LPC Assets or any law or regulation of any jurisdiction in which business is carried on which is applicable to LPC or the LPC Assets.
- (k) **Compliance with Laws:** To the best of the LPC Shareholders knowledge, information and belief after due and diligent inquiry, LPC is, in all material respects, conducting the LPC Business in compliance with all Applicable Laws, rules and regulations (including all material applicable federal, provincial, municipal, and local zoning, environmental, controlled substance laws and regulations and other lawful requirements of any governmental or Regulatory Authority, including, but not limited, to relevant permits and licenses) of each jurisdiction in which its business is carried on and is licensed, registered or

qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable the LPC Business to be carried on as now conducted and contemplated to be conducted and its property and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which could have a material adverse effect on LPC.

(l) **Financial Statements:**

- (i) The LPC Financial Statements have been prepared in accordance with IFRS and are true, correct and complete in all material respects and present fairly the financial condition of LPC as of their respective dates; and
- (ii) There has been no change in the financial condition of LPC since the date of the LPC Financial Statements that would constitute a material adverse effect.

(m) **Liabilities of LPC:** There are no liabilities, contingent or otherwise, of LPC of any kind whatsoever, including, without limitation, any bonds, debentures, mortgages, promissory notes, loan agreements or Corporate Debt and there is no basis for assertion against LPC of any liabilities of any kind, other than:

- (i) liabilities disclosed or reflected in or provided for in the LPC Financial Statements or this Agreement; and
- (ii) liabilities incurred since the date of the LPC Financial Statements which were incurred in the ordinary course of business.

(n) **Dividends and Distributions:** LPC has not declared or paid any dividend or made any other distribution on any of its shares of any class, or redeemed or purchased or otherwise acquired any of its shares of any class, or reduced its authorized capital or issued capital or agreed to any of the foregoing.

(o) **Litigation:** There are no judgments unsatisfied, consent decrees or injunctions or embargos to which LPC is subject to or bound, and there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of LPC) active, pending or, to the knowledge of the LPC Shareholders after due and diligent inquiry, threatened by or against LPC or affecting the LPC Assets at law or in equity, or before or by any court or any federal, provincial, municipal, state or other governmental department, commission, board, bureau, agency or instrumentality which will or may have a material adverse effect upon LPC. LPC is not subject to any judgment, order, writ, injunction or decree of any court or government body which would prevent the discharge of the obligations arising pursuant to this Agreement or the consummation of the transactions herein contemplated.

- (p) **Not a Reporting Issuer:** LPC is not a reporting issuer (or the equivalent thereof) in any jurisdiction.
- (q) **Employees:** To the best of the LPC Shareholders' knowledge, information and belief after due and diligent inquiry, LPC is in compliance with all laws respecting employment and employment practices, terms and conditions of employment, occupational health and safety, pay equity and wages; there is not currently any labour disruption or conflict involving LPC. LPC is not party to a collective bargaining agreement.
- (r) **Environmental Matters:** LPC has been and is in compliance with all applicable environmental laws, including orders, directives and decision rendered by any ministry, department or administrative or regulatory agency relating to the protection of the environment, occupational health and safety or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, transport or handling of hazardous substances.
- (s) **Title to LPC Assets:** Except as would not reasonably be expected to have a material adverse effect, LPC is the owner of and has good and marketable title to all of the LPC Assets, including, without limitation, all LPC Assets reflected in the LPC Financial Statements and all LPC Assets acquired by LPC after the date of the LPC Financial Statements.
- (t) **Sufficiency of LPC Assets:** The LPC Assets constitute all of the assets, of any nature whatsoever, necessary to operate the LPC Business in the manner presently operated by LPC.
- (u) **Real Property Interests:** LPC is not the beneficial or registered owner of, and has not agreed to acquire any real property or any interest in any real property.
- (v) **Shareholders' Agreements:** There are no shareholders' agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the securities of LPC.
- (w) **Restrictions on Doing Business:** LPC is not a party to or bound by any agreement which would restrict or limit its right to carry on any business or activity or to solicit business from any Person or in any geographical area or otherwise to conduct its business as LPC may determine.
- (x) **Broker's Fees:** LPC has not incurred any obligation or liability, contingent or otherwise requiring it or Abba to pay broker's or finder's fees in respect of the transaction herein provided for.

**SCHEDULE "C"**  
**TO THE SHARE EXCHANGE AGREEMENT**  
**MADE AMONG ABBA, MFT, LPC AND THE VENDOR SHAREHOLDERS**

**Representations and Warranties of Abba**

Abba hereby represents and warrants to MFT and LPC as follows, and confirms that where a representation and warranty contained herein is stated to be made in accordance with the knowledge of Abba, such representation and warranty shall be deemed to be made to the best of the knowledge of Abba after having made reasonable enquiries of the officers and directors of MFT and LPC. Abba confirms that MFT and LPC are relying upon the accuracy of each of such representations and warranties in connection with the completion of the transactions hereunder:

- (a) **Incorporation:** As of the date hereof, Abba is duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation, and has all necessary corporate power to own its assets and to conduct its business as such business is now being conducted;
- (b) **Status, Constatng Documents:** The articles, by-laws and other constating documents of Abba as made available to MFT and LPC are complete and accurate.
- (c) **Authority and Binding Obligation:** Abba has good right, full corporate power and absolute authority to enter into this Agreement and to perform all of its obligations under this Agreement. Abba and its board of directors and shareholders have (or will, prior to the Closing Date, have) taken all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of this Agreement.
- (d) **Abba Material Contracts:** Abba has provided or made available to MFT and LPC copies of all Abba Material Contracts. Abba is not in default or breach of any Abba Material Contract.
- (e) **Corporate Records:** As of the date hereof, the minute books and other corporate records of Abba are complete and accurate in all material respects. The share certificate books, register of security holders, register of transfers and register of directors and officers and any similar corporate records of Abba are complete and accurate in all material respects.
- (f) **Authorized and Issued Capital:** As of the date hereof, the authorized capital of Abba consists of an unlimited number of common shares. The issued capital of Abba, without giving effect to the Share Consolidation, consists of 61,241,364 common shares, all of which have been duly issued and are outstanding as fully paid and non-assessable shares.
- (g) **Options/Warrants:** The only issued and outstanding securities convertible into Abba Common Shares are the 450,000 Abba Options and the 5,487,723 Abba

Warrants. In addition to the above, as disclosed to the Targets in writing, certain existing directors and/or officers of Abba are entitled to a grant of stock options and/or warrants immediately following closing of the Acquisition under the terms of their employment and/or consulting agreements.

- (h) **Subsidiaries and Other Interests:** Abba Corp. is the only Subsidiary of Abba and Abba Corp. has no Subsidiaries. There are no options, warrants or other rights, agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Abba Corp. of any of its securities or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Abba Corp. Neither Abba nor Abba Corp. own any securities issued by, or any equity or ownership interest in, any other Persons (other than Abba Corp. in the case of Abba). Neither Abba nor Abba Corp. is subject to any obligation to make any investment in or to provide funds by way of loan, capital contribution or otherwise to any Person.
- (i) **Consents:** Other than the approval of the Abba shareholders and the listing approval of the Exchange, no consent, approval of or by, or filing with or notice to any Person is required with respect to Abba in connection with the execution, delivery or enforceability of this Agreement or the consummation of the transactions provided for hereby, except where the failure to obtain such consent or approval, make such filing or give such notice would not have a material adverse effect on Abba.
- (j) **Agreements for the Issuance of Abba Common Shares:** Other than pursuant to this Agreement or the Abba Warrants and the Abba Options, neither Abba nor Abba Corp. is not a party to or has not granted any agreement, warrant, option, right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any Abba Common Shares or securities convertible into or exchangeable for Abba Common Shares.
- (k) **Financial Statements:**
  - (i) The Abba Financial Statements have been prepared in accordance with IFRS and are true, correct and complete in all material respects and present fairly the financial condition of Abba, on a consolidated basis, as of their respective dates; and
  - (ii) There has been no change in the financial condition of Abba since the date of the Abba Financial Statements that would constitute a material adverse effect.
- (l) **Taxes:** Abba has filed with appropriate taxation authorities, federal, provincial and local, all returns, reports and declarations which are required to be filed by it and has paid all taxes which have become due and no taxing authority is asserting or has, to the knowledge of Abba, threatened to assert, or has any basis for asserting against Abba any claim for additional taxes or interest thereon or penalty

- (m) **Liabilities of Abba:** There are no material liabilities, contingent or otherwise, of Abba of any kind whatsoever, including, without limitation, any bonds, debentures, mortgages, promissory notes, loan agreements or inter-company debt and there is no basis for assertion against Abba of any liabilities of any kind, other than:
  - (i) liabilities disclosed or reflected in or provided for in the Abba Financial Statements or this Agreement; and
  - (ii) liabilities incurred since the date of the Abba Financial Statements which were incurred in the ordinary course of business.
- (n) **Dividends and Distributions:** Abba has not declared or paid any dividend or made any other distribution on any of its shares of any class, or redeemed or purchased or otherwise acquired any of its shares of any class, or reduced its authorized capital or issued capital or agreed to any of the foregoing.
- (o) **Real Property Interests:** Other than as disclosed on SEDAR, Abba is not the beneficial or registered owner of, and has not agreed to acquire any real property or any interest in any real property.
- (p) **Leased Property Interests:** Other than the plant and office space disclosed on SEDAR, Abba is not the lessor or lessee of, and has not agreed to lease any real property or any interest in any real property.
- (q) **Environmental Matters:** Abba has been and is in material compliance with all applicable environmental laws, including orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency relating to the protection of the environment, occupational health and safety or the manufacture, processing, distribution, use, treatment, storage, disposal, discharge, transport or handling of hazardous substances.
- (r) **Transaction Compliance with Constatng Documents, Agreements and Laws:** The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by Abba, and the completion of the transactions contemplated hereby, will not constitute or result in a violation or breach of or default under, or cause the acceleration of any obligations of Abba under:
  - (i) any term or provision of any of the articles, by-laws or other constating documents of Abba or resolutions of the directors or shareholders of Abba;
  - (ii) the terms of any agreement (written or oral), indenture, instrument or understanding or other obligation or restriction to which Abba is a party or by which it is bound; or

- (iii) any order of any court, Regulatory Authority or governmental body made against Abba or the Abba Assets or any law or regulation of any jurisdiction in which business is carried on which is applicable to Abba or the Abba Assets.
- (s) **No Orders:** No order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, any securities of Abba has been issued by any Regulatory Authority that is in effect at the date hereof and no proceedings for that purpose have been instituted, are pending or, to the knowledge of Abba, are contemplated or threatened under any Applicable Laws, or by any Regulatory Authority.
- (t) **Litigation:** There are no judgments unsatisfied, consent decrees or injunctions or embargos to which Abba is subject to or bound, and there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of Abba) pending or, to the knowledge of Abba, threatened, by or against or affecting Abba, at law or in equity, or before or by any court or any federal, provincial, municipal, state or other governmental department, commission, board, bureau, agency or instrumentality which will or may have a material adverse effect upon Abba. Abba is not subject to any judgment, order, writ, injunction or decree of any court or government body which would prevent the discharge of the obligations arising pursuant to this Agreement or the consummation of the transactions herein contemplated.
- (u) **No Shareholders Agreement:** Other than as disclosed on SEDAR, neither Abba nor, to its knowledge, any of its shareholders, is a party to any shareholders agreement, voting trust or similar type of arrangement in respect of any outstanding securities of Abba.
- (v) **Indebtedness to or by Insiders:** Other than as disclosed on SEDAR, Abba is not indebted to any of its current or former directors, officers, employees or consultants or any of their respective associates or affiliates or other Parties not at arm's length to Abba.
- (w) **Related Party Transactions:** Other than as disclosed on SEDAR, Abba is not a party to any related party transactions.
- (x) **Reporting Issuer; Listing:** Abba is a reporting issuer, or the equivalent thereof, in the Provinces of Ontario, Alberta, British Columbia and Quebec. The Abba Common Shares are listed for trading on the Exchange and Abba is not in material default of any of the listing requirements of the Exchange or its listing agreement with the Exchange.
- (y) **Registration of Securities in the United States:** No class of securities of Abba is registered or required to be registered under Section 12 of the *United States Securities Exchange Act of 1934*, as amended, nor does Abba have a reporting obligation under Section 15(d) of the U.S. Securities Act.

- (z) **Restrictions on Doing Business:** Abba is not a party to or bound by any agreement which would restrict or limit its right to carry on any business or activity or to solicit business from any Person or in any geographical area or otherwise to conduct its business as Abba may determine.
- (aa) **Broker's Fees:** Except for the agent's commissions relating to the Financing, Abba has not incurred any obligation or liability, contingent or otherwise requiring it, MFT or LPC to pay broker's or finder's fees in respect of the transaction herein provided for.
- (bb) **Status of Commercial License:** Abba has prepared and submitted one or more applications to become a licenced producer of marijuana under the MMPR, involving facilities located in Pickering, Ontario.
- (cc) **Health Canada Correspondence:** Abba has provided or made available to MFT and LPC copies of all material correspondence with Health Canada as at the date hereof.

**SCHEDULE "D"**  
**TO THE SHARE EXCHANGE AGREEMENT**  
**MADE AMONG ABBA, MFT, LPC AND THE VENDOR SHAREHOLDERS**

**Representations and Warranties of the Target Shareholders**

Each Target Shareholder severally (and not jointly, nor jointly and severally) represents, warrants and agrees to and with Abba as of the date hereof and at the Closing Date and acknowledges that Abba is relying upon the accuracy of each of such representations and warranties in connection with the completion of the transactions hereunder:

- (a) **Ownership:** the Target Shareholder is and will be at the Closing Date the legal and beneficial owner of its Purchased Shares.
- (b) **No Other Securities:** the Target Shareholder holds no other securities of the Target Business, including any right or option to acquire any unissued securities of the Target Business.
- (c) **Encumbrances:** the Purchased Shares held by the Target Shareholder are free and clear of all Encumbrances.
- (d) **Broker's Fees:** the Target Shareholder has not incurred any liability for broker's or finder's fees of any kind whatsoever with respect to this Agreement or any transaction contemplated under this Agreement.
- (e) **Authority and Binding Obligation:** the Target Shareholder has the right, power, capacity and authority to enter into this Agreement and to sell such Purchased Shares as contemplated herein. If the Target Shareholder is not an individual, the Target Shareholder is duly organized and validly existing under the laws of its jurisdiction of organization and has the corporate or other power to enter into this Agreement and any other agreement to which it is or is to become a party pursuant to the terms hereof and to perform its obligations hereunder and thereunder.
- (f) **Exclusivity:** except for Abba's rights hereunder, no person has any option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement for the purchase from the Target Shareholder any of its Purchased Shares.
- (g) **Corporate Target Shareholders:** the execution, delivery and performance by the Target Shareholder of this Agreement and the execution, delivery and performance by the Target Shareholder, of or under any other agreements or instruments to which it is or is to become a party pursuant to the terms hereof, and the consummation of the transactions contemplated hereunder and thereunder:

- (i) if the Target Shareholder is not an individual, has been duly authorized by all necessary corporate action on the part of such Target Shareholder; and
  - (ii) if the Target Shareholder is not an individual, do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a violation or a breach of, or a default under or give rise to a right of termination, amendment or cancellation or the acceleration of any obligation under: (A) any charter, by-law or trust deed instrument of the Target Shareholder as applicable, (B) any mortgage, note, indenture contract, instrument, lease, licence or permit to which the Target Shareholder is a party or by which the Target Shareholder is bound or to which any property or material assets of the Target Shareholder is subject, (C) any laws applicable to the Target Shareholder, or (D) any judgment, decree or order binding the Target Shareholder or its property or material assets.
- (h) **Compliance with Laws:** this Agreement has been, and each additional agreement or instrument required to be delivered pursuant to this Agreement shall be at the Closing Date, duly authorized, executed and delivered by the Target Shareholder and each shall be at the Closing Date, a legal, valid and binding obligation of the Target Shareholder enforceable against the Target Shareholder in accordance with its terms.
- (i) **Consents:** no consent, approval, order or authorization of, or registration or declaration with, any Third Party or Regulatory Authority with jurisdiction over the Target Shareholder is required to be obtained by such Target Shareholder in connection with the execution and delivery of this Agreement or the completion of the transactions contemplated herein, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained by the Closing Date, would not prevent or materially delay the completion of the Acquisition or otherwise prevent such Target Shareholder from performing its obligations under this Agreement.
- (j) **U.S. Residents:** if the Target Shareholder is a U.S. resident, then unless such Target Shareholder has completed and delivered a U.S. representation letter in a form approved by Abba, in its sole discretion (in which case the Target Shareholder makes the representations, warranties and covenants therein), the Target Shareholder represents and warrants to Abba that:
  - (i) the offer to purchase the Target Shareholder's Purchased Shares, was not made to the Target Shareholder when either the Target Shareholder was in the United States;
  - (ii) the Target Shareholder is not in the United States and is not acquiring any Abba Payment Shares on behalf of a person in the United States;

- (iii) at the time this Agreement was executed and delivered by the Target Shareholder, the Target Shareholder and any beneficial purchaser for whom it is acting, if applicable, were outside the United States;
- (iv) if the Target Shareholder is a corporation or entity, (A) a majority of the Target Shareholder's voting equity is beneficially owned by persons resident outside the United States; and (B) the Target Shareholder's affairs are wholly controlled and directed from outside of the United States;
- (v) the Target Shareholder or any beneficial purchaser for whom it is acting, if applicable, has no intention to distribute either directly or indirectly any of the Abba Payment Shares in the United States, except in compliance with the United States *Securities Act of 1933*, as amended (the "**1933 Act**"); and
- (vi) the current structure of this transaction and all transactions and activities contemplated in this Agreement is not a scheme to avoid the registration requirements of the 1933 Act and applicable state securities laws.