

## SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this “**Agreement**”), dated as of October 16th, 2023 (the “**Effective Date**”), is entered into by and between MENTORHEAD INCORPORATED, a Delaware corporation a/k/a “Limmi” (the “**Company**”) and VINERGY CAPITAL INC., a corporation existing under the laws of British Columbia, Canada (“**Investor**”).

### RECITALS

WHEREAS, the Company has authorized the issuance of up to 20,000,000 shares of common stock of the Company (the “**Shares**”), par value \$0.00001 per share (the “**Common Stock**”); and

WHEREAS, the Company wishes to sell to Investor, and Investor wishes to purchase from the Company, the Shares upon the achievement of the milestones described on Exhibit A hereto (collectively, the “**Milestones**”), subject to the terms and conditions set forth herein; and

WHEREAS, concurrently with the entering into of this Agreement, the Company is entering into an Intellectual Property License Agreement and Option to Purchase (the “**License Agreement**”), as well as and a Master Services Agreement (the “**Master Services Agreement**”), with Affiliates of Investor.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### ARTICLE I DEFINITIONS

The following terms have the meanings specified or referred to in this ARTICLE I:

“**Accounting Method**” means the cash method of accounting.

“**Action**” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, or investigation of any nature, civil, criminal, administrative, regulatory, or otherwise, whether at law or in equity.

“**Affiliate**” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“**Agreement**” has the meaning set forth in the preamble.

“**Balance Sheet**” has the meaning set forth in Section 3.05.

“**Balance Sheet Date**” has the meaning set forth in Section 3.05.

“**Benefit Plan**” has the meaning set forth in Section 3.15.

“**Business Day**” means any day except Saturday, Sunday, or any other day on which commercial banks located in San Diego, California, are authorized or required by Law to be closed for business.

“**Buyer**” has the meaning set forth in the **preamble**.

“**CERCLA**” means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. §§ 9601 et seq.

“**Closings**” means, collectively, the Initial Closing, the Milestone 1 Closing, the Milestone 2 Closing, the Milestone 3 Closing, the Milestone 4 Closing and the Milestone 5 Closing, and individually, any of the foregoing, as applicable.

“**Closing Date**” has the meaning set forth in Section **2.03**.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Common Stock**” has the meaning set forth in the **Recitals**.

“**Company**” has the meaning set forth in the **preamble**.

“**Company Intellectual Property**” has the meaning set forth in Section **3.10(a)**.

“**Contracts**” means all contracts, leases, deeds, mortgages, licenses, instruments, notes, loans, commitments, undertakings, indentures, joint ventures, and all other agreements, commitments, and legally binding arrangements, whether written or oral.

“**Disclosure Schedules**” means the Disclosure Schedules delivered by the Company and Investor concurrently with the execution and delivery of this Agreement.

“**Dollars or \$**” means the lawful currency of the United States.

“**Effective Date**” has the meaning set forth in the **preamble**.

“**Encumbrance**” means any charge, claim, community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income, or exercise of any other attribute of ownership.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

“**Equity Incentive Plan**” means that certain Mentorhead Incorporated 2023 Stock Incentive Plan.

“**Financial Statements**” has the meaning set forth in Section **3.05**.

“**Governmental Authority**” means any federal, state, local, or foreign government, or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations, or orders of such organization or authority have the force of Law), or any arbitrator, court, or tribunal of competent jurisdiction.

“**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination, or award entered by or with any Governmental Authority.

“**Initial Closing**” has the meaning set forth in Section 2.01(a).

“**Initial Closing Shares**” has the meaning set forth in Section 2.01(a).

“**Insurance Policies**” has the meaning set forth in Section 3.12.

“**Intellectual Property**” has the meaning set forth in Section 3.10(a).

“**Intellectual Property Registrations**” has the meaning set forth in Section 3.10(b).

“**Investor**” has the meaning set forth in the preamble.

“**Knowledge of the Company or the Company’s Knowledge**” or any other similar knowledge qualification, means the actual or constructive knowledge of Trevor Vieweg and Bryan Ivory.

“**Law**” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement, or rule of law of any Governmental Authority.

“**Liabilities**” has the meaning set forth in Section 3.06.

“**Licensed Intellectual Property**” has the meaning set forth in Section 3.10(a).

“**License Agreement**” has the meaning set forth in the preamble.

“**Losses**” means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys’ fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; *provided*, that “**Losses**” shall not include punitive damages, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third party.

“**Master Services Agreement**” has the meaning set forth in the preamble.

“**Material Adverse Effect**” means any event, occurrence, fact, condition, or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to the business, results of operations, prospects, condition (financial or otherwise), or assets of the Company.

“**Material Contracts**” has the meaning set forth in Section 3.08(a).

“**Material Customers**” has the meaning set forth in Section 3.11(a).

“**Material Suppliers**” has the meaning set forth in Section 3.11(b).

“**Milestones**” has the meaning set forth in the Recitals.

“**Milestone 1**” has the meaning set forth in Exhibit A.

“**Milestone 1 Closing**” has the meaning set forth in Section 2.01(a).

“**Milestone 1 Shares**” has the meaning set forth in Section 2.01(a).

“**Milestone 2**” has the meaning set forth in Exhibit A.

“**Milestone 2 Closing**” has the meaning set forth in Section 2.01(a).

“**Milestone 2 Shares**” has the meaning set forth in Section 2.01(a).

“**Milestone 3**” has the meaning set forth in Exhibit A.

“**Milestone 3 Closing**” has the meaning set forth in Section 2.01(a).

“**Milestone 3 Shares**” has the meaning set forth in Section 2.01(a).

“**Milestone 4**” has the meaning set forth in Exhibit A.

“**Milestone 4 Closing**” has the meaning set forth in Section 2.01(a).

“**Milestone 4 Shares**” has the meaning set forth in Section 2.01(a).

“**Milestone 5**” has the meaning set forth in Exhibit A.

“**Milestone 5 Closing**” has the meaning set forth in Section 2.01(a).

“**Milestone 5 Shares**” has the meaning set forth in Section 2.01(a).

“**Permits**” means all permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances, and similar rights obtained, or required to be obtained, from Governmental Authorities.

“**Permitted Encumbrances**” has the meaning set forth in Section 3.09(a).

“**Person**” means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity.

“**Purchase Price**” means the relevant purchase price paid for the Shares purchased at the Initial Closing, Milestone 1 Closing, Milestone 2 Closing, Milestone 3 Closing, Milestone 4 Closing or Milestone 5 Closing, as applicable.

“**Real Property**” means the real property owned, leased, or subleased by the Company, together with all buildings, structures and facilities located thereon.

“**Representative**” means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants, and other agents of such Person.

“**Shares**” has the meaning set forth in the Recitals.

“**Taxes**” means all federal, state, local, foreign and other income, gross receipts, sales, use, production, ad valorem, transfer, franchise, registration, profits, license, lease, service, service use, withholding, payroll, employment, unemployment, estimated, excise, severance, environmental, stamp, occupation, premium, property (real or personal), real property gains, windfall profits, customs, duties or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto and any interest in respect of such additions or penalties.

“**Tax Return**” means any return, declaration, report, claim for refund, information return or statement, or other document relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

“**Transaction Documents**” means this Agreement, the Intellectual Property License Agreement and Option to Purchase of even date herewith, the Issuance, Contribution and Exchange Agreement of even date herewith, and the Master Services Agreement of even date herewith, each entered into by the parties hereto and/or their Affiliates.

## **ARTICLE II PURCHASE AND SALE**

**Section 2.01 Purchase and Sale of Shares; Equity Raise Options.** Subject to the terms and conditions set forth herein:

(a) Purchase and Sale of Shares Upon Effective Date. No later than seven (7) Business Days after the Effective Date (the “**Initial Closing**”), conditioned upon and in exchange for the payment by Investor to Company of \$200,000, the Company shall issue to Investor an amount of Shares equal to the quotient obtained by dividing 200,000 by twenty million (20,000,000) multiplied by the total number of issued and outstanding shares of the Company’s Common Stock immediately preceding the Initial Closing (the “**Initial Closing Shares**”)

(b) Purchase and Sale of Shares Upon Milestones. The Company shall sell Shares to Investor, and Investor shall purchase Shares from the Company, upon achieving the Milestones as follows:

(i) No later than seven (7) Business Days after Milestone 1 has been achieved (the “**Milestone 1 Closing**”), in exchange for and conditioned upon the payment by Investor to the Company of \$37,500, the Company shall issue to Investor an amount of Shares equal to the quotient obtained by dividing 37,500 by twenty million (20,000,000) multiplied by the total number of issued and outstanding shares of the Company’s Common Stock immediately preceding the achievement of Milestone 1 (the “**Milestone 1 Shares**”);

(ii) No later than seven (7) Business Days after Milestone 2 has been achieved (the “**Milestone 2 Closing**”), in exchange for and conditioned upon the payment by Investor to the Company of \$75,000, the Company shall issue to Investor an amount of Shares equal to the quotient obtained by dividing 75,000 by twenty million (20,000,000) multiplied by the total number of issued and outstanding shares of the Company’s Common Stock immediately preceding the achievement of Milestone 2 (the “**Milestone 2 Shares**”)

(iii) No later than seven (7) Business Days after Milestone 3 has been achieved (the “**Milestone 3 Closing**”), in exchange for and conditioned upon the payment by Investor to the Company of \$112,500, the Company shall issue to Investor an amount of Shares equal to the quotient obtained by dividing 112,500 by twenty million (20,000,000) multiplied by the total number of issued and outstanding shares of the Company’s Common Stock immediately preceding the achievement of Milestone 3 (the “**Milestone 3 Shares**”);

(iv) No later than seven (7) Business Days after Milestone 4 has been achieved (the “**Milestone 4 Closing**”), in exchange for and conditioned upon the payment by Investor to the Company of \$187,500, the Company shall issue to Investor an amount of Shares equal to the quotient obtained by dividing 187,500 by thirty million (30,000,000) multiplied by the total number of issued and outstanding shares of the Company’s Common

Stock immediately preceding the achievement of Milestone 4 (the “**Milestone 4 Shares**”); and

(v) No later than seven (7) Business Days after Milestone 5 has been achieved (the “**Milestone 5 Closing**”), in exchange for and conditioned upon the payment by Investor to the Company of \$250,000, the Company shall issue to Investor an amount of Shares equal to the quotient obtained by dividing 250,000 by thirty million (30,000,000) multiplied by the total number of issued and outstanding shares of the Company’s Common Stock immediately preceding the achievement of Milestone 5 (the “**Milestone 5 Shares**”).

(c) Equity Raise Option. Notwithstanding Section 2.01(a) and Section 2.01(b) to the contrary, if at any time prior to eighteen (18) months after the Effective Date, Investor consummates the sale of its securities in which Investor’s pre-money enterprise value equals at least Thirty Million Dollars (\$30,000,000), the Company shall have the option, upon providing written notice to Investor, to receive from Investor the lesser of: (i) Four Hundred Thousand Dollars (\$400,000); or (ii) fifty percent (50%) of the gross proceeds derived by Investor from such offering.

## **Section 2.02 Transactions Effected at each Closing.**

(a) At the Initial Closing and each relevant Closing upon completion of a Milestone, Investor shall deliver to the Company:

(i) the relevant Purchase Price by wire transfer of immediately available funds to an account of the Company designated in writing by the Company to Investor; and

(ii) the Transaction Documents and all other agreements, documents, instruments, or certificates required to be delivered by Investor at or prior to the relevant Closing pursuant to Section 5.03 of this Agreement.

(b) At the Initial Closing and each relevant Closing upon completion of a Milestone, the Company shall deliver to Investor:

(i) stock certificates (which may be evidenced by a book-entry system maintained by the Company’s Transfer Agent, currently Carta) evidencing the relevant number of Shares purchased in connection with the Initial Closing or the applicable Milestone; and

(ii) the Transaction Documents and all other agreements, documents, instruments, or certificates required to be delivered by the Company at or prior to each Closing pursuant to Section 5.02 of this Agreement.

**Section 2.03 Closings.** Subject to the terms and conditions of this Agreement, each closing of the purchase and sale of Shares in connection with the Initial Closing or the Milestones, as applicable, shall take place at a Closing to be held at such time and date as the Company and Investor may mutually agree upon in writing (the day on which each relevant Closing takes place being the “**Closing Date**”).

**ARTICLE III  
REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

Except as set forth in the correspondingly numbered Section of the Disclosure Schedules, the Company represents and warrants to Investor that the statements contained in this ARTICLE III are true and correct as of the Effective Date.

**Section 3.01 Organization, Qualification and Authority of the Company.** The Company is a corporation duly organized, validly existing, and in good standing under the Laws of the state of Delaware and has all necessary corporate power and authority to: (i) enter into this Agreement and the other Transaction Documents to which the Company is a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby; and (ii) own, operate, or lease the properties and assets now owned, operated, or leased by it and to carry on its business as it has been and is currently conducted. Section 3.01 of the Disclosure Schedules sets forth each jurisdiction in which the Company is licensed or qualified to do business, and the Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the properties owned or leased by it or the operation of its business as currently conducted makes such licensing or qualification necessary, except where the failure to be so licensed, qualified or in good standing would not have a Material Adverse Effect. The execution and delivery by the Company of this Agreement and any other Transaction Document to which the Company is a party, the performance by the Company of its obligations hereunder and thereunder, and the consummation by the Company of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of the Company. This Agreement has been duly executed and delivered by the Company, and (assuming due authorization, execution, and delivery by Investor) this Agreement constitutes a legal, valid, and binding obligation of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).. When each other Transaction Document to which the Company is or will be a party has been duly executed and delivered by the Company (assuming due authorization, execution, and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of the Company enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

**Section 3.02 Capitalization.**

(a) Section 3.02(a) of the Disclosure Schedules sets forth the authorized capital stock of the Company as of immediately following the Initial Closing after giving effect to the transactions contemplated by this Agreement, the number of shares issued and outstanding, and the number of shares reserved for issuance upon exercise of outstanding stock options issued pursuant to the Company's Equity Incentive Plan.

(b) As of immediately following the Initial Closing after giving effect to the transactions contemplated by this Agreement: (i) all of the issued and outstanding shares of capital stock of the Company will have been duly authorized, validly issued, fully paid, and non-assessable, and will be owned of record and beneficially as set forth on Section 3.02(a) of the Disclosure Schedules; (ii) all of the issued and outstanding shares of capital stock of the Company will have been issued in compliance with all applicable federal and state securities Laws; and (iii) none of the issued and outstanding shares of capital stock of the Company will have been issued in violation of any agreement, arrangement, or commitment to which the Company or any of its Affiliates is a party or is subject to or in violation of any preemptive or

similar rights of any Person. The shares of Common Stock issuable hereunder have been duly reserved for issuance and, upon such issuance, such shares of Common Stock will be (x) duly authorized, validly issued, fully paid, and non-assessable and (y) issued in compliance with applicable all federal and state securities Laws.

(c) Section 3.02(c) of the Disclosure Schedules also sets forth, as of immediately following the Initial Closing after giving effect to the transactions contemplated by this Agreement, all outstanding or authorized (i) stock options under the Company's Equity Incentive Plan and (ii) any other warrants, convertible securities, or other rights, agreements, arrangements, or commitments of any character relating to the capital stock of the Company or obligating the Company to issue or sell any shares of capital stock of, or any other interest in, the Company, in each case, including the number and kind of securities reserved for issuance on exercise or conversion of any such securities or other rights, the exercise or conversion price of any such securities or other rights, and any applicable vesting schedule for any such securities or other rights. Except as set forth on Section 3.02(c) of the Disclosure Schedules, the Company does not have outstanding, authorized, or in effect any stock appreciation, phantom stock, profit participation, or similar rights.

(d) Except as set forth on Section 3.02(d) of the Disclosure Schedules, there are no voting trusts, stockholder agreements, proxies or other agreements, understandings, or obligations in effect with respect to the voting, transfer or sale (including any rights of first refusal, rights of first offer, or drag-along rights), issuance (including any pre-emptive or anti-dilution rights), redemption or repurchase (including any put or call or buy-sell rights), or registration (including any related lock-up or market standoff agreements) of any shares of capital stock or other securities of the Company.

**Section 3.03 No Subsidiaries.** The Company does not, directly or indirectly, own, control, or have any interest in any shares or other ownership interest in any other Person.

**Section 3.04 No Conflicts; Consents.** The execution, delivery, and performance by the Company of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation, by-laws, or other organizational documents of the Company; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Company; (c) require the consent or waiver of, notice to, or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of, or create in any party the right to accelerate, terminate, modify, or cancel any Contract to which the Company is a party or by which the Company is bound or to which any of its properties and assets are subject (including any Material Contract) or any Permit affecting the properties, assets, or business of the Company; or (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any properties or assets of the Company. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to the Company in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

**Section 3.05 Financial Statements; Projections.** Except as set forth on Section 3.05 of the Disclosure Schedules:

(a) Complete copies of the Company's unaudited financial statements consisting of the balance sheet of the Company as at September 30, 2023, and the related statements of income and retained earnings, stockholders' equity, and cash flow for the nine-month period then ended are attached



hereto as **Schedule 3.05(a)** (the “**Financial Statements**”). The Financial Statements have been prepared in accordance with the Accounting Method applied on a consistent basis throughout the period involved, subject to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes. The Financial Statements are based on the books and records of the Company, and fairly present in all material respects the financial condition of the Company as of the respective dates they were prepared and the results of the operations of the Company for the periods indicated. The unaudited balance sheet of the Company as of September 30, 2023, is referred to herein as the “**Balance Sheet**” and the date thereof as the “**Balance Sheet Date**”.

(b) The projections of the Company that have been delivered to Investor are a true and complete copy of the latest projected statements of operating revenue, income, and cash flows of the Company for the fiscal years ending 2024, 2025, and 2026. Such projections (i) were based on the assumptions set forth therein which in the good faith Knowledge of the Company were reasonable and fair at the time they were made, and (ii) are reasonable estimates of the Company’s financial performance for the periods indicated therein in light of the assumptions made.

**Section 3.06 Undisclosed Liabilities.** Except as set forth on Section 3.06 of the Disclosure Schedule, the Company has no liabilities, obligations, or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise (“**Liabilities**”) of a type required to be reflected on a balance sheet prepared in accordance with the Accounting Method, except (a) those which are adequately reflected or reserved against in the Balance Sheet as of the Balance Sheet Date, and (b) those which have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and which are not, individually or in the aggregate, material in amount.

**Section 3.07 Absence of Certain Changes, Events, and Conditions.** Since the Balance Sheet Date, and other than in the ordinary course of business consistent with past practice, there has not been, with respect to the Company, any:

(a) event, occurrence, or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(b) amendment of the charter, by-laws, or other organizational documents of the Company;

(c) split, combination, or reclassification of any shares of its capital stock;

(d) issuance, sale, or other disposition of any of its capital stock, or grant of any options, warrants, or other rights to purchase or obtain (including upon conversion, exchange, or exercise) any of its capital stock;

(e) declaration or payment of any dividends or distributions on or in respect of any of its capital stock or redemption, purchase, or acquisition of its capital stock;

(f) change in any method of accounting or accounting practice of the Company, except as required by the Accounting Method or as disclosed in the notes to the Financial Statements;

(g) incurrence, assumption, or guarantee of any indebtedness for borrowed money in an aggregate amount exceeding \$10,000, except unsecured current obligations and Liabilities incurred in the ordinary course of business consistent with past practice;

- (h) transfer, assignment, sale, or other disposition of any of the assets shown or reflected in the Balance Sheet or cancellation, discharge, or payment of any debts, liens, or entitlements;
- (i) transfer, assignment, or grant of any license or sublicense of any material rights under or with respect to any Intellectual Property except as set forth in the License Agreement or in those agreements listed on **Schedule 3.07(i)**;
- (j) any capital investment in, or any loan to, any other Person;
- (k) acceleration, termination, material modification or amendment to, or cancellation of any material contract (including, but not limited to, any Material Contract) to which the Company is a party or by which it is bound;
- (l) any material capital expenditures;
- (m) imposition of any Encumbrance upon any of the Company properties, capital stock, or assets, tangible or intangible;
- (n) adoption, modification, or termination of any: (i) material employment, severance, retention, or other agreement with any current or former employee, officer, director, independent contractor, or consultant, (ii) Benefit Plan, or (iii) collective bargaining or other agreement with a Union, in each case whether written or oral;
- (o) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its stockholders, directors, officers, and employees;
- (p) entry into a new line of business or abandonment or discontinuance of existing lines of business;
- (q) adoption of any plan of merger, consolidation, reorganization, liquidation, or dissolution or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;
- (r) acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets or stock of, or by any other manner, any business or any Person or any division thereof; or
- (s) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

### **Section 3.08 Material Contracts.**

- (a) Section 3.08(a) of the Disclosure Schedules lists each of the following Contracts of the Company (such Contracts, together with all Contracts concerning the occupancy, management, or operation of any Real Property (including without limitation, brokerage contracts) listed or otherwise disclosed in Section 3.09(b) of the Disclosure Schedules and all Contracts relating to Intellectual Property set forth in Section 3.10(d) and Section 3.10(f) of the Disclosure Schedules, being “**Material Contracts**”):
  - (i) each Contract of the Company involving aggregate consideration in excess of \$10,000 and which, in each case, cannot be cancelled by the Company without penalty or without more than 90 days’ notice;

(ii) all Contracts that require the Company to purchase its total requirements of any product or service from a third party or that contain “take or pay” provisions;

(iii) all Contracts that provide for the indemnification by the Company of any Person or the assumption of any Tax, environmental, or other Liability of any Person;

(iv) all Contracts that relate to the acquisition or disposition of any business, a material amount of stock or assets of any other Person, or any real property (whether by merger, sale of stock, sale of assets, or otherwise);

(v) all broker, distributor, dealer, manufacturer’s representative, franchise, agency, sales promotion, market research, marketing consulting, and advertising Contracts to which the Company is a party;

(vi) all employment agreements and Contracts with independent contractors or consultants (or similar arrangements) to which the Company is a party and which are not cancellable without material penalty or without more than 90 days’ notice;

(vii) except for Contracts relating to trade receivables, all Contracts relating to indebtedness (including, without limitation, guarantees) of the Company;

(viii) all Contracts with any Governmental Authority to which the Company is a party;

(ix) all Contracts that limit or purport to limit the ability of the Company to compete in any line of business or with any Person or in any geographic area or during any period of time;

(x) any Contracts to which the Company is a party that provide for any joint venture, partnership, or similar arrangement by the Company;

(xi) all collective bargaining agreements or Contracts with any Union to which the Company is a party; and

(xii) any other Contract that is material to the Company and not previously disclosed pursuant to this Section 3.08.

(b) Each Material Contract is valid and binding on the Company in accordance with its terms and is in full force and effect, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity). None of the Company or, to the Company’s Knowledge, any other party thereto is in breach of or default under (or is alleged in writing to be in breach of or default under), or has provided or received any written notice of any intention to terminate, any Material Contract. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Complete and correct copies of each Material Contract (including all modifications, amendments and supplements thereto, and waivers thereunder) have been made available to Investor.

### **Section 3.09 Title to Assets; Real Property.**

(a) The Company has good and valid title to, or a valid leasehold interest in, all personal property and other assets reflected in the Financial Statements or acquired after the Balance Sheet Date, other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Balance Sheet Date. All such properties and assets (including leasehold interests) are free and clear of Encumbrances except for the following (collectively referred to as “**Permitted Encumbrances**”):

(i) those items set forth in Section 3.09(a) of the Disclosure Schedules;

(ii) liens for Taxes not yet due and payable or being contested in good faith by appropriate procedures and for which there are adequate accruals or reserves on the Balance Sheet;

(iii) mechanics, carriers’, workmen’s, repairmen’s, or other like liens arising or incurred in the ordinary course of business consistent with past practice or amounts that are not delinquent and which are not, individually or in the aggregate, material to the business of the Company; or

(iv) liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business consistent with past practice which are not, individually or in the aggregate, material to the business of the Company.

(b) The Company does not own any Real Property and does not lease or sublease any Real Property.

### **Section 3.10 Intellectual Property.**

(a) “**Intellectual Property**” means all of the following and similar intangible property and related proprietary rights, interests, and protections, however arising, pursuant to the Laws of any jurisdiction throughout the world, including such property that is owned by the Company (“**Company Intellectual Property**”) and that in which the Company holds exclusive or non-exclusive rights or interests granted by license from other Persons, including the Company (“**Licensed Intellectual Property**”):

(i) trademarks, service marks, trade names, brand names, logos, trade dress, and other proprietary indicia of goods and services, whether registered or unregistered, and all registrations and applications for registration of such trademarks, including intent-to-use applications, all issuances, extensions, and renewals of such registrations and applications, and the goodwill connected with the use of and symbolized by any of the foregoing;

(ii) internet domain names, whether or not trademarks, registered in any top-level domain by any authorized private registrar or Governmental Authority;

(iii) original works of authorship in any medium of expression, whether or not published, all copyrights (whether registered or unregistered), all registrations and applications for registration of such copyrights, and all issuances, extensions, and renewals of such registrations and applications;

(iv) confidential information, formulas, designs, devices, technology, know-how, research and development, inventions, methods, processes, compositions, and other trade secrets, whether or not patentable; and

(v) patented and patentable designs and inventions, all design, plant, and utility patents, letters patent, utility models, pending patent applications, and provisional applications and all issuances, divisions, continuations, continuations-in-part, reissues, extensions, reexaminations, and renewals of such patents and applications.

(b) Section 3.10(b) of the Disclosure Schedules lists all Company Intellectual Property that is either (i) subject to any issuance, registration, application, or other filing by, to, or with any Governmental Authority or authorized private registrar in any jurisdiction (collectively, “**Intellectual Property Registrations**”), including registered trademarks, domain names, and copyrights, issued and reissued patents, and pending applications for any of the foregoing; or (ii) used in or necessary for the Company’s current business or operations. All required filings and fees related to the Intellectual Property Registrations have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all Intellectual Property Registrations are otherwise in good standing, except where the failure to have made such filings or paid such fees would not have a Material Adverse Effect.

(c) The Company owns, exclusively or jointly with other Persons, all right, title, and interest in and to the Company Intellectual Property, free and clear of Encumbrances. Without limiting the generality of the foregoing, the Company has entered into binding, written agreements with every current and former employee of the Company, and with every current and former independent contractor, whereby such employees and independent contractors (i) assign to the Company any ownership interest and right they may have in the Company Intellectual Property; and (ii) acknowledge the Company’s exclusive ownership of all Company Intellectual Property. The Company is in material compliance with all legal requirements applicable to the Company Intellectual Property and the Company’s ownership and use thereof.

(d) Section 3.10(d) of the Disclosure Schedules lists all licenses, sublicenses, and other agreements whereby the Company is granted rights, interests, and authority, whether on an exclusive or non-exclusive basis, with respect to any Licensed Intellectual Property that is used in or necessary for the Company’s current business or operations. All such agreements are valid, binding, and enforceable between the Company and the other parties thereto, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity), and the Company and such other parties are in compliance with the terms and conditions of such agreements except as would not have a Material Adverse Effect.

(e) Except as would not have a Material Adverse Effect, the Company Intellectual Property and Licensed Intellectual Property as currently or formerly owned, licensed, or used by the Company, and the Company’s conduct of its business as currently and formerly conducted, do not, and will not infringe, violate, or misappropriate the Intellectual Property of any Person. The Company has not received any written communication, and no Action has been instituted, settled or, to the Company’s Knowledge, threatened that alleges any such infringement, violation, or misappropriation, and none of the Company Intellectual Property are subject to any outstanding Governmental Order.

(f) Section 3.10(f) of the Disclosure Schedules lists all licenses, sublicenses, and other agreements pursuant to which the Company grants rights or authority to any Person with respect to any Company Intellectual Property or Licensed Intellectual Property. All such agreements are valid, binding, and enforceable between the Company and the other parties thereto, except as such enforceability may be

limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity), and the Company and such other parties are in full compliance with the terms and conditions of such agreements except as would not have a Material Adverse Effect. No Person has infringed, violated, or misappropriated, or is infringing, violating, or misappropriating, any Company Intellectual Property.

### **Section 3.11 Customers and Suppliers.**

(a) Section 3.11(a) of the Disclosure Schedules sets forth (i) each customer who has paid aggregate consideration to the Company for goods or services rendered in an amount greater than or equal to \$30,000 for each of the two most recent fiscal years (collectively, the “**Material Customers**”); and (ii) the amount of consideration paid by each Material Customer during such periods. The Company has not received any written notice, and has no reason to believe, that any of its Material Customers has ceased, or intends to cease after the Initial Closing, to use its goods or services or to otherwise terminate or materially reduce its relationship with the Company.

(b) Section 3.11(b) of the Disclosure Schedules sets forth (i) each supplier to whom the Company has paid consideration for goods or services rendered in an amount greater than or equal to \$10,000 for each of the two most recent fiscal years (collectively, the “**Material Suppliers**”); and (ii) the amount of purchases from each Material Supplier during such periods. The Company has not received any written notice, and has no reason to believe, that any of its Material Suppliers has ceased, or intends to cease, to supply goods or services to the Company or to otherwise terminate or materially reduce its relationship with the Company.

**Section 3.12 Insurance.** Section 3.12 of the Disclosure Schedules sets forth a true and complete list of all current policies or binders of insurance (including, if applicable, fire, liability, product liability, umbrella liability, real and personal property, workers’ compensation, vehicular, directors and officers’ liability, fiduciary liability, and other casualty and property insurance) maintained by the Company or its Affiliates and relating to the assets, business, operations, employees, officers, and directors of the Company (collectively, the “**Insurance Policies**”) and true and complete copies of such Insurance Policies have been made available to Investor. Such Insurance Policies are in full force and effect and shall remain in full force and effect following the consummation of the transactions contemplated by this Agreement. Neither the Company nor any of its Affiliates has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound. There are no claims related to the business of the Company pending under any such Insurance Policies as to which coverage has been questioned, denied, or disputed or in respect of which there is an outstanding reservation of rights.

**Section 3.13 Legal Proceedings; Governmental Orders.** There are no Actions pending or, to the Company’s Knowledge, threatened against or by the Company affecting any of its properties or assets (or by or against the Company or any Affiliate thereof and relating to the Company, which if determined adversely to the Company (or to any Affiliate thereof) would result in a Material Adverse Effect. There are no outstanding Governmental Orders and no unsatisfied judgments, penalties, or awards against or affecting the Company or any of its properties or assets which, if determined adversely, would have a Material Adverse Effect.

**Section 3.14 Compliance With Laws; Permits.** The Company is in compliance with all Laws applicable to its business, properties, or assets, except where the failure to be in compliance would not have

a Material Adverse Effect. All Permits required for the Company to conduct its business have been obtained by it and are valid and in full force and effect and paid in full, except where the failure to obtain such Permits would not have a Material Adverse Effect. Section 3.16(b) of the Disclosure Schedules lists all current Permits issued to the Company, including the names of the Permits and their respective dates of issuance and expiration. None of the representations and warranties contained in this Section 3.14 shall be deemed to relate to employee benefit matters (which are governed by Section 3.15), employment matters (which are governed by Section 3.16), or tax matters (which are governed by Section 3.17).

**Section 3.15 Employee Benefit Matters.** The Company does not have any pension, benefit, retirement, compensation, profit-sharing, deferred compensation, incentive, performance award, phantom equity, stock or stock-based, change in control, retention, severance, vacation, paid time off, fringe-benefit and other similar agreement, plan, policy, program, or arrangement (and any amendments thereto), in each case whether or not reduced to writing and whether funded or unfunded, including each “employee benefit plan” within the meaning of Section 3(3) of ERISA, whether or not tax-qualified and whether or not subject to ERISA, which is or has been maintained, sponsored, contributed to, or required to be contributed to by the Company for the benefit of any current or former employee, officer, director, retiree, independent contractor, or consultant of the Company or any spouse or dependent of such individual, or under which the Company has or may have any Liability, contingent or otherwise (a “**Benefit Plan**”). The representations and warranties set forth in this Section 3.15 are the Company’s sole and exclusive representations and warranties regarding employee benefit matters.

**Section 3.16 Employment Matters.** Except as set forth in Section 3.16 of the Disclosure Schedules:

(a) As of the date hereof, all compensation, including wages, commissions, and bonuses, payable to employees, independent contractors, or consultants of the Company for services performed on or prior to the date hereof have been paid in full and there are no outstanding agreements, understandings, or commitments of the Company with respect to any employment, compensation, commissions, or bonuses. The Company is in compliance with all applicable Laws pertaining to employment and employment practices to the extent they relate to employees of the Company, except to the extent non-compliance would not result in a Material Adverse Effect.

(b) Except as would not have a Material Adverse Effect, there are no Actions against the Company pending, or to the Company’s Knowledge, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any current or former applicant, employee, consultant, volunteer, intern, or independent contractor of the Company, including, without limitation, any claim relating to unfair labor practices, employment discrimination, harassment, retaliation, equal pay, wage and hours, or any other employment related matter arising under applicable Laws. The Company’s representations and warranties set forth in this Section 3.16 are the Company’s sole and exclusive representations and warranties regarding employment matters.

**Section 3.17 Taxes.** Except as set forth in Section 3.17 of the Disclosure Schedules:

(a) The Company has timely filed all Tax Returns that it was required to file. All such Tax Returns were complete and correct in all material respects. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been timely paid.

(b) The Company has withheld and paid each Tax required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, customer, shareholder, or other party, and complied with all information reporting and backup withholding provisions of applicable Law.

(c) No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company.

(d) All deficiencies asserted, or assessments made, against the Company as a result of any examinations by any taxing authority have been fully paid.

(e) The Company is not a party to any Action by any taxing authority. There are no pending or threatened Actions by any taxing authority.

(f) The Company has delivered to Investor copies of all federal, state, local, and foreign income, franchise, and similar Tax Returns, examination reports, and statements of deficiencies assessed against, or agreed to by, the Company for all Tax periods ending after \_\_\_\_\_, 20\_\_.

(g) The Company has not been a member of an affiliated, combined, consolidated, or unitary Tax group for Tax purposes. The Company has no Liability for Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any corresponding provision of state, local, or foreign Law), as transferee or successor, by contract or otherwise.

**Section 3.18 Books and Records.** The minute books and stock record books of the Company, all of which have been made available to Investor, are complete and correct in all material respects, and fairly present a record of all meetings, and actions taken by written consent of, the stockholders, the board of directors and any committees of the board of directors of the Company.

**Section 3.19 Brokers.** No broker, finder, or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of the Company.

**Section 3.20 Transactions With Affiliates.** There are no Contracts or other transactions between or among the Company, on the one hand, and any officer, director, employee, present or former stockholder (including any spouse, parent, sibling, descendants (including adoptive relationships and stepchildren) of any such natural persons, or trust or other entity in which any such natural persons or such other individuals owns or otherwise holds any beneficial interest) or Affiliate of the Company, on the other hand.

**Section 3.21 Foreign Corrupt Practices Act.** Neither the Company nor, to the Company's Knowledge, any other Person acting on behalf of the Company, including, without limitation, any director, officer, agent, employee, or Affiliate of the Company has (a) used any corporate funds for any unlawful contribution, gift, entertainment, or other unlawful expense relating to political activity or to influence official action; (b) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (c) made any bribe, rebate, payoff, influence payment, kickback, or other unlawful payment; or (d) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder; and the Company has instituted and maintains policies and procedures designed to ensure compliance therewith.

**Section 3.22 Full Disclosure.** No representation or warranty by the Company in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Investor pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading. To the Knowledge of the Company, there is no event or circumstance that the Company has not disclosed to Investor which could reasonably be expected to have a Material Adverse Effect.



## ARTICLE IV REPRESENTATIONS AND WARRANTIES OF INVESTOR

Investor represents and warrants to the Company that the statements contained in this ARTICLE IV are true and correct as of the date hereof.

**Section 4.01 Organization and Authority of Investor.** Investor is a corporation duly organized, validly existing and in good standing under the Laws of British Columbia, Canada. Investor has full corporate power and authority to enter into this Agreement and the other Transaction Documents to which Investor is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Investor of this Agreement and any other Transaction Document to which Investor is a party, the performance by Investor of its obligations hereunder and thereunder and the consummation by Investor of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Investor. This Agreement has been duly executed and delivered by Investor, and (assuming due authorization, execution, and delivery by the Company) this Agreement constitutes a legal, valid, and binding obligation of Investor enforceable against Investor in accordance with its terms. When each other Transaction Document to which Investor is or will be a party has been duly executed and delivered by Investor (assuming due authorization, execution, and delivery by each other party thereto), such Transaction Document will constitute a legal and binding obligation of Investor enforceable against it in accordance with its terms.

**Section 4.02 No Conflicts; Consents.** The execution, delivery, and performance by Investor of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation, by-laws, or other organizational documents of Investor; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Investor; or (c) require the consent, notice, or other action by any Person under any Contract to which Investor is a party. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Investor in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

**Section 4.03 Investment Purpose.** Investor is acquiring the Shares solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution thereof. Investor acknowledges that the Shares are not registered under the Securities Act of 1933, as amended, or any state securities laws, and that the Shares may not be transferred or sold except pursuant to the registration provisions of the Securities Act of 1933, as amended or pursuant to an applicable exemption therefrom and subject to state securities laws and regulations, as applicable.

**Section 4.04 Brokers.** No broker, finder, or investment banker is entitled to any brokerage, finder's, or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of Investor.

**Section 4.05 Legal Proceedings.** There are no actions, suits, claims, investigations or other legal proceedings pending or, to Investor's knowledge, threatened against or by Investor or any Affiliate of Investor that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.

## ARTICLE V CONDITIONS TO CLOSING

**Section 5.01 Conditions to Obligations of All Parties.** As an express condition precedent to the obligations of each party to consummate the transactions contemplated by this Agreement, at or prior to each Closing, no Governmental Authority shall have enacted, issued, promulgated, enforced, or entered any Governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining, or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

**Section 5.02 Conditions to Obligations of Investor.** The obligations of Investor to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Investor's waiver of each of the following conditions, as applicable:

(a) At or prior to each Closing, the Company shall have delivered, or caused to be delivered, to Investor each of the following, each in form and substance satisfactory to Investor:

(i) At the Initial Closing, stock certificates evidencing the Initial Closing Shares;

(ii) At the Milestone 1 Closing, stock certificates evidencing the Milestone 1 Shares;

(iii) At the Milestone 2 Closing, stock certificates evidencing the Milestone 2 Shares;

(iv) At the Milestone 3 Closing, stock certificates evidencing the Milestone 3 Shares;

(v) At the Milestone 4 Closing, stock certificates evidencing the Milestone 4 Shares; and.

(vi) At the Milestone 5 Closing, stock certificates evidencing the Milestone 5 Shares.

(b) Prior to the Initial Closing, this Agreement and each of the other Transaction Documents applicable to the Initial Closing shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to Investor.

(c) Prior to the Initial Closing only, Investor shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Company certifying:

(i) that attached thereto are true and complete copies of all resolutions and other consents adopted by the board of directors and stockholders of the Company authorizing and approving the execution, delivery, filing, and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions and consents are in full force and effect as of the Initial Closing and are all the resolutions and consents adopted in connection with the transactions contemplated hereby and thereby;

(ii) that attached thereto are true and complete copies of the certificate of incorporation and by-laws of the Company and that such organizational documents are in full force and effect as of the Initial Closing; and

(iii) the names and signatures of the officers of the Company authorized to sign this Agreement, the Transaction Documents, and the other documents to be delivered hereunder and thereunder.

(d) Prior to the Initial Closing only, the Company shall have delivered to Investor a good standing certificate (or its equivalent) for the Company from the secretary of state or similar Governmental Authority of the jurisdiction under the Laws in which the Company is organized or authorized to do business.

(e) Prior to the Initial Closing only, the Company shall have fully complied with, or obtained appropriate consents or waivers with respect to, its obligations under each of the agreements or other documents identified on Section 3.02(c) of the Disclosure Schedules, including with respect to any outstanding rights of first refusal, rights of first offer, pre-emptive rights or anti-dilution rights, or redemption or repurchase rights.

(f) For each Closing subsequent to the Initial Closing, the Company shall have delivered, or caused to be delivered, to Investor a certificate (each, a “**Company Date Down Certificate**”) dated as of the applicable Closing Date and signed by a duly authorized officer of the Company, certifying that (A) each of the following representations and warranties of the Company (collectively, the “**Date Down Reps**”) are true and correct as of such Closing Date, except where the failure of such representations and warranties to be true and correct would not have a Material Adverse Effect: Section 3.01 (Organization, Qualification and Authority of the Company); Section 3.02 (Capitalization); Section 3.04 (No Conflicts; Consents); Section 3.07 (Absence of Certain Changes, Events, and Conditions); Section 3.13 (Legal Proceedings; Governmental Orders); and Section 3.17 (Taxes); and (B) the indebtedness of the Company has not increased by more than \$10 million since the Initial Closing Date. The Company shall have the right, but not the obligation, to include with the Date Down Certificate any update to any existing or add any new Disclosure Schedule for any matter that has occurred after the Initial Closing relating to any such Date Down Reps (each a “**Disclosure Schedule Date Down**”).

(g) Prior to the Initial Closing and each subsequent Closing, the Company shall have delivered, or caused to be delivered, to Investor, in form and substance satisfactory to Investor, such other documents or instruments as Investor reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

**Section 5.03 Conditions to Obligations of the Company.** The obligations of the Company to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Company’s waiver of each of the following conditions:

(a) Prior to the Initial Closing, this Agreement and each of the other Transaction Documents applicable to the Initial Closing shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to the Company. Thereafter, the other Transaction Documents applicable to the Closing in question shall have been executed and delivered by the parties thereto and true and complete copies thereof shall have been delivered to the Company.

(b) Investor shall have delivered to the Company cash in an amount equal to the relevant Purchase Price payable for the Shares issuable in connection with each Closing by wire transfer in immediately available funds, to an account or accounts designated in writing by the Company to Investor.

(c) Prior to the Initial Closing only, the Company shall have received a certificate of the Secretary or an Assistant Secretary (or equivalent officer) of the Investor certifying:

(i) that attached thereto are true and complete copies of all resolutions and other consents adopted by the board of directors and stockholders of the Investor authorizing and approving the execution, delivery, filing, and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions and consents are in full force and effect as of the Initial Closing and are all the resolutions and consents adopted in connection with the transactions contemplated hereby and thereby;

(ii) that attached thereto are true and complete copies of the certificate of incorporation and by-laws of the Investor and that such organizational documents are in full force and effect as of the Initial Closing; and

(iii) the names and signatures of the officers of the Investor authorized to sign this Agreement, the Transaction Documents, and the other documents to be delivered hereunder and thereunder.

(d) Prior to the Initial Closing only, the Investor shall have delivered to the Company a good standing certificate (or its equivalent) for the Company from the secretary of state or similar Governmental Authority of the jurisdiction under the Laws in which the Investor is organized or authorized to do business.

(e) For each Closing subsequent to the Initial Closing, the Investor shall have delivered, or caused to be delivered, to the Company a certificate (each, a “**Company Date Down Certificate**”) dated as of the applicable Closing Date and signed by a duly authorized officer of the Investor, certifying that the representations and warranties of the Investor set forth ARTICLE IV hereof are true and correct, except where the failure of such representations and warranties to be true and correct would not have a Material Adverse Effect.

(f) Prior to the Initial Closing and each subsequent Closing, Investor shall have delivered, or caused to be delivered, to the Company, in form and substance satisfactory to the Company, such other documents or instruments as Investor reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

## **ARTICLE VI COVENANTS**

**Section 6.01 Affirmative Covenants.** The Company shall be subject to each of the following covenants:

(a) The Company shall at all times maintain (i) under the Laws of the state of Delaware its valid corporate existence and good standing, (ii) its due license and qualification to do business and good standing in each jurisdiction set forth on Section 3.01 of the Disclosure Schedules and, following the date of this Agreement, each other jurisdiction in which the properties owned or leased by it or the operation of its business makes such licensing or qualification necessary and (iii) all Permits necessary to the conduct of its businesses.

(b) The Company shall comply with all Laws applicable to it or its business, properties, or assets, the violation of which would reasonably be expected to have a Material Adverse Effect.

(c) The Company shall pay and discharge all Taxes due and owing by the Company before the same becomes delinquent and before penalties accrue thereon, unless and to the extent such Taxes are being contested in good faith by appropriate procedures and adequate accruals or reserves (as determined in accordance with the Accounting Method) have been established on the books and financial statements of the Company for such Taxes.

(d) The Company shall pay when due all transfer, documentary, sales, use, stamp, registration, value added, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement (including any real property transfer Tax, and any other similar Tax). Company shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Investor shall cooperate with respect thereto as necessary).

(e) The Company shall pay and discharge all claims for labor, material, and supplies which, if unpaid and delinquent, would become under applicable Law a Lien upon property of the Company, unless and to the extent such claims are being contested in good faith by appropriate procedures and adequate accruals or reserves (as determined in accordance with the Accounting Method) have been established on the books and financial statements of the Company for such claims.

(f) The Company shall maintain and keep its properties and assets in good repair, working order, and condition, ordinary wear and tear excepted.

(g) The Company shall keep adequate books, accounts, and records in accordance with past custom and practice as used in the preparation of the Financial Statements, which books, accounts, and records shall fairly present the financial condition and results of operations of the Company.

(h) The Company shall (i) own, exclusively or jointly with other Persons, all right, title, and interest in and to, or have a valid license for, and shall maintain all Intellectual Property necessary to the conduct of its business, free and clear of Encumbrances, (ii) enter into and maintain in full force and effect binding, written agreements with every current and former employee of the Company, and with every current and former independent contractor, whereby such employees and independent contractors (A) assign to the Company any ownership interest and right they may have in the Company Intellectual Property and (B) acknowledge the Company's exclusive ownership of all Company Intellectual Property, and (iii) remain in full compliance with all legal requirements applicable to the Company Intellectual Property and the Company's ownership and use thereof.

(i) The Company shall perform and observe all of its obligations and covenants set forth in each of the Transaction Documents.

**Section 6.02 Further Assurances.** Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

## ARTICLE VII INDEMNIFICATION

**Section 7.01 Survival.** The representations and warranties contained herein shall survive the final Closing and shall remain in full force and effect until the date that is six (6) months from the final Closing Date. All covenants and agreements of the parties contained herein shall survive the final Closing indefinitely or for the period explicitly specified therein.

**Section 7.02 Indemnification By Company.** Subject to the other terms and conditions of this ARTICLE VII, the Company shall indemnify and defend each of Investor and its Affiliates and their respective Representatives (collectively, the “**Investor Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, Investor Indemnitees based upon, arising out of, with respect to, or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of the Company contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Company pursuant to this Agreement or any other Transaction Agreement; or

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by the Company pursuant to this Agreement or any other Transaction Agreement.

**Section 7.03 Indemnification by Investor.** Subject to the other terms and conditions of this ARTICLE VII, the Investor shall indemnify and defend the Company and its Affiliates and their respective Representatives collectively, the “**Company Indemnitees**”) against, and shall hold the each of them harmless from and against, and shall pay and reimburse the each of them for, any and all Losses incurred or sustained by, or imposed upon, the Company Indemnitees based upon, arising out of, with respect to, or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of the Investor contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Investor pursuant to this Agreement or any other Transaction Agreement; or

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by the Investor pursuant to this Agreement or any other Transaction Agreement.

**Section 7.04 Certain Limitations.** The party making a claim under this ARTICLE VII is referred to as the “Indemnified Party”, and the party against whom such claims are asserted under this ARTICLE VII is referred to as the “Indemnifying Party”. The indemnification provided for in Section 7.02 and Section 7.03 shall be subject to the following limitations:

(a) The Indemnifying Party shall not be liable to Indemnified Party for indemnification under Section 7.02(a) or Section 7.03(a), as the case may be, until the aggregate amount of all Losses in respect of indemnification under Section 7.02 and Section 7.03(a) exceeds \$50,000 (the “**Deductible**”), in which event the Indemnifying Party shall only be required to pay or be liable for Losses in excess of the Deductible.

(b) The aggregate amount of all Losses for which an Indemnifying Party shall be liable under Section 7.02(a) or Section 7.03(a), as the case may be, shall not exceed an amount equal to the amount actually paid by Investor to Company under Section 2.01(a), Section 2.01(b), and Section 2.01(c) as of the date of the applicable claim.

(c) Payments by an Indemnifying Party pursuant to Section 7.02 or Section 7.03 in respect of any Loss shall be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment received or reasonably expected to be received by the Indemnified Party in respect of any such claim. The Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Losses prior to seeking indemnification under this Agreement.

(d) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

(e) In no event shall any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special, or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple.

**Section 7.05 Payments.** Once a Loss is agreed to by the Indemnified Party or finally adjudicated to be payable pursuant to this ARTICLE VII, the Indemnifying Party shall satisfy its obligations within fifteen (15) Business Days of such agreement or final, non-appealable adjudication by wire transfer of immediately available funds.

**Section 7.06 Tax Treatment of Indemnification Payments.** All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

**Section 7.07 Effect of Investigation.** The Company shall not be liable under this Article VII for any Losses based upon or arising out of any inaccuracy or breach of any of the representations or warranties of the Company contained in this Agreement if the Investor had knowledge of such inaccuracy or breach prior to the applicable Closing.

**Section 7.08 Exclusive Remedies.** Subject to Section 9.12, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity, or willful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement, or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this ARTICLE VII. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims, and causes of action for any breach of any representation, warranty, covenant, agreement, or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates, and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in this ARTICLE VII. Nothing in this Section 7.08 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal, or intentional misconduct.

## **ARTICLE VIII TERMINATION**

**Section 8.01 Termination.** This Agreement may be terminated:

(a) by the Company or Investor if Investor does not exercise the Option before the Option Expiration Date in accordance with Section 2.11 of the License Agreement;

(b) at any time by the mutual written consent of the Company and Investor;

(c) at any time by Investor by written notice to the Company if: (A) the Investor is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Company pursuant

to this Agreement that would give rise to the failure of any of the conditions specified in Article V, and such breach, inaccuracy or failure has not been cured by the Company within ten days of the Company's receipt of written notice of such breach from Investor; or (B) any of the conditions set forth in Section 5.01 or Section 5.02 shall not have been fulfilled by the date that is three (3) years after the Effective Date (the "**Drop Dead Date**"), unless such failure shall be due to the failure of the Investor to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the applicable Closing;

(d) at any time be the Company by written notice to the Investor if: (A) the Company is not then in material breach of any provision of this Agreement and there has been a breach, in accuracy in or failure to perform any representation, warranty, covenant or agreement made by the Investor pursuant to this Agreement that would give rise to the failure of any of the conditions specified in Article V, and such breach, inaccuracy or failure has not been cured by the Investor within ten days of the Investor's receipt of written notice of such breach from the Company; or (B) any of the conditions set forth in Section 5.01 or Section 5.03 shall not have been fulfilled by the Drop Dead Date, unless such failure shall be due to the failure of the Company to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the applicable Closing.

**Section 8.02 Effect of Termination.** In the event of the termination of this Agreement in accordance with this Article, there shall be no liability on the part of any party hereto except:

- (a) as set forth in this Article VIII and Article IX hereof; and
- (b) that nothing herein shall relieve any party hereto from liability for any willful breach of any provision hereof.

## ARTICLE IX MISCELLANEOUS

**Section 9.01 Public Announcements.** The Company shall not issue any press release or make any other public announcement or disclosure with respect to this Agreement and the transactions contemplated herein without the prior written consent of Investor, except for any press release, public announcement, or other public disclosure that is required by applicable law or governmental regulations or by order of a court of competent jurisdiction. Prior to making any such required disclosure the Company shall have given written notice to Investor describing in reasonable detail the proposed content of such disclosure and shall permit Investor to review and comment upon the form and substance of such disclosure.

**Section 9.02 Expenses.** Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors, and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

**Section 9.03 Notices.** All notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.03):



If to the Company:

Mentorhead Incorporated  
[Address Redacted]  
Attn: Trevor Vieweg, CEO  
Email: [Email Address Redacted]

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

Solomon Minton Cardinal Doyle & Smith LLP  
5405 Morehouse Dr., Suite 205  
San Diego, California 92121  
Attn: David Minton  
Email: dminton@smcdslaw.com

If to Investor:

Vinergy Capital Inc.  
\_\_\_\_\_  
\_\_\_\_\_  
Alnoor Nathoo, President  
Email: \_\_\_\_\_

with a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_

**Section 9.04 Interpretation.** For purposes of this Agreement, (a) the words “include,” “includes,” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto,” and “hereunder” refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Disclosure Schedules, and Exhibits mean the Articles and Sections of, and Disclosure Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Disclosure Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

**Section 9.05 Headings.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

**Section 9.06 Severability.** If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the

original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

**Section 9.07 Entire Agreement.** This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter, including that certain Letter of Intent dated September 6, 2023 by and between Investor and the Company. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits, and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

**Section 9.08 Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

**Section 9.09 No Third-Party Beneficiaries.** Except as provided in ARTICLE VII, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

**Section 9.10 Amendment and Modification; Waiver.** This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

**Section 9.11 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.**

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

(b) ANY LEGAL SUIT, ACTION, OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY MAY BE INSTITUTED IN THE FEDERAL COURTS OF THE UNITED STATES OF AMERICA OR THE COURTS OF THE STATE OF DELAWARE AND EACH PARTY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF SUCH COURTS IN ANY SUCH SUIT, ACTION, OR PROCEEDING. SERVICE OF PROCESS, SUMMONS, NOTICE, OR OTHER DOCUMENT BY MAIL TO SUCH PARTY'S ADDRESS SET FORTH HEREIN SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUIT, ACTION, OR OTHER PROCEEDING BROUGHT IN ANY SUCH COURT. THE PARTIES IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY OBJECTION TO THE LAYING OF VENUE OF ANY SUIT, ACTION, OR ANY PROCEEDING IN SUCH COURTS AND IRREVOCABLY

WAIVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH SUIT, ACTION, OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (B) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (C) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (D) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION SECTION 9.11(c).

**Section 9.12 Specific Performance.** The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

**Section 9.13 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date by their respective officers thereunto duly authorized.

**MENTORHEAD INCORPORATED**

**VINERGY CAPITAL INC.**

By: "Trevor Vieweg"  
Name: Trevor Vieweg  
Title: CEO

By: "Alnoor Nathoo"  
Name: Alnoor Nathoo  
Title: President

## **EXHIBIT A**

### **MILESTONES**

Upon the determination by the Milestone Committee (as defined below):

- Milestone 1:** The development by the Company of analysis tools to perform due diligence on target Healthcare Clinic acquisitions.
- Milestone 2:** The development and demonstration by the Company of an automated Healthcare Clinic due diligence tool which ingests the subject Healthcare Clinic's patient and financial data and makes automated assessment of predicted performance over a three (3) year period.
- Milestone 3:** Investor's acquisition of or investment in any Healthcare Clinic for development by the Company of Artificial Intelligence (AI) models to support increased profitability and revenue cycle management in such Healthcare Clinic.
- Milestone 4:** The development and demonstration by the Company of initial healthcare optimization models in the areas of resource management and healthcare operations optimization.
- Milestone 5:** The development and demonstration by the Company of predictive patient cost modeling focused on patient cost prediction capabilities with the ability to predict at least 12 months into the future, and the earlier to occur of (i) the acquisition of or investment in three (3) or more healthcare clinics by Investor, or (ii) the Company generating revenue for the previous 12 months of greater than \$25,000,000.00.

The Milestone Committee shall be a committee of 3 persons, one selected by Company, one selected by Investor, and one selected by agreement of the persons selected by Company and Investor, to determine in good faith whether a Milestone has been achieved by Company. The decision of the Committee shall be binding on Company and Investor.