AGENCY AGREEMENT

January 29, 2015

Nutritional High International Inc.
77 King Street West
Suite 2905, Toronto-Dominion Centre
Toronto, ON M5K 1H1

Attention: David Posner, President & Chief Executive Officer

Dear Sirs:

The undersigned, Jacob Securities Inc. (the "**Agent**") understands that Nutritional High International Inc. (the "**Company**") proposes to issue and sell a minimum of 24,000,000 and a maximum of 50,000,000 units of the Company (individually a "**Unit**" and, collectively, the "**Units**") subject to the terms and conditions set out below.

Upon and subject to the terms and conditions set forth herein, the Agent hereby agrees to act, and upon acceptance hereof the Company hereby appoints the Agent, as the Company's exclusive agent to offer for sale on a "best efforts" agency basis without underwriter liability, up to 50,000,000 Units at a price of $0.05 per Unit (the "**Issue Price**") for a minimum aggregate purchase price of $1,200,000 and a maximum aggregate purchase price of $2,500,000 and agrees to arrange for purchasers for the Units resident in the Selling Jurisdictions (as hereinafter defined).

The Offering is subject to a minimum subscription of proceeds not less than $1,200,000. All subscription funds received by the Agent will be held by the Agent until the minimum subscription has been attained. Notwithstanding any other term of this Agreement, all subscription funds received by the Agent will be returned to the purchasers without interest or deduction if the minimum subscription for the Offering is not attained by the Closing Date (as hereinafter defined).

The minimum Offering of $1,200,000 must be received by the Agent no later than 90 days from the date of issuance by the Ontario Securities Commission, as principal regulator, of a receipt for the Final Prospectus (as hereinafter defined) in respect of the Offering. If the initial Closing is completed but the maximum Offering of $2,500,000 has not been achieved, one or more additional Closings may occur until such date as applicable securities legislation allows.

Each Unit will be comprised of one common share (each, a "**Unit Share**") in the capital of the Company and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant will entitle the holder thereof to purchase one Common Share in the capital of the Company (each, a "**Warrant Share**") at an exercise price of $0.07 at any time prior to 4:00 p.m. (Toronto time) on or before the date that is 24 months (the "**Expiry Date**") following the Closing Date (as hereinafter defined). The Warrants shall be created and issued pursuant to the Warrant Indenture (as hereinafter defined).

The Agent shall have an over-allotment option (the "**Over-Allotment Option**"), which may be exercised in whole or in part, in the Agent's sole discretion and without obligation, to purchase additional Units (the "**Additional Units**") and/or additional Warrants (the "**Additional Warrants**") for a period of 30 days following the Closing Date for the purpose of covering the Agent's over-allocation position, if any, made in connection with the Offering and for market stabilization purposes. The Over-Allotment Option may be exercisable by the Agent: (i) to acquire Additional Units at the Issue Price; or (ii) to acquire Additional Warrants at a price of $0.005 per Additional Warrant; or (iii) to acquire any combination of Additional Units and Additional Warrants, so long as the aggregate number of additional Common Shares and Additional Warrants which may be issued under the Over-Allotment Option does not exceed 15% of the Units purchased under the Offering. The Agent shall notify the Company in writing of its election to exercise the Over-Allotment Option, which notice shall specify the number of Additional Units and/or Additional Warrants to be purchased by the Agent and the date (the "**Option Closing Date**") on which such Additional Units and/or Additional Warrants are to be purchased. Such Option Closing Date may be the same as the Closing Date but not later than 30 days following the Closing Date. In the event that the Company shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Over-Allotment Option is exercisable, appropriate adjustments will be made to the exercise price of the Over-Allotment Option and to the number of Additional Units and/or Additional Warrants issuable on exercise thereof such that the Agent is entitled to receive the same number and type of securities that the Agent would have otherwise received had it exercised such Over-Allotment Option immediately prior to such subdivision, consolidation, reclassification or change.

In consideration of the Agent's services to be rendered in connection with the Offering (as hereinafter defined), including assisting in preparing documentation relating to the Offered Securities (as hereinafter defined) including the Preliminary Prospectus and the Final Prospectus (in each case as hereinafter defined), distributing the Offered Securities, directly and through other investment dealers and brokers, and performing administrative work in connection with the Offering, the Company agrees to pay the Agent's Fee (as hereinafter defined) to the Agent. In addition to the Agent's Fee, the Agent will be granted non-transferable compensation options (the "**Compensation Options**") which shall entitle the Agent to subscribe for that number of Units that is equal to 8% of the number of Units sold pursuant to the Offering (including Units sold pursuant to the exercise of the Over-Allotment Option) from investors sourced by the Agent and 4% of the number of Units sold pursuant to the Offering (including Units sold pursuant to the exercise of the Over-Allotment Option) from investors sourced by the Company (the "**Compensation Units**") at an exercise price of $0.05 per Compensation Unit for a period of 24 months following the Closing Date.

The offering of the Units (which term shall include any Additional Units to be issued in connection with the exercise of the Over-Allotment Option) by the Company is hereinafter referred to as the "**Offering**". Unless the context otherwise requires, all references to the "**Units**", "**Unit Shares**", "**Warrants**" and "**Warrant Shares**" shall assume exercise of the Over-Allotment Option and include the Additional Units and/or Additional Warrants. The Unit Shares and Warrants comprising the Units and the Warrant Shares issuable upon exercise of the Warrants (including for certainty those Unit Shares, Warrants and Warrant Shares issued

pursuant to the Additional Units and/or Additional Warrants, if any) shall collectively be referred to as the "**Offered Securities**".

The Company agrees that the Agent will be permitted to appoint, at their sole expense, other registered dealers or other dealers duly qualified in their respective jurisdictions, in each case acceptable to the Company and pursuant to the Company's written consent, acting reasonably, as their agents to assist in the Offering in the Selling Jurisdictions (as hereinafter defined) and that the Agent may determine, and shall be solely responsible for, the remuneration payable to such other dealers appointed by it.

Notwithstanding anything to the contrary contained herein and subject to the terms and conditions hereof, the Agent, acting through its U.S. Affiliate (as defined in Schedule D hereto which is incorporated into and forms part of this Agreement), in accordance with Schedule D hereto, may offer and sell the Units in the United States on a private placement basis to Qualified Institutional Buyers (as defined in Schedule D hereto) and Accredited Investors (as defined in Schedule D hereto) in accordance with Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder (as defined herein), and, in accordance with applicable state securities laws, or offered by the Agent and sold by the Company outside the United States in compliance with Rule 903 of Regulation S under the U.S. Securities Act.

This offer is conditional upon and subject to the additional terms and conditions set forth below.

1. Interpretation

1.1 **Definitions:** Unless expressly provided otherwise, where used in this Agreement or any schedule hereto, the following terms shall have the following meanings, respectively:

"**Actions**" shall have the meaning ascribed thereto in Section 4.1.1(x);

"**Additional Units**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**Additional Warrants**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**Affiliate**" means, with respect to any specified person, such person's principal or any other person who or which, directly or indirectly, controls, is controlled by, or is under common control with such person or such person's principal, including, without limitation, any general partner, managing partner, officer or director of such person or such person's principal or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such person or such person's principal;

"**Agent**" shall have the meaning ascribed thereto in the first paragraph of this Agreement;

"**Agent's Fee**" means a cash fee equal to 8% of the aggregate gross proceeds of the Offering (including any proceeds from the sale of any Additional Units and/or Additional Warrants issued and sold pursuant to the exercise of the Over-Allotment Option) in respect of sales to investors

identified by the Agent and 4% of the aggregate gross proceeds of the Offering (including any proceeds from the sale of any Additional Units and/or Additional Warrants issued and sold pursuant to the exercise of the Over-Allotment Option) in respect of sales to investors sourced by the Company, in each case payable at the Time of Closing;

"**Agreement**" means this agreement resulting from the acceptance by the Company of the offer made by the Agent herein;

"**Applicable Securities Laws**" means, collectively, the applicable securities laws of each of the Selling Jurisdictions, their respective regulations, rulings, rules, orders and prescribed forms thereunder, the applicable policy statements issued by the Securities Commissions thereunder and the securities legislation of and policies issued by each other relevant jurisdiction and the rules and policies of the Exchange;

"**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in Toronto are not open for business;

"**Closing Date**" means February 23, 2015 or such earlier or later date as the Company and the Agent may agree, but in any event no later than as allowable under Applicable Securities Laws and regulations and as agreed to by the Company and the Agent;

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

"**Company**" shall have the meaning ascribed thereto in the first paragraph of this Agreement;

"**Company's Information Record**" means all information contained in any press release, material change report (excluding any confidential material change report), financial statements or other document of the Company which has been publicly filed by or on behalf of the Company pursuant to Applicable Securities Laws;

"**Company Intellectual Property**" means all patents, patent applications, trademarks, trademark applications, service marks, tradenames, copyrights, trade secrets, licenses, domain names, proprietary information, rights and processes as are necessary to the conduct of the Company's business as now conducted and as presently proposed to be conducted;

"**Compensation Option Certificate**" means the definitive certificate representing the Compensation Options and containing the terms thereof;

"**Compensation Option Shares**" means the Common Shares forming part of the Compensation Units;

"**Compensation Option Warrants**" means the Warrants forming part of the Compensation Units;

"**Compensation Option Warrant Shares**" means the Common Shares issuable upon exercise of the Compensation Option Warrants;

"**Compensation Options**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**Compensation Units**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**Confidential Information Agreement**" shall have the meaning ascribed thereto in Section 4.1.6(f);

"**Convertible Debentures**" means the aggregate $600,000 principal amount of secured convertible debentures issued by the Company on November 17, 2014;

"**Debt Instrument**" means any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability and for greater certainty includes the Convertible Debentures;

"**Distribution Period**" means the period commencing on the date of this Agreement and ending on the date on which all of the Offered Securities have been sold by the Agent to the public;

"**Eglinton Shareholders Agreement**" means the shareholders agreement dated August 19, 2014 among 2430579 Ontario Ltd., Nutritional High International Inc. and Eglinton Medicinal Advisory Ltd;

"**Employee Plans**" shall have the meaning ascribed thereto in Section 4.1.5(d);

"**Environmental Laws**" shall have the meaning ascribed thereto in Section 4.1.4(a);

"**Escrow Agreement**" means the escrow agreement dated the Closing Date among the principals of the Company, the Company and CST Trust Company;

"**Exchange**" means the Canadian Stock Exchange;

"**Expiry Date**" shall have the meaning ascribed thereto on the first page of this Agreement;

"**Final Prospectus**" means the (final) prospectus of the Company qualifying the distribution of the Offered Securities, the Over-Allotment Option, the Compensation Units and the Compensation Options;

"**Final U.S. Placement Memorandum**" means the final U.S. Placement Memorandum (which shall include the Final Prospectus) prepared for use in connection with the offer and sale of the Units in the United States, in the form agreed to by the Company and the Agent;

"**Hazardous Substances**" shall have the meaning ascribed thereto in Section 4.1.4(a);

"**including**" means including without limitation;

"**IP Rights**" shall have the meaning ascribed thereto in Section 4.1.6(b);

"**Issue Price**" shall have the meaning ascribed thereto on the first page of this Agreement;

"**Key Employee**" means any executive-level employee (including, without limitation, division director and vice president-level positions) or officer of the Company;

"**Material Agreement**" means any material note, indenture, mortgage or other form of indebtedness and any contract, commitment, agreement (written or oral), joint venture instrument, lease or other document, including licence agreements to which the Company is a party and which is material to the Company;

"**material change**", "**material fact**" and "**misrepresentation**" have the meaning ascribed to such terms in the *Securities Act* (Ontario);

"**Material Subsidiaries**" means the corporations listed on Schedule "A" hereto;

"**MRRS**" means the mutual reliance review system procedures provided for under NP 11-202 of the Canadian Securities Regulators;

"**NI 41-101**" means National Instrument 41-101 – Short Form Prospectus;

"**NP 11-202**" means National Policy 11-202 – Passport System;

"**Offered Securities**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**Offering**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**Offering Documents**" means, collectively, the Preliminary Prospectus, the Final Prospectus and any Supplementary Material and the Final U.S. Placement Memorandum and any amendment thereto;

"**Option Closing Date**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**Over-Allotment Option**" shall have the meaning ascribed thereto on the second page of this Agreement;

"**person**" includes any individual, corporation, limited partnership, general partnership, joint stock company or association, joint venture association, company, trust, bank, trust company, land trust, investment trust, society or other entity, organization, syndicate, whether incorporated or not, trustee, executor or other legal personal representative, and governments and agencies and political subdivisions thereof;

"**Preliminary Prospectus**" means the preliminary prospectus of the Company dated October 29, 2014 prepared in connection with the qualification of the distribution of the Offered Securities, the Over-Allotment Option, the Compensation Units and the Compensation Options;

"**Promoter**" shall mean those parties described as promoters in the Final Prospectus;

"**Purchasers**" means, collectively, each of the purchasers of Units arranged by the Agent pursuant to the Offering, including, if applicable, the Agent;

"**Qualifying Provinces**" means, collectively, the provinces of Ontario, British Columbia and Alberta;

"**Regulation D**" means Regulation D adopted by the SEC under the U.S. Securities Act;

"**Regulation S**" means Regulation S adopted by the SEC under the U.S. Securities Act;

"**Rule 144A**" means Rule 144A adopted by the SEC under the U.S. Securities Act;

"**SEC**" means the United States Securities and Exchange Commission;

"**Securities Commissions**" means, collectively, the securities commissions or similar regulatory authorities in each of the Qualifying Provinces;

"**Selling Group**" means, collectively, those registered dealers appointed by the Agent to assist in the Offering as contemplated on the second page of this Agreement;

"**Selling Jurisdictions**" means, collectively, the Qualifying Provinces, the United States and such other jurisdictions as the Agent and the Company may agree;

"**subsidiary**" shall have the meaning ascribed thereto in the *Securities Act* (Ontario);

"**Supplementary Material**" means, collectively, any amendment to the Final Prospectus, any amended or supplemental prospectus or ancillary material required to be filed with any of the Securities Commissions in connection with the distribution of the Offered Securities and any material incorporated therein by reference;

"**Survival Limitation Date**" means the later of:

(a) the second anniversary of the Closing Date; and

(b) the latest date under the Applicable Securities Laws relevant to a Purchaser (non-residents of Canada being deemed to be resident in the Province of Ontario for such purposes) that a Purchaser may be entitled to commence an action or exercise a right of rescission, with respect to a misrepresentation contained in the Final Prospectus or, if applicable, any Supplementary Material;

"**Time of Closing**" means 8:00 a.m. (Toronto time) on the Closing Date;

"**Transfer Agent**" means CST Trust Company at its principal office in Toronto, Ontario as the registrar and transfer agent for the Common Shares;

"**Unit**" shall have the meaning ascribed thereto in the first paragraph of this Agreement and shall include any Additional Units;

"**Unit Share**" shall have the meaning ascribed thereto on the first page of this Agreement;

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

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

"**Warrant**" shall have the meaning ascribed thereto on the first page of this Agreement;

"**Warrant Agent**" means CST Trust Company, located at its principal office in Toronto, Ontario;

"**Warrant Indenture**" means the warrant indenture to be entered into on the Closing Date between the Company and the Transfer Agent, as warrant agent, in relation to the Warrants, as may be amended from time to time; and

"**Warrant Share**" shall have the meaning ascribed thereto on the first page of this Agreement.

1.2 **Division and Headings:** The division of this Agreement into sections, subsections, paragraphs and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Unless something in the subject matter or context is inconsistent therewith, references herein to sections, subsections, paragraphs and other subdivisions are to sections, subsections, paragraphs and other subdivisions of this Agreement.

1.3 **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

1.4 **Currency:** Except as otherwise indicated, all amounts expressed herein in terms of money refer to lawful currency of Canada and all payments to be made hereunder shall be made in such currency.

1.5 **Schedules:** The following are the schedules attached to this Agreement, which schedules are deemed to be a part hereof and are hereby incorporated by reference herein:

Schedule "A" – Material Subsidiaries.
Schedule "B" – Intellectual Property.

2. Nature of Transaction

2.1 Each Purchaser resident in a Qualifying Province shall purchase the Offered Securities pursuant to the Final Prospectus. Each other Purchaser shall purchase in accordance with such procedures as the Company and the Agent may mutually agree, acting reasonably, in order to fully comply with the Applicable Securities Laws. The Company hereby agrees to secure

compliance with all Applicable Securities Laws on a timely basis in connection with the distribution of the Offered Securities. The Company hereby agrees to secure compliance will all applicable securities regulatory requirements of the Selling Jurisdictions on a timely basis in connection with the distribution of the Offered Securities. The Agent agrees to assist the Company in all reasonable respects to secure compliance with all regulatory requirements in connection with the Offering.

3. Covenants and Representations of the Agent

3.1 The Agent covenants and agrees with the Company that it will (and will use its commercially reasonable best efforts to cause the members of the Selling Group to):

(a) conduct its activities in connection with arranging for the sale and distribution of the Offered Securities in compliance with all Applicable Securities Laws and the provisions of this Agreement;

(b) not, directly or indirectly, sell or solicit offers to purchase the Offered Securities or distribute or publish any offering circular, prospectus, form of application, advertisement or other offering materials in any country or jurisdiction so as to require registration or filing of a prospectus (or similar document) with respect thereto or compliance by the Company with regulatory requirements (including any continuous disclosure obligations) under the laws of, or subject the Company (or any of its directors, officers or employees) to any inquiry, investigation or proceeding of any securities regulatory authority, stock exchange or other authority in, any jurisdiction (other than the Qualifying Provinces in connection with the filing of the Preliminary Prospectus and the Final Prospectus);

(c) and shall require any Selling Group member to agree to, observe and distribute the Units in a manner that complies with all applicable laws and regulations (including, in connection with offers and sales in the United States, Regulation D) in each jurisdiction into and from which they may offer to sell the Units or distribute the Prospectus or the Final U.S. Placement Memorandum in connection with the distribution of the Units and will not, directly or indirectly, offer, sell or deliver any Units or deliver the Prospectus or the Final U.S. Placement Memorandum or any other document to any person in any jurisdiction, except in a manner which will not require the Company to comply with the registration, prospectus, continuous disclosure, filing or other similar requirements under the applicable securities laws of any jurisdiction other than the Qualifying Provinces;

(d) use reasonable best efforts to complete and to cause the members of the Selling Group, if any, to complete the distribution of the Offered Securities as soon as reasonably practicable; and

(e) upon the Company obtaining the necessary receipts therefore from each of the Securities Commissions in Canada, deliver one copy of the Final Prospectus and any Supplementary Material to each of the Purchasers.

3.2 The Agent shall notify the Company when, in its opinion, it and the Selling Group have ceased distribution of the Offered Securities (and in any event such notice shall be given no later than 10 days after the Closing Date) and, provide a breakdown of the number of Offered Securities distributed and proceeds received (A) in each of the Qualifying Provinces and (B) in any other jurisdiction.

3.3 The Agent covenants and agrees that no offers and sales of Offered Securities will be made in the United States.

3.4 (1) The Agent represents and warrants to the Company, and acknowledges that the Company is relying upon such representations and warranties in entering into this Agreement, that:

(a) the Agent is, and will remain so until the completion of the Offering, appropriately registered as required under the Applicable Securities Laws so as to permit it to lawfully fulfil its obligations hereunder; and

(b) the Agent has good and sufficient right and authority to enter into this Agreement and complete its obligations contemplated hereunder on the terms and conditions set forth herein.

(2) The representations and warranties of the Agent contained in this Agreement shall be true at the Closing Date as though they were made as at the Closing Date and shall continue in full force and effect for the benefit of the Company until the Survival Limitation Date.

3.5 The Company and the Agent hereby acknowledge that the Common Shares and Warrants have not been and will not be registered under the U.S. Securities Act or any U.S. state securities or "blue sky" laws, and the Units may not be offered or sold except: (A) to Qualified Institutional Buyers (as defined in Rule 144A) and Accredited Investors (as defined in Rule 501(a) of Regulation D), provided that such offers and sales are made in accordance with section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder and all applicable state securities laws; and (B) outside the United States, in accordance with Regulation S under the U.S. Securities Act. Accordingly, the Company and the Agent hereby agree that offers and sales of the Units in the United States shall be conducted only in the manner specified in Schedule D hereto, which terms and conditions are hereby incorporated by reference in and form a part of this Agreement.

4. Representations, Warranties and Covenants of the Company

4.1 The Company hereby represents, warrants and covenants to and with the Agent that:

4.1.1 General Matters

(a) the Company (i) has been duly incorporated under the *Canada Business Corporations Act* and is and will at the Time of Closing be up-to-date in all material corporate filings and in good standing under the *Canada Business Corporations Act*; (ii) has all requisite corporate power, authority and capacity to

carry on its business as now conducted and to own, lease and operate its properties and assets; and (iii) has all requisite corporate power and authority to create, issue and sell the Offered Securities, issue the Over-Allotment Option, issue the Compensation Options, enter into this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates and to carry out the provisions contained in hereunder and thereunder;

(b) at the Time of Closing, the Material Subsidiaries listed on Schedule "A" will be the only subsidiaries of the Company which will be material to the Company and the securities of such Material Subsidiaries will be held, directly or indirectly, by the Company as set forth in Schedule "A", free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims and demands whatsoever other than those set forth on Schedule "B". All of such shares in the capital of the Material Subsidiaries will have been duly authorized and validly issued and will be outstanding as fully paid shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Company of any interest in any of such shares or, other than the Eglinton Shareholders Agreement, for the issue or allotment of any unissued shares in the capital of the Material Subsidiaries or any other security convertible into or exchangeable for any such shares;

(c) each of the Material Subsidiaries (i) has been duly incorporated in its respective jurisdiction of incorporation and is and will at the Time of Closing be up-to-date in all material corporate filings and in good standing under the laws of such jurisdiction, as the case may be and (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and operate its properties and assets;

(d) no proceedings have been taken, instituted or, to the knowledge of the Company, are pending for the dissolution or liquidation of the Company or the Material Subsidiaries;

(e) each of the Company and the Material Subsidiaries are, in all material respects, conducting its respective business in compliance with all applicable laws, rules and regulations of each jurisdiction in which its respective business is carried on and each is licensed, registered or qualified in all jurisdictions in which it owns, leases or operates its property or carries on business to enable its businesses to be carried on as now conducted and its property and assets to be owned, leased and operated and all such licences, registrations and qualifications are valid, subsisting and in good standing and it has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which could have an adverse material effect on the Company or the Material Subsidiaries and all such licences, registrations and qualifications will at the Time of Closing be valid, subsisting and in good standing;

(f) all necessary corporate action has been taken or will have been taken prior to the Time of Closing by the Company so as to: (i) validly issue and sell the Offered Securities; (ii) issue the Over-Allotment Option; (iii) issue the Compensation Options; and (iv) and issue and sell the Warrant Shares, Compensation Option Shares, Compensation Option Warrants and Compensation Option Warrant Shares;

(g) except for receipt of a final MRRS decision document from the Ontario Securities Commission in respect of the Final Prospectus, all consents, approvals, authorizations and corporate action have been taken and all necessary documents have been delivered and executed with respect to the Offering;

(h) the execution and delivery of this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates, and the performance of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action of the Company and this Agreement, the Warrant Indenture and the Compensation Option Certificates have been executed and delivered by the Company and constitute, and at the Time of Closing, will constitute, valid and binding obligations of the Company, enforceable against the Company in accordance with its terms, provided that enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable and that enforceability is subject to the provisions of the *Limitations Act*, 2002 (Ontario);

(i) the execution and delivery of this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates, the fulfilment of the terms hereof and thereof by the Company and the issuance, sale and delivery of the Unit Shares and Warrants to be issued and sold by the Company at the Time of Closing to the Purchasers and the issuance and delivery of the Compensation Options to the Agent, do not and will not require the consent, approval, authorization, registration or qualification of or with any governmental authority, stock exchange, Securities Commission or other third party, except such as have been obtained or such as may be required (and shall be obtained prior to the Time of Closing) under Applicable Securities Laws or stock exchange regulations;

(j) the Unit Shares to be issued and sold as hereinbefore described have been, or prior to the Time of Closing will be, duly and validly authorized for issuance and, upon receipt by the Company of the aggregate Issue Price for the Units will be validly issued as fully paid and non-assessable Common Shares, and all statements made in the Final Prospectus describing the Unit Shares (including their attributes) will be accurate in all material respects;

(k) the Warrants to be issued and sold as hereinbefore described have been, or prior to the Time of Closing will be authorized and created and, upon receipt by the Company of the aggregate Issue Price for the Units and when certificates for the

Warrants are countersigned by the Warrant Agent, will be authorized for issuance and all statements made in the Final Prospectus describing the Warrants will be accurate in all respects;

(l) the Warrant Shares to be issued and sold upon exercise of the Warrants have been, or prior to the Time of Closing will be, duly and validly authorized and reserved for issuance and, upon exercise of the Warrants in accordance with their terms and upon receipt by the Company of the full consideration therefor will be validly issued as fully paid and non-assessable Common Shares, and all statements made in the Final Prospectus describing the Warrant Shares will be accurate in all material respects;

(m) the Compensation Options to be issued to the Agent have been, or prior to the Time of Closing will be, duly and validly authorized and created for issuance and all statements made in the Final Prospectus describing the Compensation Options will be accurate in all material respects;

(n) the Compensation Option Shares to be issued and sold upon exercise of the Compensation Options have been, or prior to the Time of Closing will be, duly and validly authorized and reserved for issuance and, upon exercise of the Compensation Options in accordance with their terms and receipt by the Company of the full consideration therefor will be validly issued as fully paid and non-assessable Common Shares;

(o) the Compensation Option Warrants to be issued and sold upon exercise of the Compensation Options have been, or prior to the Time of Closing will be duly and validly authorized and created for issuance and upon exercise of the Compensation Options in accordance with their terms and upon receipt by the Company of the full consideration therefor will be validly created and issued;

(p) the Compensation Option Warrant Shares to be issued and sold upon exercise of the Compensation Option Warrants have been, or prior to the Time of Closing will be duly and validly authorized and reserved for issuance and upon exercise of the Compensation Option Warrants in accordance with their terms and upon receipt by the Company of the full consideration therefor, will be validly issued as fully paid and non-assessable Common Shares;

(q) as at the Time of Closing the authorized capital of the Company will consist of an unlimited number of Common Shares, of which, as of the moment immediately prior to Closing, 79,480,269 Common Shares will be outstanding as fully paid and non-assessable shares of the Company;

(r) other than as disclosed in the Final Prospectus, none of the Company nor the Material Subsidiaries is aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of the Company or the Material Subsidiaries;

(s) no order ceasing or suspending trading in any securities of the Company or prohibiting the sale of the Offered Securities or the trading of any of the Company's issued securities has been issued and no proceedings for such purpose are threatened or, to the best of the Company's knowledge, information and belief, pending;

(t) the Company shall not take any action which would be reasonably expected to result in the delisting or suspension of its Common Shares on or from the Exchange or on or from any securities exchange, market or trading or quotation facility on which the Common Shares are then listed or quoted and the Company shall comply with the rules and regulations thereof for a period of two years post-Closing, provided that this covenant shall not prevent the Company from completing any transaction which would result in the Company ceasing to be listed so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or the holders of the Common Shares have approved the transaction;

(u) except as disclosed in the Final Prospectus, no person now has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of the Company or any of the Material Subsidiaries;

(v) since July 31, 2014, except as disclosed in the Final Prospectus:

(i) there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Company and the Material Subsidiaries;

(ii) there has not been any material change in the capital stock or long-term debt of the Company and the Material Subsidiaries, on a consolidated basis; and

(iii) the Company and the Material Subsidiaries have carried on their respective businesses in the ordinary course;

(w) the financial statements contained in the Final Prospectus present fairly, in all material respects, the financial condition of the Company and its subsidiaries, as applicable, for the periods then ended;

(x) there is no claim, action, suit, proceeding, arbitration, complaint, charge or investigation (collectively, "**Actions**") pending or, to the Company's knowledge, threatened against (i) the Company or any of its Affiliates or any of their respective properties or assets, or (ii) any consultant, officer, director or Key Employee thereof arising out of his or her relationship with the Company or any of its Affiliates, before any court, arbiter or governmental agency. The foregoing

includes, without limitation, Actions pending or threatened involving the prior employment or consultancy of any of the Company's consultants, employees, officers, director, or Key Employees, their services provided in connection with the Company's business, or any information, technology or techniques allegedly proprietary to any of their former employers, clients or parties for whom they have provided services, or their obligations under any agreements with prior employers, clients or other such parties. Neither the Company nor, to the Company's knowledge, any of its consultants, officers, directors, Affiliates or Key Employees is a party or is named as subject to the provisions of any order, writ, injunction, judgment or decree of any court, arbiter or government agency or instrumentality (in the case of consultants, officers, directors or Key Employees, such as would relate to or affect the Company) relating to the business of, or that would materially affect, the Company. There is no Action by the Company pending or that the Company intends to initiate as a principal or named party;

(y) the execution and delivery of this Agreement, and upon execution and delivery of the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates, the performance by the Company of its obligations hereunder and thereunder, the issue and sale of the Offered Securities and the Compensation Options and the consummation of the transactions contemplated in this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates do not and will not (as the case may be) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, (whether after notice or lapse of time or both), (A) any statute, rule or regulation applicable to the Company or any of the Material Subsidiaries including, without limitation, Applicable Securities Laws; (B) the constating documents, by-laws or resolutions of the Company or any of the Material Subsidiaries that are in effect at the date hereof; (C) the terms of any Debt Instrument, Material Agreement, mortgage, note, indenture, instrument, lease or any other material agreement to which the Company or any of the Material Subsidiaries are a party or by which they are bound; or (D) any judgment, decree or order binding the Company, any of the Material Subsidiaries or the respective property or assets of the Company or the Material Subsidiaries;

(z) neither the Company nor the Material Subsidiaries have any liabilities, direct or indirect, contingent or otherwise, not disclosed in the Final Prospectus which materially adversely affects the Company or the Material Subsidiaries or would reasonably be expected to have a material adverse effect. Without limiting the generality of the foregoing, neither the Company nor the Material Subsidiaries have any material obligation or liability except as disclosed in the Final Prospectus or those arising in the ordinary course of business none of which is materially adverse to the Company and the Material Subsidiaries taken together as a whole;

(aa) to the knowledge of the Company, no agreement is in force or effect which in any manner affects the voting or control of any of the securities of the Company or the Material Subsidiaries;

(bb) the Company will at the Time of Closing be, a "reporting issuer", not included in a list of defaulting reporting issuers maintained by the Securities Commissions in the Qualifying Provinces and in particular, without limiting the foregoing, the Company has at all relevant times complied with its obligations to make timely disclosure of all material changes relating to it, no such disclosure has been made on a confidential basis that is still maintained on a confidential basis, and there is no material change relating to the Company which has occurred and with respect to which the requisite material change report has not been filed with the Securities Commissions, except to the extent that the Offering constitutes a material change;

(cc) all filings and fees required to be made and paid by the Company and the subsidiaries pursuant to Applicable Securities Laws have been paid and the information and statements set forth in the Preliminary Prospectus and, the Final Prospectus are full, true, correct and complete in all material respects and do not contain any misrepresentation as of the date of such information or statement; the Company is not aware of any material inaccuracies in any document included in the Company's Information Record as considered at the time the relevant document was made; and the Company has not filed any confidential material change reports or similar confidential report with any Securities Commission that is still maintained on a confidential basis;

(dd) to the knowledge of the Company, the auditors of the Company are independent public accountants as required by the Applicable Securities Laws;

(ee) there has not been any "reportable event" (within the meaning of National Instrument 51-102) with the present or any former auditor of the Company;

(ff) other than the Convertible Debentures, there is not, in the constating documents, by-laws or in any Debt Instrument, agreement, mortgage, note, debenture, indenture or other instrument or document to which the Company is a party, any restriction upon or impediment to, the declaration of dividends by the directors of the Company or the payment of dividends by the Company to the holders of the Common Shares;

(gg) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Company or any of the Material Subsidiaries have been paid except for where the failure to pay such taxes would not constitute an adverse material fact of the Company or of the Material Subsidiaries or result in an adverse material change to the Company or the Material Subsidiaries. All tax returns, declarations,

remittances and filings required to be filed by the Company and the Material Subsidiaries have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no fact or facts have been omitted therefrom which would make any of them misleading. To the best of the knowledge of the Company and the Material Subsidiaries no examination of any tax return of the Company or the Material Subsidiaries is currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any taxes that have been paid, or may be payable, by the Company, in any case;

(hh) neither the Company nor any of the Material Subsidiaries, nor to the best of the Company's knowledge, information and belief, any other person, is in default in any material respect in the observance or performance of any term, covenant or obligation to be performed by the Company or any of the Material Subsidiaries or such other person under any Debt Instrument, Material Agreement, agreement, or arrangement to which the Company or any of the Material Subsidiaries is a party or otherwise bound which could have a material adverse effect on the Company and its Material Subsidiaries as a whole and all such contracts, agreements or arrangements are in good standing, and no event has occurred which with notice or lapse of time or both would constitute such a default by the Company, a Material Subsidiary or, to the best of the Company's knowledge, information and belief, any other party;

(ii) the net proceeds of the Offering will be used as described in the Final Prospectus;

(jj) the Company will obtain any necessary regulatory consents from the Exchange in connection with the sale of the Offered Securities, the issuance of the Over-Allotment Option, the issuance of the Compensation Options and the issuance of the Compensation Option Shares, Compensation Option Warrants and Compensation Option Warrant Shares, as applicable hereunder on such conditions as are acceptable to the Agent and the Company, acting reasonably;

(kk) the Company will arrange for the listing on the Exchange of the Common Shares and the Unit Shares, Warrants, Warrant Shares, Compensation Option Shares and Compensation Option Warrant Shares effective on the date such securities are issued;

(ll) the Company will use its best efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Applicable Securities Laws of each of the Qualifying Provinces to the date which is two years following the Closing Date, provided that this covenant shall not prevent the Company from completing any transaction which would result in the Company ceasing to be a "reporting issuer" so long as the holders of Common Shares receive securities of an entity which is listed on a stock exchange in Canada or the holders of the Common Shares have approved the transaction;

(mm) the Transfer Agent at its principal transfer office in the City of Toronto, Ontario has been duly appointed as the registrar and transfer agent for the Common Shares and as Warrant Agent for the Warrants;

(nn) except as disclosed in the Final Prospectus, none of the directors or officers of the Company, any known holder of more than ten per cent (10%) of any class of shares of the Company, or any known associate or affiliate of any of the foregoing persons or companies (as such terms are defined in the *Securities Act* (Ontario)), has had any material interest, direct or indirect, in any material transaction within the previous two years or any proposed material transaction which, as the case may be, materially affected, is material to or will materially affect the Company and the Material Subsidiaries on a consolidated basis;

(oo) other than the Agent pursuant to this Agreement, there is no person acting or purporting to act at the request of the Company who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the transactions contemplated herein;

(pp) none of the Company or the Material Subsidiaries is party to any material Debt Instrument or has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with them;

(qq) each Debt Instrument to which the Company or a Material Subsidiary is a party is in good standing and each of the Company and the Material Subsidiaries is not in default of any obligation or covenant under such Debt Instruments;

(rr) other than as disclosed in the Final Prospectus, the Company and the Material Subsidiaries are the absolute legal and beneficial owners of, and have good and marketable title to, all of the material property or assets thereof free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, and no other property rights are necessary for the conduct of the businesses of the Company or the Material Subsidiaries, as currently conducted or contemplated to be conducted, the Company and the Material Subsidiaries are not aware of any claim or basis for any claim that might or could adversely affect the right thereof to use, access, transfer or otherwise exploit such property rights;

(ss) any and all of the agreements and other documents and instruments pursuant to which the Company and the Material Subsidiaries hold their property and assets are valid and subsisting agreements, documents and instruments are in full force and effect, enforceable in accordance with the terms thereof, the Company and the Material Subsidiaries are not in default in any material respect of any of the material provisions of any such leases, agreements, purchase agreements, asset purchase agreements, documents or instruments nor, to the knowledge of the Company, has any such default been alleged, and such properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in

which they are situated, and there has been no material default under any lease or agreement pursuant to which the Company or the Material Subsidiaries derive an interest in such property or assets;

(tt) the Company shall not, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional Common Shares or any securities convertible or exchangeable into Common Shares, other than pursuant to (i) the Offering, (ii) the exercise of the Over-Allotment Option, (iii) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements in place prior to the Closing Date, or (iv) the issue of Common Shares upon the exercise of convertible securities, warrants or options outstanding prior to the Closing Date, for a period of 120 days from the Closing Date, without the prior written consent of the Agent, such consent not to be unreasonably withheld;

(uu) neither the Company nor any director, officer, agent or employee of the Company nor, to the knowledge of the Company, any other person acting on behalf of the Company has, in order to obtain or retain an advantage in the course of business, directly or indirectly, made or authorized any contribution, payment or promise to make payment of any money, gift, loan, reward, advantage or benefit of any kind (collectively a "**Benefit**") to:

(i) any employee, official or agent of any governmental or regulatory agency, authority or instrumentality;

(ii) any person who holds a legislative, administrative or judicial position with any governmental or regulatory agency, authority or instrumentality;

(iii) any employee, director or officer of a (a) wholly or partially (20% or greater) State owned or State controlled corporation or other body or (b) corporation or other body that is established to perform a duty or function on behalf of a State or is performing such a duty or function;

(iv) any member of a political party or candidate for public office; or

(v) any employee, official or agent of a public international organization,

((i) through (v) each being a "**Public Official**");

to (a) influence an act or omission of a Public Official in connection with the performance of his or her duties or functions, (b) induce a Public Official to influence any act or decision of the State or public international organization for which the Public Official performs duties or functions or (c) where the Benefit would be prohibited under the Corruption of *Foreign Public Officials Act* (Canada), *Criminal Code* (Canada), the *Foreign Corrupt Practices Act* (United

States), *the Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the rules and regulations promulgated under any such legislation or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Company ("**Applicable Anti- Corruption Legislation**").

(vv) the Company warrants that it will not, in order to obtain or retain an advantage in the course of business, directly or indirectly, authorize, offer or provide any Benefit to a Public Official in order to (a) influence an act or omission of the Public Official in connection with the performance of his or her duties or functions or (b) induce the Public Official to influence any act or decision of the State or public international organization for which that Public Official performs duties or functions, nor will the Company do anything directly or indirectly or allow, authorize or acquiesce to anything being done on its behalf that is contrary to Applicable Anti-Corruption Legislation, as the same may be amended from time to time. The Company further warrants that it will take all measures that would be commercially reasonable for a Canadian publicly traded company of a similar size with a robust compliance program and operations in countries with significant perception of corruption to ensure that any contractors or consultants representing or acting on behalf of the Company strictly adhere to Applicable Anti-Corruption Legislation, as the same may be amended from time to time. For greater certainty, the authorization, offer or provision of a Benefit that is lawful under sections 3(3) and 3(4) of the Corruption of Foreign Public Officials Act (Canada), as may be amended from time to time, shall not violate the Company's representations or warranties in this section 4.1.1(vv);

(ww) as of the date hereof, after due inquiry and based upon currently available information and projections that the Company believes are reasonable, the Company believes that it will be a passive foreign investment company (a PFIC) within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended, for its current taxable year ending December 31, 2014;

4.1.2 Prospectus Matters

(a) the Company will, provided the Agent has taken all action required by it hereunder to permit the Company to do so, use its best efforts to file the Final Prospectus pursuant to NP 11-202 and to obtain a final MRRS decision document from the Ontario Securities Commission in respect of each Qualifying Province and if any Securities Commission in a Qualifying Province opts out of the MRRS system, a final receipt (or a decision document equivalent thereof) from any such Securities Commission in Canada, and shall have taken all other steps and proceedings that may be necessary in order to qualify the Common Shares for distribution pursuant to the Final Prospectus in each of the Qualifying Provinces before the close of business on January 30, 2015 (or such other date or time as may be agreed to in writing by the Company and the Agent);

(b) the Company will deliver from time to time without charge to the Agent as many copies of the Preliminary Prospectus, the Final Prospectus, the Final U.S.

Placement Memorandum and any Supplementary Material as the Agent may reasonably request for the purposes contemplated hereunder and contemplated by the Applicable Securities Laws and such delivery shall constitute the consent of the Company to its use of such documents in the Selling Jurisdictions in connection with the distribution or the distribution to the public of the Offered Securities, subject to the Agent complying with the provisions of the Applicable Securities Laws and the provisions of this Agreement;

(c) all the information and statements to be contained in the Offering Documents shall, at the respective dates of delivery thereof, constitute full, true and plain disclosure of all material facts relating to each of the Offering, the Company and the Material Subsidiaries on a consolidated basis and the Offered Securities (provided that this representation and warranty is not intended to extend to information and statements included in reliance upon and in conformity with information furnished to the Company by or on behalf of the Agent specifically for use therein);

(d) no material fact or information has been omitted from the Offering Documents (except facts or information relating solely to the Agent) which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were made;

(e) at the time of filing and qualification thereof, none of the Offering Documents will contain a misrepresentation (provided that this representation and warranty is not intended to extend to information and statements included in reliance upon and in conformity with information furnished to the Company by or on behalf of the Agent specifically for use therein);

(f) the Offering Documents shall in all material respects contain the disclosure required by and conform to all requirements of the Applicable Securities Laws in the Qualifying Provinces;

(g) during and prior to completion of the Distribution Period, the Company will take or cause to be taken all steps and proceedings (including the filing of, and obtaining the issuance of a final receipt (or a decision document equivalent thereof) for, the Final Prospectus) that may be required under the Applicable Securities Laws of the Qualifying Provinces to qualify the Offered Securities for sale to the public in the Qualifying Provinces through registrants registered under the Applicable Securities Laws of the Qualifying Provinces who have complied with the relevant provisions thereof; and

(h) at all times until the completion of the Distribution Period, the Company will, to the satisfaction of counsel to the Agent, acting reasonably, promptly take or cause to be taken all additional steps and proceedings that may be required from time to time under the Applicable Securities Laws of the Qualifying Provinces to continue to so qualify the Offered Securities, and in the event that the Offered

Securities have, for any reason, ceased to so qualify, to again so qualify the Offered Securities.

4.1.3 Due Diligence Matters

(a) prior to the filing of the Final Prospectus and any Supplementary Material, the Company will allow the Agent to participate fully in the preparation of the Preliminary Prospectus, the Final Prospectus, Final U.S. Placement Memorandum and any Supplementary Material and shall allow the Agent to conduct all due diligence which it may reasonably require to conduct in order to fulfil its obligations and in order to enable it to responsibly execute the certificates required to be executed by it at the end of each of the Preliminary Prospectus, the Final Prospectus and any applicable Supplementary Material;

(b) the Company will promptly notify the Agent in writing if, prior to completion of the Distribution Period, there shall occur any material change or change in a material fact (in either case, whether actual, anticipated, contemplated or threatened and other than a change or change in fact relating solely to the Agent) or any event or development involving a prospective material change or a change in a material fact or any other material change concerning the Company and the Material Subsidiaries on a consolidated basis including any change relating to the business, affairs, operations, assets, liabilities (contingent or otherwise), capital, ownership, control or management of the Company and the Material Subsidiaries or any other change which is of such a nature as to result in, or could be considered reasonably likely to result in, a misrepresentation in the Final Prospectus, Final U.S. Placement Memorandum or any Supplementary Material, as they exist immediately prior to such change, or could render any of the foregoing, as they exist immediately prior to such change, not in compliance with any of the Applicable Securities Laws;

(c) the Company will promptly notify the Agent in writing with full particulars of any such actual, anticipated, contemplated, threatened or prospective change referred to in the preceding paragraph and the Company shall, to the satisfaction of the Agent, acting reasonably, provided the Agent has taken all action required by it hereunder to permit the Company to do so, file promptly and, in any event, within all applicable time limitation periods with the Securities Commissions in the Qualifying Provinces a new or amended Final Prospectus, Final U.S. Placement Memorandum or Supplementary Material, as the case may be, or material change report as may be required under the Applicable Securities Laws and shall comply with (i) all other applicable filings and other requirements under the Applicable Securities Laws including any requirements necessary to qualify the distribution in the Qualifying Provinces of the Offered Securities and (ii) Regulation D under the U.S. Securities Act to enable the Units to be lawfully offered and sold on a private placement basis in the United States in accordance with the provisions of Schedule D to this Agreement, which forms a part of this Agreement and shall deliver to the Agent as soon as practicable thereafter its reasonable requirements of conformed or commercial copies of any such new or amended Final

Prospectus, Final U.S. Placement Memorandum or Supplementary Material. The Company will not file any such new or amended disclosure documentation or material change report without first obtaining the written approval of the form and content thereof by the Agent, which approval shall not be unreasonably withheld or delayed; provided that the Company will not be required to file a registration statement or otherwise register or qualify the Offered Securities for sale or distribution outside Canada;

(d) the Company will in good faith discuss with the Agent as promptly as possible any circumstance or event which is of such a nature that there is or ought to be consideration given as to whether there may be a material change or change in a material fact or other change described in the preceding two paragraphs; and

(e) the minute books (or content thereof) of the Company and each of the Material Subsidiaries provided to counsel to the Agent contain copies of all constating documents and all proceedings of securityholders and directors (and committees thereof) and are complete in all material respects.

4.1.4 Environmental Matters

(a) to the knowledge of the Company, the Company and the Material Subsidiaries are in material compliance with all applicable federal, provincial, state, municipal and local laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign (the "**Environmental Laws**") relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substance ("**Hazardous Substances**");

(b) neither the Company nor any of the Material Subsidiaries has used, except in material compliance with all Environmental Laws, any property or facility which it owns or leases or previously owned or leased, to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any Hazardous Substance;

(c) neither the Company nor any of the Material Subsidiaries have received any notice of, or been prosecuted for an offence alleging, non-compliance with any Environmental Law. There are no orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Company or any of its Material Subsidiaries which are material to the Company, nor has the Company or any of its Material Subsidiaries received notice of any of the same;

4.1.5 Employment Matters

(a) to the Company's knowledge, none of its employees, consultants or independent contractors is subject to any contract (including licenses, covenants or commitments of any nature) or other agreement, or any judgment, decree or order of any court or administrative agency, or any other restriction that would interfere with such person's use of his or her best efforts to carry out his or her duties for the Company or promote the interests of the Company or that would conflict with the Company's business as conducted or as proposed to be conducted. Neither the carrying on of the Company's business by the employees, consultants or independent contractors of the Company, nor the conduct of the Company's business as now conducted and as presently proposed to be conducted, will, to the Company's knowledge, conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any contract, covenant or instrument under which any such employee, consultant or independent contractor, as the case may be, is now obligated. The Company does not believe it is or will be necessary to utilize any inventions of any employees of the Company (or persons the Company currently intends to hire) made prior to their employment by the Company;

(b) to the Company's knowledge, no Key Employee intends to terminate his or her employment with the Company or is otherwise likely to become unavailable to continue as a Key Employee, nor does the Company have a present intention to terminate the employment of any of the foregoing. Each officer and Key Employee of the Company is currently devoting all of his or her required business time to the conduct of the Company's business. The Company is not aware that any of its officers or Key Employees is planning to work less than the agreed upon amount of time for the Company in the future. Other than as required by applicable law, the Company has no policy, practice, plan or program of paying severance pay or any form of severance compensation in connection with the termination of employment services;

(c) To the Company's knowledge, none of the Key Employees or directors of the Company has been (A) subject to voluntary or involuntary petition under the federal bankruptcy laws or any state insolvency law or the appointment of a receiver, fiscal agent or similar officer by a court for his business or property, (B) convicted in a criminal proceeding or named as a subject of a pending criminal proceeding (excluding traffic violations and other minor offenses), (C) subject to any order, judgment, or decree (not subsequently reversed, suspended, or vacated) of any court of competent jurisdiction permanently or temporarily enjoining him or her, from engaging, or otherwise imposing limits or conditions on his or her engagement in any type of business or acting as an officer or director of a public company, or (D) found by a court of competent jurisdiction in a civil action or by a Securities Commission to have violated any federal or state securities, commodities, or unfair trade practices law, which such judgment or finding has not been subsequently reversed, suspended, or vacated;

(d) each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Company for the benefit of any current or former director, officer, employee or consultant of the Company (the "**Employee Plans**") has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans, in each case in all material respects and has been publicly disclosed to the extent required by Applicable Securities Laws;

(e) all material accruals for unpaid vacation pay, premiums for employment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of the Company or the Material Subsidiaries; and

(f) there has never been, there is not currently and the Company does not anticipate any labour disruption with respect to the employees or consultants of the Company which is adversely affecting or could adversely affect the plans of the Company or the Material Subsidiaries or the carrying on of the business of the Company or the Material Subsidiaries.

4.1.6 Intellectual Property Matters

(a) the Company owns or possesses sufficient legal rights to all Company Intellectual Property without any infringement upon of the rights of others. Schedule C hereto lists all patents, patent applications, trademarks, trademark applications, common-law trademarks, domain names and registered copyrights included in the Company Intellectual Property.

(b) to the Company's knowledge, the conduct of the Company's business as now conducted and as presently proposed to be conducted, including the marketing and sale of the products and services that the Company presently proposes to sell, does not and will not violate any license or infringe any patent, trademark, service mark, tradename, copyright, trade secret, mask work or other proprietary right or process (collectively, "**IP Rights**") of any other Person. The Company has not received any communications alleging that the Company has violated or, by conducting its business, would violate any IP Rights of any other Person. The Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Company's business. To the knowledge of the current officers and the Company, since its organization, the Company has taken reasonable security measures necessary to protect the secrecy, confidentiality, and value of its trade secrets, including know-how, negative processes, inventions, designs, recipes, technical data and all information that derives independent

economic value, actual or potential, from not being generally known or known by competitors;

(c) except for agreements with its own employees or consultants, standard end-user license agreements, agreements with respect to commercially available software products, support/maintenance agreements and agreements entered in the ordinary course of the Company's business, there are no outstanding material options, licenses or agreements with respect to Company IP Rights, nor is the Company bound by or a party to any material options, licenses or agreements with respect to the IP Rights of any other Person. The Company is not obligated to pay any royalties or other payments to third parties with respect to any Company Intellectual Property or any other property or rights;

(d) it is not necessary for the Company to use any inventions of any of its employees or consultants (or Persons it currently intends to hire) made prior to their employment by the Company that have not been duly assigned to the Company. Each employee and consultant has assigned, or is under contractual obligation to assign, to the Company all IP Rights he or she owns that are related to the Company's business as now conducted and as presently proposed to be conducted. At no time during the conception or reduction to practice of any of the Company Intellectual Property was any developer, inventor or other contributor to such Company Intellectual Property operating under any grant from any governmental entity or agency or private source, performing research sponsored by any governmental entity or agency or private source, or subject to any employment agreement or invention assignment agreement with any Person that could reasonably be expected to adversely affect the Company's rights in such Company Intellectual Property; and

(e) it is not necessary for the Company to use any inventions of any of its employees or consultants (or persons it currently intends to hire) made prior to their employment by the Company that have not been duly assigned to the Company. Each employee and consultant has assigned, or is under contractual obligation to assign, to the Company all IP Rights he or she owns that are related to the Company's business as now conducted and as presently proposed to be conducted. At no time during the conception or reduction to practice of any of the Company Intellectual Property was any developer, inventor or other contributor to such Company Intellectual Property operating under any grant from any governmental entity or agency or private source, performing research sponsored by any governmental entity or agency or private source, or subject to any employment agreement or invention assignment agreement with any Person that could reasonably be expected to adversely affect the Company's rights in such Company Intellectual Property; and

(f) each current and former employee, consultant and officer of the Company (or Person the Company currently intends to hire) has executed an intellectual property assignment and confidentiality agreement with the Company, on or about their respective date of hire, regarding confidentiality, intellectual property

assignment and proprietary information, and signed copies of such agreements have been made available to the Agent and its counsel (the "**Confidential Information Agreement**"). No current or former employee or consultant has excluded works or inventions from his or her assignment of intellectual property pursuant to such person's Confidential Information Agreement. The Company is not aware that any of such employees or consultants is in violation thereof. To the knowledge of the Company, no officer or other employee of the Company is in breach of any contract with any former employer or other person concerning proprietary rights or confidentiality.

5. Marketing Materials

(a) During the distribution of the Units:

(i) the Company shall prepare, in consultation with the Agent, and approve in writing, prior to the time the marketing materials are provided to potential investors, a template version of the marketing materials reasonably requested to be provided by the Agent to any potential investor of Units, which marketing materials shall comply with Applicable Securities Laws and be acceptable in form and substance to the Agent and its counsel, acting reasonably, and approved in writing by the Agent as contemplated by Applicable Securities Laws;

(ii) the Company shall file a template version of the marketing materials referred to in section 5(i)(i) with the Securities Commissions as soon as reasonably practicable after a template version of the marketing materials is so approved in writing by the Company and the Agent on behalf of the Agents and in any event on or before the day the marketing materials are first provided to any potential investor of Units; and

(iii) any comparables (as defined in NI 41-101) shall be removed from the template version in accordance with NI 44-101 prior to filing such template version with the Securities Commissions and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Securities Commissions by the Company as required by Applicable Securities Laws.

(b) Following the approvals and filings set forth in section 5(a), the Agent may provide a limited-use version (as defined in NI 41-101) of such marketing materials to potential investors of Units in accordance with Applicable Securities Laws and U.S. securities laws.

(c) The Company shall prepare and file a revised template version of any marketing materials provided to potential investors in connection with the Offering of the Units where required under Applicable Securities Laws, and sections 5(a) and 5(b) shall apply to such revised template version.

(d) During the distribution of the Units, the Company and the Agent, agree:

(i) not to provide any potential investor of Units with any marketing materials unless a template version of such marketing materials has been or will be filed by the Company with the Securities Commissions on or before the day such marketing materials are first provided to any potential investor of Units;

(ii) not to provide any potential investor of Units with any materials or information in relation to the distribution of the Units or the Company other than: (A) such marketing materials for which the template versions thereof have been approved and filed in accordance with sections 5(a), (b) and (c); (B) the Prospectus in accordance with this Agreement; and (C) any standard term sheets (as defined in NI 41-101) approved in writing by the Company and the Agent; and

(iii) that any marketing materials for which the template versions thereof have been approved and filed in accordance with sections 5(a), (b) and (c) and any standard term sheets approved in writing by the Company and the Agent, shall only be provided to potential investors in the Selling Jurisdictions.

6. Conditions of Closing

6.1 The following are conditions of the Agent's obligations to close the sale of the Offered Securities by the Company as contemplated hereby, which conditions the Company covenants to exercise its best efforts to have fulfilled on or prior to the Closing Date, which conditions may be waived in writing in whole or in part by the Agent:

(a) the Company will have made and/or obtained the necessary filings, approvals, consents and acceptances to or from, as the case may be, the Securities Commissions and the Exchange required to be made or obtained by the Company in connection with the Offering, on terms which are acceptable to the Company and the Agent, acting reasonably, prior to the Closing Date, it being understood that the Agent will do all that is reasonably required to assist the Company to fulfil this condition;

(b) the Company shall have delivered to the Agent without charge and in such numbers as the Agent may reasonably request, at such time as may be agreed upon by the Company and the Agent, in such Canadian cities as the Agent may reasonably request, the reasonable requirements of conformed commercial copies of the Preliminary Prospectus in the English language;

(c) the Company shall have delivered to the Agent without charge and in such numbers as the Agent may reasonably request, within 24 hours of the issuance of the MRRS decision document or receipt for the Final Prospectus by each of the Qualifying Provinces, or such later time as may be agreed upon by the Company

and the Agent, in such Canadian cities as the Agent, may reasonably request, the reasonable requirements of conformed commercial copies of the Final Prospectus, Final U.S. Placement Memorandum and any Supplemental Material, if applicable, in the English language;

(d) the Common Shares, Unit Shares, Warrants, Warrant Shares, Compensation Option Shares and Compensation Option Warrant Shares will have been accepted for listing by the Exchange, subject to the usual conditions, and will, on the date of issuance of such securities be accepted for trading on the Exchange;

(e) the Company's board of directors will have authorized and approved this Agreement, the Warrant Indenture, the Escrow Agreement, the Compensation Option Certificates, the sale and issuance of the Unit Shares and Warrants comprising the Units, the Compensation Options, the sale and issuance of the Compensation Option Shares and Compensation Option Warrants upon due exercise of the Compensation Options, and the Warrant Shares and Compensation Option Warrant Shares upon due exercise of the Warrants and Compensation Option Warrants, respectively, and all matters relating to the foregoing;

(f) the Company will deliver a certificate of the Company and signed on behalf of the Company, but without personal liability, by the Chief Executive Officer of the Company and the Chief Financial Officer of the Company or such other senior officers of the Company as may be acceptable to the Agent, acting reasonably, addressed to the Agent and dated the Closing Date, in form and content satisfactory to the Agent, acting reasonably, certifying that;

(i) no order (i) ceasing or suspending trading in any securities of the Company or prohibiting the sale of the Offered Securities or any of the Company's issued securities has been issued, (ii) preventing or suspending the use of the Offering Documents or (iii) preventing the distribution of the Units in any Selling Jurisdiction and, in each case, no such proceeding is, to the knowledge of the Company, pending, contemplated or threatened, and the Company is not in default of any requirement of Applicable Securities Laws or the applicable securities laws of any other Selling Jurisdiction that would have a Material Adverse Effect on the transactions contemplated by this Agreement or the offering of the Units;

(ii) there has been no adverse material change (actual, proposed or prospective, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Company and the Material Subsidiaries on a consolidated basis since the date hereof;

(iii) since the date hereof no material change relating to the Company and the Material Subsidiaries on a consolidated basis, except for the Offering, has occurred with respect to which the requisite material change statement or

report has not been filed and no such disclosure has been made on a confidential basis;

(iv) the representations and warranties of the Company contained in this Agreement are true and correct in all material respects at the Time of Closing, with the same force and effect as if made by the Company as at the Time of Closing after giving effect to the transactions contemplated hereby; and

(v) the Company has complied with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with or satisfied, other than conditions which have been waived by the Agent, at or prior to the Time of Closing.

(g) the Company will have caused a favourable legal opinion to be delivered by its legal counsel addressed to the Agent, in form and substance satisfactory to the Agent acting reasonably and in giving such opinion, counsel to the Company shall be entitled to rely, to the extent appropriate in the circumstances, upon local counsel or to arrange, to the extent appropriate, for separate opinions of local counsel and shall be entitled as to matters of fact to rely upon a certificate of fact from responsible persons in a position to have knowledge of such facts and their accuracy with respect to the following matters:

(i) the Company is a corporation existing under the *Canada Business Corporations Act*, and has all requisite corporate power, authority and capacity to carry on its business as now conducted and to own, lease and operate its property and assets and to execute, deliver and perform its obligations under this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates;

(ii) the Company is authorized to issue an unlimited number of Common Shares;

(iii) the Company has all necessary corporate power, authority and capacity: (i) to execute and deliver this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates and perform its obligations hereunder and thereunder; and (ii) to create, issue and sell the Offered Securities and the Compensation Options (and all securities issuable thereunder) and all matters relating to the foregoing;

(iv) all necessary corporate action has been taken by the Company to authorize the execution and delivery of each of the Preliminary Prospectus, the Final Prospectus, the Final U.S. Placement Memorandum and the filing thereof with the Securities Commissions or other securities regulatory authorities as applicable;

(v) upon the payment therefor and the issue thereof, the Common Shares will have been validly issued as fully paid and non-assessable shares in the capital of the Company;

(vi) the Warrants and the Compensation Options have been duly and validly created and issued;

(vii) the Warrant Shares, the Compensation Option Warrants, the Compensation Option Shares and the Compensation Option Warrant Shares have been reserved and authorized and allotted for issuance and upon the payment therefor and the issue thereof upon exercise of the Warrants, the Compensation Options and Compensation Option Warrants respectively, the Warrant Shares, Compensation Option Shares and Compensation Option Warrant Shares will have been validly issued as fully paid and non-assessable shares in the capital of the Company;

(viii) all necessary corporate action has been taken by the Company to authorize the execution and delivery of this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates, and the performance of its obligations hereunder and thereunder and this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificates have been executed and delivered by the Company and constitute legal, valid and binding obligations of the Company enforceable against it in accordance with their respective terms, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to such other standard assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution set out in this Agreement may be limited by applicable law and that enforceability is subject to the provisions of the *Limitations Act, 2002* (Ontario);

(ix) the rights, privileges, restrictions and conditions attaching to the Offered Securities and the Compensation Options (and all securities issuable thereunder) are accurately summarized in all material respects in the Final Prospectus;

(x) all necessary documents have been filed, all requisite proceedings have been taken and all approvals, permits and consents of the appropriate regulatory authority in each Qualifying Provinces have been obtained by the Company to qualify the distribution of the Unit Shares and Warrants comprising the Units, the Over-Allotment Option and the Compensation Options in each of the Qualifying Provinces through persons who are registered under applicable legislation and who have complied with the relevant provisions of such applicable legislation;

(xi) the issue by the Company of the Warrant Shares upon due exercise of the Warrants, the Compensation Option Shares and Compensation Option Warrants upon due exercise of the Compensation Options, and the Compensation Option Warrant Shares upon due exercise of the Compensation Option Warrants, is exempt from, or is not subject to, the prospectus requirements of the Applicable Securities Laws and no prospectus or other documents are required to be filed, proceedings taken, or approvals, permits, consents or authorizations obtained under Applicable Securities Laws;

(xii) the first trade in, or resale of, as applicable, the Warrant Shares, the Compensation Option Shares, the Compensation Option Warrants and the Compensation Option Warrant Shares is exempt from, or is not subject to, the prospectus requirements of the Applicable Securities Laws and no filing, proceeding or approval will need to be made, taken or obtained under such laws in connection with any such trade, provided that the trade is not a "control distribution" (as defined in Multilateral Instrument 45-102 – Resale of Securities) and the Company is a reporting issuer at the time of the trade

(xiii) the Offered Securities will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans;

(xiv) subject only to the standard listing conditions, the Common Shares and the Unit Shares, Warrant Shares, Compensation Option Shares and Compensation Option Warrant Shares have been conditionally listed on the Exchange;

(xv) the form and terms of the certificates representing the Common Shares have been approved by the directors of the Company and comply in all material respects with the rules and by-laws of the Exchange;

(xvi) the execution and delivery of this Agreement, the Warrant Indenture, the Escrow Agreement and the Compensation Option Certificate, the fulfillment of the terms hereof and thereof by the Company and the issuance, sale and delivery of the Offered Securities to be issued, delivered and sold by the Company to the Purchasers and the issuance and delivery of the Compensation Options to the Agent at the Time of Closing, and the issuance, sale and delivery of the Compensation Option Shares and Compensation Option Warrants upon the due exercise of the Compensation Options, and the issuance, sale and delivery of the Compensation Option Warrant Shares upon due exercise of the Compensation Option Warrants, do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under,

and do not and will not conflict with any of the terms, conditions or provisions of the constating documents of the Company or the resolutions of the shareholders or directors of the Company or Applicable Securities Laws; and

(xvii) CST Trust Company at its principal transfer office in the City of Toronto, Ontario has been duly appointed as the registrar and transfer agent for the Common Shares;

Company's counsel shall also provide the following confirmations within their legal opinion to be delivered pursuant to subsection 5.1(g) above:

(xviii) that the Company is a "reporting issuer", or its equivalent, in each of the Qualifying Provinces where such concept exists and it is not listed as in default of any requirement of the Applicable Securities Laws in any of the Qualifying Provinces; and

(xix) as to the issued and outstanding Common Shares of the Company;

(h) the Agent is satisfied, in its sole discretion, with the due diligence review of the Company and the Material Subsidiaries and their respective business operations, performed by itself and its representatives;

(i) the Company will have caused a favourable legal opinion to be delivered by local counsel in the jurisdiction of incorporation of each of the Material Subsidiaries addressed to the Agent, in form and substance satisfactory to the Agent, acting reasonably, and with respect to the following matters:

(i) the incorporation and existence of each Material Subsidiary under the laws of its jurisdiction of incorporation;

(ii) as to the registered holder of the issued and outstanding shares of each Material Subsidiary; and

(iii) that each Material Subsidiary has all requisite corporate power and capacity under the laws of its jurisdiction of incorporation to carry on its business as presently carried on and own its properties and assets.

(j) the Company will have caused Collins Barrow Toronto LLP to deliver an update of its letter referred to in Section 7.1 below;

(k) the Company will cause the Transfer Agent to deliver a certificate as to the issued and outstanding Common Shares of the Company;

(l) The Company will have duly executed and delivered the Escrow Agreement and Warrant Indenture;

(m) the Company will deliver certificates representing the Unit Shares and Warrants comprising the Units (or electronic delivery thereof) and the Compensation Option Certificates, registered as the Agent may direct, which certificates will be delivered in Toronto, Ontario;

(n) the Company will deliver such further certificates and other documentation as may be contemplated in this Agreement or as the Agent or its counsel may reasonably require;

(o) there not having occurred, prior to the Time of Closing, any material adverse change (actual, anticipated, contemplated or, to the knowledge of the Company, threatened, whether financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Company; and

(p) if any Units are sold in the United States, the Agent shall have received at the Closing Time an opinion of U.S. counsel to the Company, Szaferman Lakind Blumstein Blader LLP, in form and substance reasonably satisfactory to the Agent, to the effect that in connection with the offer, sale and delivery of the Units, no registration of the Unit Shares, Warrants or Warrant Shares is required under the U.S. Securities Act.

6.2 The following are conditions of the Agent's obligations to close the purchase of the Additional Units and/or Additional Warrants from the Company as contemplated hereby, which conditions the Company covenants to exercise its reasonable best efforts to have fulfilled on or prior to the applicable Closing Date, which conditions may be waived in writing in whole or in part by the Agent:

(a) the Unit Shares and/or Warrant Shares, as applicable, will have been accepted for listing by the Exchange, subject to the usual conditions, and will, at the opening of trading on the Exchange on the applicable Closing Date, be accepted for trading on the Exchange;

(b) the Agent shall have received an updated certificate referred to in Section 6.1(f) above dated the Option Closing Date;

(c) the Agent shall have received updated favourable legal opinions referred to in Section 6.1 above dated the applicable Closing Date;

(d) the Company will have caused Collins Barrow Toronto LLP to deliver an update of its letter referred to in Section 7.1 below;

(e) the Company will cause its Transfer Agent to deliver an updated certificate referred to in Section 6.1(k) above; and

(f) the Agent shall have received such other certificates, agreements, materials or documents as it may reasonably request with respect to the good standing of the Company, the due authorization and issuance of the Additional Units and/or

Additional Warrants and other matters related to the issuance of the Additional Units and/or Additional Warrants.

7. Additional Documents Upon Filing of Final Prospectus

7.1 The Company shall cause to be delivered to the Agent, concurrently with the filing of the Final Prospectus and any Supplementary Material, a comfort letter dated the date of the Final Prospectus or any Supplementary Material, as applicable, from the auditors of the Company and addressed to the Agent and to the directors of the Company, in form and substance reasonably satisfactory to the Agent, relating to the verification of the financial information and accounting data and other numerical data of a financial nature contained therein and matters involving changes or developments since the respective dates as of which specified financial information is given therein, to a date not more than two business days prior to the date of such letter.

8. Closing

8.1 The Offering will be completed at the offices of the Company's counsel in Toronto, Ontario at the Time of Closing or such other place, date or time as may be mutually agreed to; provided that if the Company has not been able to comply in any material respect with any of the covenants or conditions set out herein required to be complied with by the Time of Closing or such other date and time as may be mutually agreed to or such covenant or condition has not been waived by the Agent, the respective obligations of the parties will terminate without further liability or obligation except for payment of expenses, indemnity and contribution provided for in this Agreement.

8.2 At the Time of Closing, the Company shall deliver to the Agent:

(a) certificates representing the Unit Shares, Warrants (or electronic delivery thereof) and Compensation Options registered as the Agent may direct;

(b) the requisite legal opinions and certificates as contemplated in Section 6.1; and

(c) such further documentation as may be contemplated herein or as the Agent or the Securities Commissions may reasonably require

against payment of the aggregate Issue Price for the Common Shares, net of the Agent's Fee and expenses incurred up to the Closing Date (such expenses to be set out in writing for the Company in itemized form), by wire transfer or certified cheque payable to the Company. Any additional expenses of the Agent incurred in connection with the Offering not included in these expenses retained by the Agent shall be paid by the Company forthwith upon invoices being provided therefor.

8.3 All terms and conditions of this Agreement shall be construed as conditions and any breach or failure to comply with any such terms and conditions in any material respect shall entitle the Agent to terminate its obligations to sell the Common Shares by written notice to that effect given to the Company prior to the Time of Closing. It is understood that the Agent may waive, in whole or in part, or extend the time for compliance with, any of such terms and

conditions without prejudice to their rights in respect of any such terms and conditions or any other subsequent breach or non-compliance; provided that to be binding on the Agent, any such waiver or extension must be in writing.

9. Termination

9.1 Without limiting any of the other provisions of this Agreement, the Agent will be entitled, at its sole option, to terminate and cancel, without any liability on its part or the Purchasers, its obligations under this Agreement, to sell the Offered Securities, by giving written notice to the Company at any time through to the Time of Closing if:

(a) *due diligence out* – the due diligence investigations performed by the Agent and/or its representatives reveal any material information or fact not generally known to the public which might, in the opinion of the Agent, adversely affect the market price of the Offered Securities, quality of the investment or marketability of the Offering;

(b) *material change* - there shall occur any material change or change in a material fact which, in the opinion of the Agent, has or would be expected to have a significant adverse effect on the market price or value of the Offered Securities or other securities of the Company;

(c) *litigation out* - any order, inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or any order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the Exchange or any securities regulatory authority against the Company or any of its officers, directors or principal shareholders of the Company or any law or regulation is enacted or changed which in the opinion of the Agent, operates or threatens to prevent, cease or restrict the issuance or trading of the securities of the Company by the Company, its officers, directors or principal shareholders or materially and adversely affects or will materially and adversely affect the market price or value of the securities of the Company;

(d) *disaster out* – if there should develop, occur or come into effect or existence any event, action, state, condition, or major financial occurrence of national or international consequence or any law or regulation which in the opinion of the Agent seriously adversely affects or involves, or will, seriously adversely affect or involve, the financial markets or the business, operations or affairs of the Company and its subsidiaries taken as a whole;

(e) *market out* – the state of the financial markets in Canada or elsewhere where it is planned to market the Offered Securities is such that in the opinion of the Agent the Offered Securities cannot be marketed profitably; and

(f) *breach of this agreement* – the Agent determines that the Company is in breach of a material term, condition or covenant of this Agreement or any material

representation or warranty given by the Company in this Agreement becomes false.

The Agent shall make reasonable efforts to give written notice to the Company of the occurrence of any of the events referred to in this section; provided that neither the giving nor the failure to give such notice shall in any way affect the Agent's entitlement to exercise this right at any time prior to the Time of Closing.

The Agent's rights of termination contained in this section are in addition to any other rights or remedies they may have in respect of any default, act or failure to act or noncompliance by the Company in respect of any of the matters contemplated by this Agreement.

9.2 If the obligations of the Agent are terminated under this Agreement pursuant to the termination rights provided for in Section 8.1, the Company's liabilities to the Agent shall be limited to the Company's obligations under the indemnity, contribution and expense provisions of this Agreement.

10. Indemnity

10.1 The Company hereby covenants and agrees to indemnify and save harmless the Agent and its affiliates and their respective directors, officers, employees, shareholders and agents (each being hereinafter referred to as an "**Indemnified Party**"), harmless from and against any and all fees, costs, expenses, losses (other than lost profits), claims, actions, damages, fines, penalties or liabilities of any nature whatsoever, joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims and the reasonable fees and expenses of the Agent's counsel that may be incurred in advising with respect to and/or defending any claim that may be made against an Indemnified Party; both subject to the terms of this Indemnity) to which the Indemnified Party may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such fees, costs, expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, on services rendered to the indemnitor by an Indemnified Party under or otherwise in connection with the matters referred to in this Agreement (the "**Services**") including, without limitation, an Indemnified Party acting as agent for the Offering, by reason of any misrepresentation or alleged misrepresentation, the failure to comply with the requirements of any applicable securities legislation or resulting from any order, inquiry or investigation.

10.2 Notwithstanding anything to the contrary contained herein, this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:

(a) the Agent or an Indemnified Party has been grossly negligent or has committed wilful misconduct or any fraudulent or illegal act in the course of the performance of professional services rendered to the Company by the Agent and/or the Indemnified Party or otherwise in connection with the matters referred to in this Agreement; and

(b) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the gross negligence, wilful misconduct, illegality or fraud referred to in (a).

10.3 If for any reason (other than the exclusion for negligence or willful misconduct or any fraudulent or illegal act as set forth in Section 10.2) the foregoing indemnification is unavailable to an Indemnified Party or is insufficient to hold it harmless, then the Company shall contribute to the amount paid or payable by the Indemnified Party as a result of such fees, costs, expenses, losses, claims, damages, fines, penalties or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by the Company on the one hand and the Indemnified Party on the other hand, but also the relative fault of the Company and the Indemnified Party, as well as any relevant equitable considerations, provided that the Company shall in any event contribute to the amount paid or payable by the Indemnified Party as a result of such fees, costs, expenses, losses, claims, damages, fines, penalties or liabilities to the extent of any excess of such amount over the amount of the fees actually received by the Agent hereunder.

10.4 The Company agrees that in case any legal proceeding shall be brought against the Company and/or the Indemnified Party by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or if any such persons shall investigate the Company and/or an Indemnified Party and such Indemnified Party shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of the services under this Agreement, the Indemnified Party shall have the right to employ its own counsel in connection therewith if the Indemnified Party satisfies at least one of the conditions of the paragraph below with respect to retaining separate counsel, and the reasonable fees and expenses of such counsel as well as the reasonable costs and expenses incurred by the Indemnified Party in connection therewith shall be paid by the Company as they occur. In addition, unless such investigation arises out of or is based, directly or indirectly, upon the Agent's breach of the Agreement, the Company shall pay to the Agent consulting fees for services of its professional staff in relation to such investigation based on the Agent's then prevailing per diem rate for such staff, together with its reasonable out-of-pocket expenses.

10.5 Promptly after receipt of notice of the commencement of any legal proceeding against an Indemnified Party or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Company, the Agent will notify the Company in writing of the commencement thereof. The Agent's failure to so notify the Company shall not relieve the Company from any obligations or liability which it has hereunder, except to the extent that the Company has been materially prejudiced by such failure. In the event of the assertion against an Indemnified Party of any such claim or the commencement of any such action or proceeding, the Company shall be entitled to participate in such action or proceeding and in the investigation of such claim and, after written notice from the Company to the Agent, to assume the investigation or defense of any such claim, action or proceeding with counsel of the Company's choice at the Company's expense; provided, however, that such counsel shall be reasonably satisfactory to the Agent. Notwithstanding the election of the Company to assume the defense or investigation of such claim, action or

proceedings, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense or investigation of such claim, action or proceedings, and the Company shall bear the expense of such separate counsel in the circumstances described below. If such defense is assumed by the Company, the Company throughout the course thereof will provide copies of all relevant documentation to the Agent, will keep the Agent advised of the progress thereof and will discuss with the Agent all significant actions proposed. The Indemnified Party shall have the right, at the Company's expense, to employ a single counsel of such Indemnified Party's choice, in respect of any action, suit, claim or proceeding, if (i) in the opinion of counsel to the Indemnified Party, as applicable, there may be defenses available to the Indemnified Party that are in addition to or separate from those available to the Company, (ii) in the opinion of counsel to the Indemnified Party, use of counsel of the Company's choice could reasonably be expected to give rise to a conflict of interest, (iii) the Company shall not have employed counsel reasonably satisfactory to the Indemnified Party, to represent the Indemnified Party within a reasonable time after notice of the institution of any such action or proceedings, or (iv) the Company shall authorize the Indemnified Party to employ separate counsel at the Company's expense.

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

10.7 The indemnity and contribution obligations of the Company shall be in addition to any liability which the Company may otherwise have, shall extend upon the same terms and conditions to the Indemnified Party and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Company and any Indemnified Party. The foregoing provisions shall survive the completion of Offering or any termination or expiry of the authorization given by Agreement and completion, withdrawal or termination of the Offering.

10.8 To the extent that any Indemnified Party is not a party to this Agreement, the Agent shall obtain and hold the right and benefit of the indemnity and contribution provisions in trust for and on behalf of such Indemnified Party.

11. Expenses

11.1 Whether or not the Offering is completed, the Company will pay all expenses and fees in connection with the Offering, including all expenses of or incidental to the creation, issue, sale or distribution of the Offered Securities; the fees and expenses of the Company's counsel; all costs incurred in connection with the preparation of documents relating to the Offering; and all reasonable expenses and fees incurred by the Agent which shall include the reasonable fees (up to a maximum of $95,000) and disbursements of the Agent's counsel. All reasonable fees and expenses incurred by the Agent or on its behalf shall be payable by the Company immediately

upon receiving an invoice therefor from the Agent and at the option of the Agent, any fees and expenses shall be deducted from the gross proceeds otherwise payable to the Company at the Time of Closing.

12. Survival of Warranties, Representations, Covenants and Agreements

12.1 All warranties, representations, covenants and agreements of the Company herein contained or contained in documents submitted or required to be submitted pursuant to this Agreement shall survive the sale by the Company of the Offered Securities and shall continue in full force and effect for the benefit of the Agent regardless of the closing of the sale of the Offered Securities and regardless of any investigation which may be carried on by the Agent or on its behalf until the Survival Limitation Date. For greater certainty, and without limiting the generality of the foregoing, the provisions contained in this Agreement in any way related to the indemnification of the Agent by the Company or the contribution obligations of the Agent or those of the Company shall survive and continue in full force and effect, for the applicable limitation period prescribed by law.

13. General Contract Provisions

13.1 Any notice or other communication to be given hereunder shall be in writing and shall be given by delivery or by fax or e-mail, as follows:

if to the Company:

Nutritional High International Inc.
77 King Street West
Suite 2905, Toronto-Dominion Centre
Toronto, ON M5K 1H1

Attention: David Posner, President and Chief Executive Officer
Facsimile: (416) 765-0029
e-mail: dposner@nutritionalhigh.com

with a copy to:

Fogler, Rubinoff LLP
77 King Street West
Suite 3000, Toronto-Dominion Centre
Toronto, ON M5K 1H1

Attention: Karen Murray
Facsimile: (416) 941-8852
e-mail: kmurray@foglers.com

or if to the Agent:

Jacob Securities Inc.
199 Bay Street, Suite 2901

Commerce Court West, PO Box 322
Toronto, Ontario
M5L 1G1

Attention: Doug Harris
Facsimile: (416) 866-8333
e-mail: dharris@jacobsecurities.com

with a copy to:

Fogler, Rubinoff LLP
77 King Street West
Suite 3000, Toronto-Dominion Centre
Toronto, ON M5K 1H1

Attention: Eric Roblin
Facsimile: (416) 941-8852
e-mail: eroblin@foglers.com

and if so given, shall be deemed to have been given and received upon receipt by the addressee or a responsible officer of the addressee if delivered, or four hours after being faxed or e-mailed and receipt confirmed during normal business hours, as the case may be. Any party may, at any time, give notice in writing to the others in the manner provided for above of any change of address, facsimile number or e-mail address.

13.2 This Agreement constitutes the entire Agreement between the Agent and the Company relating to the subject matter hereof and supersedes all prior agreements between the Agent and the Company with respect to their respective rights and obligations in respect of the Offering, including the engagement letter between the Agent and the Company dated September 2, 2014.

13.3 Time shall be of the essence for all provisions of this Agreement.

13.4 This Agreement may be executed by facsimile or pdf and in one or more counterparts which, together, shall constitute an original copy hereof as of the date first noted above.

13.5 The Agent makes the representations, warranties, covenants and agreements applicable to them in Schedule D hereto, which is incorporated by reference into and forms part of this Agreement, and agree, on behalf of itself and its U.S. Affiliates, for the benefit of the Company to comply with the U.S. selling restrictions imposed by the laws of the United States and set forth in Schedule A hereto. The Company makes the representations, warranties, covenants and agreements applicable to it in Schedule D hereto.

INTENTIONALLY LEFT BLANK

If this Agreement accurately reflects the terms of the transaction which we are to enter into and if such terms are agreed to by the Company, please communicate your acceptance by executing where indicated below.

Yours very truly,

JACOB SECURITIES INC.

Per: "*Manni Buttar*"
Authorized Signing Officer

The foregoing accurately reflects the terms of the transaction which we are to enter into and such terms are agreed to with effect as of the date provided at the top of the first page of this Agreement.

NUTRITIONAL HIGH INTERNATIONAL INC.

Per: *"David Posner"*
Authorized Signing Officer

SCHEDULE "A"

MATERIAL SUBSIDIARIES

This is Schedule "A" to the Agency Agreement dated as of January 29, 2015 among Nutritional High International Inc. and Jacob Securities Inc.

Name	Jurisdiction	% Ownership
Nutritional High Ltd.	Ontario	100%
Eglinton Medicinal Advisory Ltd.	Ontario	51%
Nutritional High (Colorado), Inc.	Colorado	100%
NH Medicinal Dispensaries Inc.	Illinois	98%
NHC Edibles, LLC	Colorado	100%

SCHEDULE "B"

ENCUMBRANCES

This is Schedule "B" to the Agency Agreement dated as of January 29, 2015 among Nutritional High International Inc. and Jacob Securities Inc.

The Company has granted security interest ("Security Interest") over the premises owned by NHC Edibles LLC, located in the County of Pueblo, State of Colorado, which has the address of 78 Silicon Drive, Pueblo West, Colorado 81007-1462, together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest in vacated streets and alleys adjacent thereto ("Property"). The Security Interest is comprised of: the first charge over the Property in the amount of $450,000 in favour of an arm's length third party and the second charge over the Property in the amount of $150,000 in favour of Adam Szweras, Statis Rizas and David Posner.

SCHEDULE "C"

INTELLECTUAL PROPERTY

This is Schedule "C" to the Agency Agreement dated as of January 29, 2015 among Nutritional High International Inc. and Jacob Securities Inc.

Trademark Registrations

Although the Company currently does not hold any registered trademarks it has submitted trademark applications in the United States and Canada on three initial brand names it intends to utilize, being Breaking Bud, Heisenberg Blue and Gootch.

SCHEDULE “D”

UNITED STATES OFFERS AND SALES

As used in this Schedule D, the following terms shall have the meanings indicated:

"**Accredited Investor**" means an accredited investor as the term is defined under Rule 501(a) of Regulation D.

"**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Rule 902(c) of Regulation S;

"**Disqualification Event**" has the meaning set forth in paragraph (l) of Representations, Warranties and Covenants of the Company set forth below;

"**FINRA**" means the Financial Industry Regulatory Authority, Inc.;

"**Foreign Issuer**" shall have the meaning ascribed thereto in Rule 902(e) of Regulation S;

"**General Solicitation**" and "**General Advertising**" mean "**general solicitation**" and "**general advertising**", respectively, as used in Rule 502(c) of Regulation D under the U.S. Securities Act, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or the Internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising or in any other manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;

"**Purchaser Letter**" means a purchaser letter in the form attached as Exhibit I to the Final U.S. Private Placement Memorandum;

"**Qualified Institutional Buyer**" means a qualified institutional buyer as that term is defined in Rule 144A;

"**Regulation M**" means Regulation M adopted by the SEC under the U.S. Exchange Act;

"**Regulation S**" means Regulation S adopted by the SEC under the U.S. Securities Act;

"**Substantial U.S. Market Interest**" means "substantial U.S. market interest" as that term is defined in Rule 902(j) of Regulation S; and

"**U.S. Affiliate**" means the U.S. registered broker-dealer affiliate of the Agent.

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

1. Representations, Warranties and Covenants of the Agent

The Agent acknowledges that the Unit Shares, the Warrants and the Warrant Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may

not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Accordingly, the Agent (on its own behalf and on behalf of its U.S. Affiliate), severally but not jointly, represents, warrants and covenants to the Company that:

(a) The Agent will offer and sell Units only (a) in "offshore transactions" (as defined in Rule 902(h) of Regulation S) in accordance with Rule 903 of Regulation S or (b) in the United States in accordance with Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder, as provided in paragraphs (b) through (o) below. Accordingly, neither the Agent, its U.S. Affiliate nor any persons acting on their behalf has engaged or will engage in, has made or will make or has facilitated or will facilitate the making of (except as permitted in paragraphs (b) through (o) below) (i) any offer to sell or any solicitation of an offer to buy, any Units to any person in the United States; or (ii) any sale of Units to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States, or such Agent, U.S. Affiliate or person acting on behalf of either reasonably believed that such purchaser was outside the United States. Neither the Agent, its U.S. Affiliates nor any person acting on their behalf has engaged or will engage in any Directed Selling Efforts or General Solicitation or General Advertising in the United States with respect to the Units or any violation of Regulation M under the U.S. Exchange Act in connection with the Offering.

(b) Neither the Agent, its U.S. Affiliate nor any person acting on its behalf (other than the Company, its affiliates and any person acting on their behalf, as to which no representation is made) has taken or will take any action that would cause the exemptions afforded by Section 4(a)(2) of the U.S. Securities Act to be unavailable for offers and sales of Units in the United States in accordance with this Schedule D, or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of the Units outside the United States in accordance with the Agency Agreement.

(c) All offers and sales of the Units in the United States will be effected by or through the U.S. Affiliate of the Agent, which is duly registered with the SEC under Section 15(b) of the U.S. Exchange Act and under the laws of each applicable state of the United States (unless exempted from the respective state’s broker-dealer registration requirements) and a member of, and in good standing with, FINRA, and will be effected in compliance with all applicable U.S. federal and state laws and regulations governing the registration and conduct of broker-dealers.

(d) Any offer, sale or solicitation of an offer to buy Units that has been made or will be made in the United States by the U.S. Affiliate was or will be made only to persons it reasonably believes to be Qualified Institutional Buyers and/or Accredited Investors.

(e) Immediately prior to soliciting such offerees, the Agent, its U.S. Affiliate and any person acting on its or their behalf had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer or Accredited Investor that is acquiring the Units (i) for its own account or (ii) for the account of a Qualified Institutional Buyer or Accredited Investor with respect to which it exercises sole investment discretion.

(f) At closing, it, together with its U.S. Affiliate selling Units in the United States, will provide a certificate, substantially in the form of Exhibit A to this Schedule D relating to the manner of the offer and sale of the Units in the United States, or will be deemed to have

represented that neither it nor its U.S. Affiliate nor anyone acting on its or their behalf offered or sold Units in the United States, and on or before closing, the Agent or its U.S. Affiliate will obtain an executed Purchaser Letter, in the form set out in Exhibit I to the Final U.S. Private Placement Memorandum, from each Qualified Institutional Buyer or Accredited Investor in the United States who agrees to purchase Units and deliver a copy of same to the Company.

(g) The Agent shall inform (and shall cause its U.S. Affiliate to inform) any or all purchasers to whom its U.S. Affiliate sells Units in the United States that such securities have not been and will not be registered under the U.S. Securities Act and are being sold to such purchasers in reliance on the exemption from registration under the U.S. Securities Act provided by Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder and in reliance upon exemptions from applicable state securities laws and that the Unit Shares, Warrants and Warrant Shares are "restricted securities" and may not be sold or transferred except pursuant to a registration statement or an available exemption from registration.

(h) The Agent shall cause its U.S. Affiliate to deliver a copy of the Final U.S. Private Placement Memorandum, which shall include the Preliminary Prospectus, Final Prospectus and any Supplementary Material, as the case may be, to each of its offerees in the United States a reasonable amount of time prior to confirming the sale to such offerees of Units. The Agent has not used and will not use any written material relating to the offering of Units in the United States except for the Final U.S. Private Placement Memorandum, the Preliminary Prospectus, Final Prospectus, any Supplementary Material, the Company marketing materials and the Purchaser Letter.

(i) Offers to sell and solicitations of offers to buy the Units in the United States shall be made pursuant to and in accordance with exemptions from the registration or qualification requirements of all applicable state securities ("**Blue Sky**") laws.

(j) It acknowledges that until 40 days after the closing of the offering of the Units, an offer or sale of the Unit Shares, Warrants or Warrant Shares within the United States by any dealer (whether or not participating in this offering) may violate the registration requirement of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirement of the U.S. Securities Act.

(k) It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Units, except with its U.S. Affiliate and selling group members or with the prior written consent of the Company. The Agent shall cause its U.S. Affiliate and selling group members who may offer to sell Units to agree in writing, for the benefit of the Company, to comply with, and shall use its commercially reasonable efforts to ensure that each selling group member and its U.S. Affiliate complies with, the same provisions of this Schedule D as if such provisions applied to such selling group members or its U.S. Affiliate.

(l) At least one Business Day prior to the Closing Date, the Agent shall provide the Company with a list of all purchasers of Units in the United States and all purchasers who were offered Units in the United States. Prior to the Closing Date, it will provide the Company with copies of all Purchaser Letters.

(m) The Agent represents and warrants that neither it, nor its U.S. Affiliates or any of its other affiliates, if any, receiving any part of the Agent’s Fee, nor any of its, the U.S. Affiliate’s or any

of its other affiliates' directors, executive officers, general partners, managing members or other officers participating in the offering of the Units (each, a "**Dealer Covered Person**" and, together, "**Dealer Covered Persons**"), is subject to any Disqualification Event except for a Disqualification Event (i) covered by Rule 506(d)(2) of Regulation D and (ii) a description of which has been furnished in writing to the Company prior to the date hereof or, in the case of a Disqualification Event occurring after the date hereof, prior to the Closing Date.

(n) It represents that it is not aware of any person (other than any Issuer Covered Person or Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Units. It will notify the Company, prior to the Closing Date, of any agreement entered into between it and any such person in connection with such sale.

(o) It will notify the Company, in writing, prior to the Closing Date, of (i) any Disqualification Event relating to any Dealer Covered Person not previously disclosed to the Company in accordance with Section (n), and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Dealer Covered Person.

2. **Representations, Warranties and Covenants of the Company**

The Company represents, warrants, covenants and agrees to and with the Agent that as of the date hereof and the Closing Date:

(a) The Company is at the Closing Time will be, a Foreign Issuer and reasonably believes at the commencement of the Offering there was, and at the Closing Time there will be, no Substantial U.S. Market Interest in the Unit Shares, Warrants or Warrant Shares.

(b) For so long as the Unit Shares, Warrants and Warrant Shares underlying the Warrants, which have been sold in the United States pursuant hereto, are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act ("**Restricted Securities**") and may not be resold pursuant to Rule 144(b)(1) thereunder, and if the Company is neither (i) subject to and in compliance with the reporting requirements of Section 13 or 15(d) of the U.S. Exchange Act nor (ii) exempt from such reporting requirements pursuant to Rule 12g3-2(b) thereunder, the Company shall provide to any holders of the Restricted Securities which have been sold in the United States pursuant hereto, or to any prospective purchasers of such Restricted Securities designated by such holders, upon request of such holders or prospective purchasers, at or prior to the time of resale, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act (so long as such information is necessary in order to permit holders of the Restricted Securities to effect resales under Rule 144A).

(c) Except with respect to sales in accordance with this Schedule D to Qualified Institutional Buyers in reliance upon an exemption from registration available under Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder, neither the Company nor any of its affiliates, nor any person acting on its or their behalf (other than the Agent, its respective affiliates or any person acting on its behalf, in respect of which no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Units to, or for the account of, a person in the United States, unless such offeree was an "accredited investor" as defined in Rule 501(a) under the U.S. Securities Act or a Qualified Institutional Buyer; or (B) any sale of Units unless, at the time the buy order was or will have been originated, the purchaser

is (i) outside the United States or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.

(d) Neither the Company nor any of its affiliates, nor any person acting on their behalf (other than Agent, the U.S. Affiliate, or any members of the selling group formed by them, as to whom the Company makes no representation, warranty, covenant or agreement) has engaged or will engage in any Directed Selling Efforts that would cause the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers and sales of Common Shares outside of the United States in accordance with the Agency Agreement or in any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act with respect to offers or sales of the Units in the United States.

(e) Except with respect to the offer and sale of the Units offered hereby, the Company has not, for a period of six months prior to the commencement of the offering of the Units, sold, offered for sale or solicited any offer to buy any of its securities in the United States in a manner that would be integrated with the offer and sale of the Units and that would cause the exemption from registration set forth in Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder to become unavailable with respect to the offer and sale of the Units as contemplated herein.

(f) The Company is not now, and as a result of the sale of the Units and the application of the proceeds thereof contemplated hereby will not be, registered or required to be registered as an "investment company" under Section 8 of the United States Investment Company Act of 1940, as amended and the rules and regulations promulgated thereunder.

(g) Neither the Company nor any of its affiliates, nor any person acting on their behalf (other than the Agent, the U.S. Affiliate, or any members of the selling group formed by them, as to whom the Company makes no representation) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with the Offering.

(h) None of the Company or its affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining that person for failure to comply with Rule 503 of Regulation D under the U.S. Securities Act.

(i) None of the Company, its affiliates or any person acting on its or their behalf (other than the Agent, the U.S. Affiliate, or any members of the selling group formed by them, as to whom the Company makes no representation, warranty, covenant or agreement) have taken, or will take, any action that would cause any applicable exemptions or exclusions from the registration requirement of the U.S. Securities Act, including those available under Rule 903 of Regulation S, or Rule 506(b) of Regulation D, to be unavailable for the offer and sale of the Units pursuant to the Agency Agreement.

(j) The Company will, within prescribed time periods, prepare and file any forms or notices required to be filed under the U.S. Securities Act or applicable Blue Sky laws in connection with the offer and sale of the Units in the United States.

(k) The Company has not offered or sold, and will not offer or sell, the Units to any person other than the Agent and its U.S. Affiliate.

(l) None of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering of the Units, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Company in any capacity at the time of sale of the Units (but excluding the Agent, its U.S. Affiliate, their affiliates, any selling group member and any person acting on their behalf, as to which the Company makes no representation, warranty, covenant or agreement) (each, an "**Issuer Covered Person**" and, together, "**Issuer Covered Persons**") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D (a "**Disqualification Event**"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) of Regulation D. The Company has exercised, or will exercise prior to the Closing Date, reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied or will comply prior to the Closing Date, to the extent applicable, with its disclosure obligations under Rule 506(e) of Regulation D, and has furnished to the Agent and the U.S. Affiliate a copy of any disclosures provided thereunder.

(m) The Company is not aware of any person (other than any Issuer Covered Person or Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Units.

(n) The Company will notify the Agent and the U.S. Affiliate, in writing, prior to the Closing Date, of (i) any Disqualification Event relating to any Issuer Covered Person and (ii) any event that would, with the passage of time, become a Disqualification Event relating to any Issuer Covered Person.

(o) If the Company determines that it is a "passive foreign investment company" within the meaning of section 1297(a) of the Internal Revenue Code (the "**Code**") during any calendar year following the purchase of Common Shares pursuant to this Agency Agreement by a Qualified Institutional Buyer, the Company shall use commercially reasonable efforts to, upon written request, provide to the purchaser all information that would be required for income tax reporting purposes by a United States shareholder making an election to treat the Company as a "qualified electing fund" for the purposes of the Code.

EXHIBIT A TO SCHEDULE D

AGENTS' CERTIFICATE

In connection with the private placement in the United States of the units (the "**Units**" and, for greater certainty, including any Unit Shares and Warrants issued pursuant to the exercise of the Over-Allotment Option (as such terms are defined in the Agency Agreement) (as defined below)) in the capital of Nutritional High International Inc. (the "**Company**") pursuant to the Agency Agreement dated January 29, 2015 between the Company and the Agent named therein (the "**Agency Agreement**"), each of the undersigned does hereby certify as follows:

1 **[Name of U.S. Affiliate]** was on the date of each offer and sale of the Units made by it in the United States, and on the date hereof is, a duly registered broker or dealer pursuant to Section 15(b) under the U.S. Exchange Act and under the securities laws of each state in which such offers were made (unless exempted from the respective state's broker-dealer registration requirements), and is and was a member of, and in good standing with, FINRA on the date hereof and on the date of each offer and sale of Common Shares made by it, and all offers and sales of Units in the United States effected by it have been and will be in accordance with all U.S. federal and state securities laws, including those governing the registration and conduct of broker-dealers;

2 each offeree in the United States, prior to the time of such offeree's purchase of Units, was provided with a copy of the Final U.S. Private Placement Memorandum, which included the Preliminary Prospectus, the Prospectus and any Supplementary Material, as applicable, and no other written material (other than the Purchaser Letter) was used in connection with the offer or sale of Units in the United States;

3 immediately prior to our transmitting the Final U.S. Private Placement Memorandum to offerees in the United States we had reasonable grounds to believe and did believe that each offeree was, and continue to believe that each such offeree purchasing Units from us pursuant to Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder is a Qualified Institutional Buyer or Accredited Investor;

4 prior to any sale of Units by us to a Qualified Institutional Buyer or Accredited Investor, each purchaser of Units in the United States pursuant to Section 4(a)(2) of the U.S. Securities Act and Rule 506(b) of Regulation D thereunder has delivered to us an executed Purchaser Letter in the form of Exhibit I to the Final U.S. Private Placement Memorandum and a copy of each such letter has been delivered to the Company;

5 we have used no form of Directed Selling Efforts and no form of General Solicitation or General Advertising in connection with the offer or sale of the Units in the United States;

6 neither we nor any of our affiliates have taken, nor will take, any action that would constitute a violation of Regulation M under the U.S. Exchange Act in connection with the sale of the Units; and

7 we have conducted the offering of the Units in the United States in accordance with the terms of the Agency Agreement, including Schedule A thereto.

Terms used in this certificate have the meanings given to them in the Agency Agreement (including Schedule A thereto) unless otherwise defined herein.

DATED this ___ day of _____, 2015.

[AGENT]

Per:_____
Name:
Title:

[US AFFILIATE]

Per:_____
Name:
Title: