[REDACTED: Names of parties to the transaction, and amounts have been redacted that would be prejudicial to the interests of the issuer.]

EXECUTION VERSION

XS FINANCIAL INC.

$43,500,000

9.50% / 8.00% Senior Unsecured Convertible Notes due 2023

Fully and unconditionally guaranteed by

the GUARANTORS

NOTE PURCHASE AGREEMENT

Dated October 28, 2021

XS FINANCIAL INC.

301 - 1665 Ellis Street, Kelowna, British Columbia, V1Y 2B3

9.50% / 8.00% Senior Unsecured Convertible Notes due 2023

October 28, 2021

To Each Purchaser

Ladies and Gentlemen:

Pursuant to this Note Purchase Agreement (the **"Agreement**") entered into by XS Financial Inc., a corporation subsisting under the *Business Corporations Act* (British Columbia) (the "**Company**"), the guarantors party hereto from time to time (the "**Guarantors**" and together with the Company, the "**Transaction Entities**"), Acquiom Agency Services LLC (the "**Notes Agent**"), and the purchasers set forth on the signature pages hereto (the "**Purchasers**"), the Company proposes to issue and sell to the Purchasers (x) up to $43,500,000 in aggregate principal amount of the Company's 9.50% / 8.00% Senior Unsecured Convertible Notes due 2023 (the "**Initial Notes**") and (y) one share purchase warrant of the Company (a "**Warrant**") for every US$2.00 of principal amount of the Initial Notes issued to the Purchasers, in each case, on the terms and conditions set forth in this Agreement and in amounts as set forth next to each Purchaser's name on Schedule 3 hereto. The Notes will be fully and unconditionally guaranteed as to payment of the principal thereof and premium, if any, and interest thereon (the "**Guarantee**," and together with the Notes and the Warrants, the "**Securities**") by the Guarantors; provided, that each of the Subsidiaries of the Company as of the Closing Date shall be Guarantors.

Certain capitalized and other terms used in this Agreement are defined in Schedule A and, for purposes of this Agreement, the rules of construction set forth in Section 24.4 shall govern.

SECTION 1. AUTHORIZATION OF NOTES; INTEREST RATE.

Section 1.1 Authorization of Initial Notes.

The Company agrees to the issue and sale at the Closing (as defined below) of the Securities to the Purchasers on the terms set forth in this Agreement. The Initial Notes, any PIK Notes and any Additional Notes will rank equally and ratably and will be treated as a single series for voting purposes under the Note Documents (as defined below), including with respect to any conversion thereof pursuant to Section 2.1. The Notes shall be reflected on the Note Register and shall not be represented by physical notes. The Company's obligations under the Notes shall be fully and unconditionally guaranteed as to payment of the principal thereof and premium, if any, and interest thereon as provided in Section 12. The Notes are not entitled to the benefits of, or subject to, any sinking fund.

Section 1.2 Interest on the Notes.

Interest on the Notes will accrue at the rate of (x) prior to any NASDAQ Listing, 9.50% per annum, of which 7.50% shall be payable in cash (interest payable in cash being referred to as, "**Cash Interest**") and the remaining 2.00% shall be payable in kind (interest payable in kind being referred to as, "**PIK Interest**") by the issuance of additional Notes ("**PIK Notes**" and together with the Initial Notes, the "**Notes**") or the increase of the aggregate principal amount of the Notes on the Register, and (y) following any NASDAQ Listing, 8.00% per annum, of which 6.00% shall be payable as Cash Interest and the remaining 2.00% shall be payable as PIK Interest. Cash Interest and PIK Interest shall both be payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year (or if any such date is not a Business Day, the Business Day immediately preceding such date) (each, an "**Interest Payment Date**"), beginning on December 31, 2021. The interest so payable will be paid to each Holder in whose name a Note is registered at the close of business on March 15, June 15, September 15 or December 15 (whether or not a Business Day) immediately preceding the applicable interest payment date. Interest on the Notes will be computed on the basis of a 360-day year consisting of twelve 30-day months. PIK Interest shall be paid by increasing the outstanding principal amount of the Notes in the amount of such PIK Interest on such Interest Payment Date. The outstanding principal amount of the Notes will be automatically increased in the amount of such PIK Interest on such Interest Payment Date and such increase shall be deemed to be reflected in the Note Register (as defined below) for all purposes hereunder.

SECTION 2. CONVERSION MECHANICS.

Section 2.1 Optional Conversion. Any Holder may, at any time prior to the close of the third Business Day prior to the Maturity Date (as the same may be extended) and from time to time, convert all or a portion of the Notes held by such Holder into shares of Common Stock at the applicable Conversion Price.

Section 2.2 [**Reserved**].

Section 2.3 Conversion Procedure; Settlement Upon Conversion.

(a) Subject to Section 2.1, this Section 2.3 and Section 2.7(a), upon conversion of the Notes pursuant to Section 2.1, the Company shall cause the Transfer Agent to issue to the converting Holders shares of Common Stock, together with a cash payment (by the Notes Agent at the direction of the Company) in lieu of delivering any fractional share as set forth below under Section 2.3(c) and a cash payment (by the Notes Agent at the direction of the Company) in respect of all accrued and unpaid Cash Interest on such converted Notes, equal to the outstanding principal amount of such Note (and accrued and unpaid PIK Interest, if any, to, but excluding, the relevant Conversion Date) *divided by* the applicable Conversion Price (as adjusted pursuant to Section 2.4, as applicable), on the second Business Day following the relevant Conversion Date (or such other date that may be applicable pursuant to a conversion in accordance with Section 2.3(c) or Section 2.3(i)).

(b) To convert Notes as set forth in Section 2.1 above, any Holder shall (1) complete, execute and deliver a notice of conversion to the Company and Notes Agent as set forth in the

Form of Notice of Conversion (or a facsimile thereof) (a "**Notice of Conversion**"), specifying whether such conversion is to take effect either: (i) immediately; or (ii) in the event that a Qualified Offering Notice has been delivered by the Company in respect of a Qualified Offering which has not yet been completed, concurrently with the closing of such Qualified Offering (a "**Qualified Offering Conversion**"), and stating the principal amount of Notes to be converted, the name or names (with addresses) in which the Holders wish the shares of Common Stock to be delivered by the Transfer Agent upon settlement of the conversion obligation provided for in Section 2.1 above (such obligation, the "**Conversion Obligation**") to be registered, (2) if required, furnish appropriate endorsements and transfer documents that the Company or the Notes Agent may reasonably require, and (3) if required by applicable law and pursuant to Section 2.3(d), pay all Transfer Taxes as set forth in Section 2.3(d). The Company shall, after receipt from the Holder of the Notice of Conversion, notify the Notes Agent what Notes are being converted and the corresponding number of shares of Common Stock to be issued by the Transfer Agent and cash to be delivered to the Holder by the Notes Agent. Each Notice of Conversion shall be irrevocable other than in respect of a Qualified Offering Conversion, which shall be automatically rescinded if the Qualified Offering to which such Notice of Conversion relates is not completed upon substantially the same terms as set forth in the Qualified Offering Notice within 90 days of the date of the Qualified Offering Notice.

(c) A Note that has been converted pursuant to Section 2.1 above shall be deemed to have been converted immediately prior to the close of business on the date (the "**Conversion Date**") that the Holder has complied with the requirements set forth in Section 2.3(b) above and any conditions thereto shall have been satisfied and upon such conversion the Company's and the Guarantors' obligations under such Note shall be extinguished, except as provided herein. In the case of Notes converted pursuant to Section 2.1, the Company shall cause the Transfer Agent to reflect the issuance to each Holder or such Holder's nominee or nominees, as applicable, of the full number of shares of Common Stock to which such Holder shall be entitled, on the Company's stock register and update the stockholder register of the Company, in satisfaction of the Company's Conversion Obligation.

(d) The Company shall pay any Transfer Tax due on the issue of any shares of Common Stock and upon conversion, unless the tax is due because a Holder requests any such shares to be issued in a name other than the Holder's name or any applicable withholding obligations on the issuance of shares to a foreign controlled entity, in which case the Holder shall be obligated to pay such tax; provided, however, that each Holder shall pay all of its costs and expenses, including Transfer Taxes, payable upon transfer, assignment or resale of any such shares of Common Stock. In the event that the Company does not receive a sum sufficient to pay any tax that is due by such Holder in accordance with the immediately preceding sentence, the Company shall notify such Holder and the Notes Agent in writing and the Company may postpone the issuance of shares on the Company's stock register until the Company has notified the applicable Holder and Notes Agent in writing that it has received a sum sufficient to pay any tax that is due by such Holder.

(e) Except as provided in Section 2.4, no adjustment shall be made for dividends on any shares of Common Stock issued upon the conversion of any Note as provided in this Section 2.

(f) [Reserved].

(g) The Person in whose name the shares of Common Stock shall be issuable upon a conversion of Notes shall be become the stockholder of record as of the close of business on the relevant Conversion Date. Upon a conversion of Notes, such Person shall no longer be a Holder of such Notes surrendered for conversion.

(h) The Company shall not issue any fractional share of Common Stock upon conversion of the Notes in respect of any Conversion Obligation and shall instead pay cash in lieu of delivering any fractional share of Common Stock issuable upon a conversion of the Notes in respect of any Conversion Obligation based on the Last Reported Sale Price of the Common Stock on the relevant Conversion Date. The Company, through the Notes Agent, shall pay cash in lieu of delivering any fractional share of Common Stock issuable upon a conversion of the Notes in respect of any Conversion Obligation to Holders by wire transfer in immediately available funds to that Holder's account within the United States as designated in writing by such Holder.

(i) The Holders acknowledge and agree that any certificates representing the Notes, the Warrants and shares of Common Stock issuable upon conversion or exercise thereof as applicable (if such shares of Common Stock are issued before the date that is four months and one day following the Closing Date) will bear substantially the following legend:

> "UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [the date which is four months and one day after the Closing Date will be inserted]."
>
> provided that subsequent to the date which is four months and one day after the Closing Date, the certificates representing the Notes, the Warrants and/or the shares of Common Stock issuable upon conversion or exercise thereof may be exchanged for certificates bearing no such legend.

Section 2.4 Adjustment of Conversion Price and Additional Shares to be Issued. Prior to the conversion of the Notes, the Conversion Price shall be adjusted from time to time by the Company if any of the following events occur, except that the Company shall not make any adjustments to the Conversion Price if Holders of the Notes participate (other than in the case of a share split or share combination), at the same time and upon the same terms as holders of the Common Stock and solely as a result of holding the Notes, in any of the transactions described in this Section 2.4, without having to convert their Notes, as if they held a number of shares of Common Stock then issuable upon conversion of their Notes at the then applicable Conversion Price.

(a) If the Company issues shares of Common Stock as a dividend or distribution on shares of the Common Stock or if the Company effects a share split or share combination, the Conversion Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{OS0}{OS'}$$

where,

CP0 = the Conversion Price in effect immediately prior to the open of business on the Ex-Dividend Date of such dividend or distribution, or immediately prior to the open of business on the effective date of such share split or share combination, as applicable;

CP' = the Conversion Price in effect immediately after the open of business on such Ex-Dividend Date or effective date;

OS0 = the number of shares of Common Stock outstanding immediately prior to the open of business on such Ex-Dividend Date or effective date (before giving effect to any such dividend, distribution, share split or share combination); and

OS' = the number of shares of Common Stock outstanding immediately after giving effect to such dividend, distribution, share split or share combination.

Any adjustment made under this Section 2.4(a) shall become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution, or immediately after the open of business on the effective date for such share split or share combination, as applicable. If any dividend or distribution of the type described in this Section 2.4(a) is declared but not so paid or made, the Conversion Price shall be immediately readjusted, effective as of the date the Board of Directors of the Company determines not to pay such dividend or distribution, to the Conversion Price that would then be in effect if such dividend or distribution had not been declared.

(b) Subject to the prior receipt of all applicable regulatory approvals that are required (if any) and compliance with all applicable securities laws and the regulations of all stock exchanges upon which the Common Stock is listed from time to time, including the Canadian Securities Exchange, if the Company issues to (i) any new investors any new Common Stock at a price per share that is less than the average Last Reported Sale Price on each applicable Trading Day of one share of Common Stock (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) for the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the date of announcement of such issuance or (ii) all or substantially all holders of the Common Stock, any rights, options or warrants entitling them to subscribe for or purchase shares of the Common Stock at a price per share that is less than the average Last Reported Sale Price on each applicable Trading Day of one share of Common Stock (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) for the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the date of announcement of such issuance, in each case, then the Conversion Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{OS0 + Y}{OS0 + X}$$

Where,

CP0 = the Conversion Price in effect immediately prior, in the case of clause (b)(ii) above, to the open of business on the Ex-Dividend Date for such issuance or, in the case of clause (b)(i) above, immediately prior to the open of business on the date of such issuance;

CP' = the Conversion Price in effect immediately after the open of business on, in the case of clause (b)(ii) above, such Ex-Dividend Date or, in the case of clause (b)(i) above, such date of issuance;

OS0 = the number of shares of Common Stock outstanding immediately prior to the open of business on, in the case of clause (b)(ii) above, such Ex-Dividend Date or, in the case of clause (b)(i) above, such date of issuance;

X = the total number of shares of Common Stock, in the case of clause (b)(ii) above, issuable pursuant to such rights, options or warrants or, in the case of clause (b)(i) above, sold in such equity issuance; and

Y = the number of shares of Common Stock equal to the aggregate price payable, in the case of clause (b)(ii) above, to exercise such rights, options or warrants or, in the case of clause (b)(i) above, paid for such equity, divided by the average Last Reported Sale Price on each applicable Trading Day of one share of Common Stock (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of the issuance of such rights, options or warrants or equity.

Any increase made under this Section 2.4(b) shall be made successively whenever any such rights, options or warrants are issued and shall become effective immediately after the open of business on the Ex-Dividend Date for such issuance, in each case subject to the prior receipt of all applicable regulatory approvals that are required (if any) and compliance with all applicable securities laws and the regulations of all stock exchanges upon which the Common Stock is listed from time to time. To the extent that shares of the Common Stock are not delivered after the expiration of such rights, options or warrants, the Conversion Price shall be decreased to the Conversion Price that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of shares of Common Stock actually delivered. If such rights, options or warrants are not so issued, or if no such rights, options or warrants are exercised prior to their expiration, the Conversion Price shall be decreased to the Conversion Price that would then be in effect if such Ex-Dividend Date for such issuance had not occurred.

For purposes of this Section 2.4(b), in determining whether any rights, options or warrants entitle the holders of Common Stock to subscribe for or purchase shares of the Common Stock at a price per share that is less than such average of the Last Reported Sale Prices for the Common Stock over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance or such average of the fair market value on each applicable Trading Day of one share of Common Stock over the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the date of announcement for such issuance, as the case may be, and in determining the aggregate

offering price of such shares of Common Stock, there shall be taken into account any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors of the Company.

(c) Without limiting any restrictions in Section 11.2 hereof, if the Company distributes shares of its Capital Stock, evidences of its Indebtedness, other assets or property of the Company or rights, options or warrants to acquire shares of its Capital Stock or other securities, to all or substantially all holders of the Common Stock, excluding (i) dividends, distributions or issuances as to which an adjustment was effected pursuant to Section 2.4(a) or Section 2.4(b), (ii) dividends or distributions paid exclusively in cash as to which the provisions set forth in Section 2.4(d) shall apply and (iii) except as otherwise provided in Section 2.9, rights issued pursuant to a shareholder rights plan adopted by the Company and (any of such shares of Capital Stock, evidences of Indebtedness, other assets or property or rights, options or warrants to acquire shares of Capital Stock or other securities, the "**Distributed Property**"), then the Conversion Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{SP0 - FMV}{SP0}$$

where,

CP0 = the Conversion Price in effect immediately prior to the open of business on the Ex-Dividend Date for such distribution;

CP' = the Conversion Price in effect immediately after the open of business on such Ex-Dividend Date;

SP0 = the average of the Last Reported Sale Price each applicable Trading Day of one share of Common Stock (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company, except that to the extent Disputing Holders dispute such fair market values in writing to the Company (with a copy to the Notes Agent) on or before the 20th Business Day after receipt of such good faith determination of the Board of Directors of the Company) over the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the Ex-Dividend Date for such distribution; and

FMV = the fair market value (as determined in good faith by the Board of Directors of the Company) of the Distributed Property distributed with respect to each outstanding share of Common Stock on the Ex-Dividend Date for such distribution.

Any increase made under the portion of this Section 2.4(c) above shall become effective immediately after the open of business on the Ex- Dividend Date for such distribution. If such distribution is not so paid or made, the Conversion Price shall be decreased to be the Conversion Price that would then be in effect if such distribution had not been declared.

Notwithstanding the foregoing, if "**FMV"** (as defined above) is equal to or greater than "**SP0**" (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, in respect of such Note, at the same time and upon the same terms as holders of the Common Stock receive the Distributed Property, the amount and kind of Distributed Property such Holder would have received if such Holder owned a number of shares of Common Stock issuable upon conversion of such Note at the Conversion Price in effect on the Ex-Dividend Date for the distribution. If the Board of Directors of the Company determines the "**FMV**" (as defined above) of any distribution for purposes of this Section 2.4(c) by reference to the actual or when-issued trading market for any securities, it shall in doing so consider the prices in such market over the same period used in computing the Last Reported Sale Prices of the Common Stock over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Ex-Dividend Date for such distribution.

For purposes of this Section 2.4(c) (and subject in all respects to Section 2.9), rights, options or warrants distributed by the Company to all holders of the Common Stock entitling them to subscribe for or purchase shares of the Company's Capital Stock, including Common Stock (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (i) are deemed to be transferred with such shares of the Common Stock; (ii) are not exercisable; and (iii) are also issued in respect of future issuances of the Common Stock, shall be deemed not to have been distributed for purposes of this Section 2.4(c) (and no adjustment to the Conversion Price under this Section 2.4(c) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options or warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Conversion Price shall be made under this Section 2.4(c). If any such right, option or warrant, including any such existing rights, options or warrants distributed prior to the Closing Date, are subject to events, upon the occurrence of which such rights, options or warrants become exercisable to purchase different securities, evidences of Indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Ex-Dividend Date with respect to new rights, options or warrants with such rights (in which case the existing rights, options or warrants shall be deemed to terminate and expire on such date without exercise by any of the holders thereof). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Trigger Event or other event (of the type described in the immediately preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Conversion Price under this Section 2.4(c) was made, (1) in the case of any such rights, options or warrants that shall all have been redeemed or purchased without exercise by any holders thereof, upon such final redemption or purchase (x) the Conversion Price shall be readjusted as if such rights, options or warrants had not been issued and (y) the Conversion Price shall then again be readjusted to give effect to such distribution, deemed distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or purchase price received by a holder or holders of Common Stock with respect to such rights, options or warrants (assuming such holder had retained such rights, options or warrants), made to all holders of Common Stock as of the date of such redemption or purchase, and (2) in the case of such rights, options or warrants that shall have expired or been terminated (or deemed to have expired or been terminated pursuant to the immediately preceding sentence) without exercise by any holders thereof, the Conversion Price shall be readjusted as if such rights, options and warrants had not been issued (to the extent any adjustment to the Conversion Price was made in connection with such issuance).

For purposes of Section 2.4(a), Section 2.4(b) and this Section 2.4(c), if any dividend or distribution to which this Section 2.4(c) is applicable also includes one or both of:

(A) a dividend or distribution of shares of Common Stock to which Section 2.4(a) is applicable (the "**Clause A Distribution**"); or

(B) a dividend or distribution of rights, options or warrants to which Section 2.4(b) is applicable (the "**Clause B Distribution**"),

then, in either case, (1) such dividend or distribution, other than the Clause A Distribution and the Clause B Distribution, shall be deemed to be a dividend or distribution to which this Section 2.4(c) is applicable (the "**Clause C Distribution**") and any Conversion Price adjustment required by this Section 2.4(c) with respect to such Clause C Distribution shall then be made, and (2) the Clause A Distribution and Clause B Distribution shall be deemed to immediately follow the Clause C Distribution and any Conversion Price adjustment required by Section 2.4(a) and Section 2.4(b) with respect thereto shall then be made, except that, if determined by the Company (I) the "**Ex-Dividend Date**" of the Clause A Distribution and the Clause B Distribution shall be deemed to be the Ex-Dividend Date of the Clause C Distribution and (II) any shares of Common Stock included in the Clause A Distribution or Clause B Distribution shall be deemed not to be "outstanding immediately prior to the close of business on such Record Date or open of business on such Ex-Dividend Date or effective date" within the meaning of Section 2.4 (a) or "outstanding immediately prior to the close of business on such Ex-Dividend Date" within the meaning of Section 2.4 (b).

(d) If the Company pays any dividend or distribution in cash to all or substantially all holders of the Common Stock, the Conversion Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{SP0 - C}{SP0}$$

where,

CP0 = the Conversion Price in effect immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution;

CP' = the Conversion Price in effect immediately after the open of business on the Ex-Dividend Date for such dividend or distribution;

SP0 = the Last Reported Sale Price of one share of Common Stock (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution; and

C = the amount in cash per share the Company distributes to all or substantially all holders of the Common Stock as a dividend or distribution.

Any adjustment made under this Section 2.4(d) shall become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution. If such dividend or distribution is not so paid, the Conversion Price shall be decreased, effective as of the date the Board of Directors of the Company determines not to make or pay such dividend or distribution, to be the Conversion Price that would then be in effect if such dividend or distribution had not been declared. Notwithstanding the foregoing, if "**C**" (as defined above) is equal to or greater than "**SP0**" (as defined above), in lieu of the foregoing increase, each Holder of a Note shall receive, in respect of such Note, at the same time and upon the same terms as holders of shares of the Common Stock, the amount of cash that such Holder would have received if such Holder owned a number of shares of Common Stock issuable upon conversion of such Note at the Conversion Price on the Ex-Dividend Date for such cash dividend or distribution.

(e) Reserved.

(f) Reserved.

(g) Notwithstanding anything to the contrary in this Section 2, the Conversion Price shall not be adjusted pursuant to this Section 2:

(i) upon the issuance of any shares of Common Stock pursuant to any present or future plan approved by the Board and specifically providing for the reinvestment of dividends or interest payable on the Company's securities and the investment of additional optional amounts in shares of Common Stock under any plan;

(ii) upon the issuance of any shares of Common Stock or options or rights to purchase or acquire those shares pursuant to any present or future employee, officer director or consultant benefit plan or program of or assumed by the Company or any of the Company's subsidiaries and, in each case, approved by the Board;

(iii) solely for a change in the par value (or lack of par value) of the Common Stock; or

(iv) for accrued and unpaid interest, if any.

All calculations and other determinations under this Section 2 shall be made by the Company and shall be made to the nearest one-ten thousandth (1/10,000th) of a dollar. Notes Agent shall have no responsibility to calculate or verify any amounts under this Section 2, including without limitation the Holder's IRR.

(h) Notwithstanding anything in this Section 2 to the contrary, the Company shall not be required to adjust the Conversion Price unless the adjustment would result in a change of at least $0.01 in the then effective Conversion Price. However, the Company shall carry forward any adjustments to the Conversion Price that are less than $0.01 of the Conversion Price and make all such carried-forward adjustments (i) when the cumulative net effect of all adjustments not yet made will result in a change of at least $0.01 of the Conversion Price or (ii) regardless of whether the adjustment (or such cumulative net effect) is less than $0.01 on the Conversion Date for any Notes.

(i) Whenever the Conversion Price is adjusted as herein provided, the Company shall promptly (and in any event within 3 Business Days) (i) send a notice to each Holder (with a copy to the Notes Agent) detailing the facts requiring such adjustment, the adjusted Conversion Price and the date on which each adjustment becomes effective ("**Adjustment Notice**") and (ii) send the Notes Agent an Officer's Certificate attaching the Adjustment Notice and confirming that such Notice has been sent to each Holder by the Company. The Notes Agent shall not have any obligation to confirm or verify the accuracy of the Conversion Price set forth in the Officer's Certificate. Unless and until the date that the Notes Agent shall have actually received such Officer's Certificate, the Notes Agent shall not be deemed to have knowledge of any adjustment of the Conversion Price and may assume without inquiry that the last Conversion Price of which it has knowledge is still in effect.

Section 2.5 Adjustments of Prices. Whenever any provision of this Agreement requires the Company to calculate the Last Reported Sale Prices over a span of multiple days, the Board of Directors of the Company shall make appropriate adjustments (to the extent no corresponding adjustment is otherwise made pursuant to Section 2.4) to each to account for any adjustment to the Conversion Price that becomes effective, or any event requiring an adjustment to the Conversion Price where the Ex-Dividend Date of the event occurs, at any time during the period when the Last Reported Sale Prices are to be calculated.

Section 2.6 Shares to Be Reserved. The Company shall provide, free from preemptive rights, sufficient shares of Common Stock, and shall at all times (including immediately following any event that causes an adjustment to the Conversion Price hereunder) maintain a sufficient number of authorized but unissued shares of Common Stock, to provide for conversion of the Notes from time to time as such Notes are presented for conversion (assuming that at the time of computation of such number of shares, all such Notes would be converted by a single Holder).

Section 2.7 Certain Covenants.

(a) The Company covenants that all shares of Common Stock issued upon conversion of Notes will be fully paid and non-assessable by the Company and free from all Liens and charges with respect to the issue thereof.

(b) The Company covenants that, if any shares of Common Stock to be provided for the purpose of conversion of Notes hereunder require registration with or approval of any governmental authority under any federal or state law before such shares of Common Stock may be validly issued upon conversion, the Company will, to the extent then permitted by the rules and interpretations of the Commission, secure such registration or approval, as the case may be.

(c) Following the NASDAQ Listing and the registration of shares of Common Stock issuable upon conversion of the Notes under the Securities Act, the Company further covenants that if at any time the Common Stock shall be listed on any U.S. national securities exchange, over-the counter market, or automated quotation system, the Company shall list and keep listed, so long as the Common Stock shall be so listed on such exchange or automated quotation system, any Common Stock issuable upon conversion of the Notes.

(d) Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter of the IPO (as defined below), during the period commencing on the date of the final prospectus relating to the registration by the Company of the offer and sale of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1, and ending on the date specified by the Company and the managing underwriter (such period not to exceed 180 days) in the case of the Company's first underwritten public offering of its Common Stock under the Securities Act (the "**IPO**") (such period, the "**Lock-Up Period**"), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock ("**Registrable Securities**") held immediately prior to such registration, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Section 2.7(d) shall apply only to the IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, and provided further that any such transfer restrictions shall be applicable to the Holders only if all executive officers, directors and all stockholders individually owning more than 5% of the Company's outstanding Common Stock are subject to the same restrictions with the same terms and conditions; *provided, however*, that any Holder of less than 2% of the Company's outstanding Common Stock on a partially diluted basis, assuming the conversion and/or exercise of the totality of the Notes held by such Holder immediately prior to the completion of the IPO only, shall not be subject to the Lock-Up Period and the transfer restrictions set forth in this Section 2.7(d). In the event that a release is granted to any such officer, director or greater than 5% stockholder other than the Holders relating to the lock-up restrictions set forth above for shares of the Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock, the same percentage of shares of the Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held by the Holders or issuable to the Holders upon conversion of the Notes shall be immediately and fully released on the same terms from any remaining lock-up restrictions set forth herein. The underwriters in connection with such registration are intended third-party beneficiaries of this Section 2.7(d) and shall have the right, power, and authority to enforce the provisions hereof as though they were a party hereto.

In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

Each Holder agrees that a legend reading substantially as follows shall be notated in the Transfer Agent's books and records representing all Capital Stock of the Company of each Holder (and the shares or securities of every other person subject to the restriction contained in this Section 2.7(d)):

"THE SECURITIES REPRESENTED BY THIS ENTRY ARE SUBJECT TO A LOCK-UP PERIOD AFTER THE EFFECTIVE DATE OF THE COMPANY'S REGISTRATION

STATEMENT FILED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE SECURITIES, A COPY OF WHICH MAY BE OBTAINED AT THE COMPANY'S PRINCIPAL OFFICE. SUCH LOCK-UP PERIOD IS BINDING ON TRANSFEREES OF THESE SHARES."

(e) Each Holder hereby agrees that it will assess in advance whether its acquisition, sale, or transfer of any voting shares of the Company would be subject to advance reporting and waiting period requirements under any Antitrust Law and if so it will not acquire, sell, or transfer any voting shares of the Company until the required filings have been made under the Antitrust Laws and the required waiting period expirations or terminations and the required approvals under the Antitrust Laws have been obtained.

Section 2.8 Notice to Holders Prior to Certain Actions. In case of any action by the Company or one of its subsidiaries that would require an adjustment in the Conversion Price pursuant to Section 2.4 or Section 2.9; then, in each case (unless notice of such event is otherwise required pursuant to another provision of this Agreement) and to the extent applicable, the Company shall cause to be delivered to each Holder (with a copy to the Notes Agent) at its address appearing on the Note Register, as promptly as practicable but in any event at least 10 days prior to the applicable date hereinafter specified, a notice stating the date on which a record is to be taken for the purpose of such action by the Company or, if a record is not to be taken, the date as of which the holders of Common Stock of record are to be determined for the purposes of such action by the Company.

Section 2.9 Shareholder Rights Plans. If the Company has a shareholder rights plan in effect upon conversion of the Notes, each share of Common Stock, if any, issued upon such conversion shall be entitled to receive the appropriate number of rights, if any, and entry representing such shares of Common Stock on the Company's stock register issued upon such conversion shall bear such legends, if any, in each case as may be provided by the terms of any such shareholder rights plan, as the same may be amended from time to time. However, if, prior to any conversion of Notes, the rights have separated from the shares of Common Stock in accordance with the provisions of the applicable shareholder rights plan, the Conversion Price shall be adjusted at the time of separation as if the Company distributed to all or substantially all holders of the Common Stock Distributed Property as provided in Section 2.4(c), subject to readjustment in the event of the expiration, termination or redemption of such rights.

Section 2.10 [Reserved].

Section 2.11 Securities Act Legend. Each Holder agrees that a legend reading substantially as follows shall be notated on the books and records of the Transfer Agent representing all shares of Common Stock issued to each Holder upon conversion of any Note prior to the registration of such shares of Common Stock under the Securities Act:

THE ISSUANCE OF THE SECURITIES REPRESENTED BY THIS ENTRY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS AND NEITHER SUCH SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED, SOLD, PLEDGED,

ASSIGNED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS OR (2) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, IN WHICH CASE THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE COMPANY AN OPINION OF COUNSEL, WHICH COUNSEL AND OPINION ARE REASONABLY SATISFACTORY TO THE COMPANY, THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED, ASSIGNED OR OTHERWISE TRANSFERRED IN THE MANNER CONTEMPLATED PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS.

SECTION 3. SALE AND PURCHASE OF THE SECURITIES.

Subject to the terms and conditions of this Agreement, the Company will issue and sell to each Purchaser and each Purchaser will purchase from the Company at the Closing provided for in Section 4, the Securities in the amounts and for the purchase prices set forth on Schedule 3. The Purchasers' obligations hereunder are several and not joint obligations and no Purchaser shall have any liability to any Person for the performance or non-performance of any obligation by any other Purchaser under this Agreement.

SECTION 4. CLOSING.

Section 4.1 Closing.

The closing of the purchase and sale of Securities hereunder (the "**Closing**") shall be held by the electronic exchange of documents on the date of this Agreement (the "**Closing Date**") or on such other date as is mutually agreeable to the Company and the Purchasers.

Section 4.2 [Reserved].

Section 4.3 Closing Mechanics.

(a) At the Closing, the Company will deliver to each Purchaser the Notes to be purchased by such Purchaser for the account of such Purchaser on the Note Register and the Warrants to be purchased by such Purchaser, in each case, against delivery by such Purchaser to the Company of immediately available funds in the amount of the purchase price therefor by wire transfer of immediately available funds for the account of the Company, as set forth in wire instructions provided by the Company. The Notes shall be reflected on the Note Register and shall not be represented by physical notes, and the Company shall provide to each Purchaser on the Closing evidence thereof that is satisfactory to the Purchaser, including upon the request of any Purchaser, an excerpted copy of the Note Register from the Notes Agent reflecting such Note. If the Company shall fail to tender such Notes to any Purchaser as provided in this Section 4, or any of the conditions specified in Section 5 shall not have been fulfilled to such Purchaser's satisfaction, such Purchaser shall, at its election, be relieved of all further obligations under this Agreement, without thereby waiving any rights such Purchaser may have by reason of such failure by the Company to tender such Notes or any of the conditions specified in Section 5 not having been fulfilled to such Purchaser's satisfaction.

(b) At the Closing, the Transaction Entities shall pay all fees and expenses of (x) the Purchasers, including, without limitation, the reasonable and documented fees and out-of-pocket expenses of Stroock & Stroock & Lavan LLP, as counsel to the Purchasers, to the extent invoiced on or prior to the Closing Date, and (y) fees owed to the Notes Agent pursuant to the Notes Agent Fee Letter and the reasonable and documented fees and out-of-pocket expenses of counsel to the Notes Agent.

SECTION 5. CONDITIONS TO CLOSING.

Each Purchaser's obligation to purchase and pay for the Securities to be sold to such Purchaser on any Closing Date is subject to the fulfillment to such Purchaser's satisfaction, prior to or at such Closing Date, of the following conditions:

Section 5.1 Representations and Warranties. The representations and warranties of the Transaction Entities set forth in Section 6 shall be true and correct in all material respects on and as of such Closing Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date; provided, that any representation and warranty that is qualified as to "materiality", "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates.

Section 5.2 Performance; No Default. Each of the Transaction Entities shall have performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by it prior to or at any Closing. Before and after giving effect to the issue and sale of the Securities (and the application of the proceeds pursuant to Section 9.6), no Default or Event of Default shall have occurred and be continuing.

Section 5.3 Compliance Certificates.

(a) *Officer's Certificate*. Each of the Transaction Entities shall each have delivered to such Purchaser an Officer's Certificate, substantially to the effect set forth in Schedule 5.3 hereto, dated such Closing Date, certifying that the conditions specified in Sections 5.1 and 5.2 have been fulfilled.

(b) *Secretary's Certificate*. Each of the Transaction Entities shall have delivered to such Purchaser a certificate of its Secretary or Assistant Secretary, substantially to the effect set forth in Schedule 5.3 hereto, dated such Closing Date, certifying as to (i) the resolutions attached thereto and other corporate proceedings relating to the authorization, execution and delivery of this Agreement, the other Note Documents and the Warrant Documents by the Transaction Entities, and (ii) each of the Transaction Entities' organizational documents as then in effect.

(c) *Good Standing Certificates*. Each of the Transaction Entities shall have delivered to such Purchaser a certificate of good standing, certificate of fact or certificate of existence or other equivalent document dated as of a recent date from the competent Governmental Authority of the Province of British Columbia or the Secretary of State of the State of Delaware or California, as applicable, and each jurisdiction where the Transaction Entities' ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to be so qualified could not reasonably be expected to have a Material Adverse Effect.

(d) *Certified Organizational Documents*. Each of the Transaction Entities shall have delivered to such Purchaser a certified copy of its certificate of formation or other registered organizational documents from the Secretary of State of the State of Delaware (or, in the case of any Transaction Entity organized in British Columbia, such Transaction Entity's Notice of Articles as certified by the Office of the Registrar of Companies for British Columbia).

Section 5.4 Legal Opinions. The Transaction Entities shall have delivered to such Purchaser and the Notes Agent the opinions of Dentons US LLP and MLT Aikins LLP, counsel to the Transaction Entities, substantially to the effect set forth in Schedule 5.4 hereto.

Section 5.5 Purchaser Information Sheet. Each Purchaser shall have delivered to the Company on or prior to the Closing Date a completed Purchaser Information Sheet the form of which is attached hereto as Exhibit D.

Section 5.6 Purchase Permitted By Applicable Law, Etc. On any Closing Date, such Purchaser's purchase of the Securities shall (a) be permitted by the laws and regulations of each jurisdiction to which such Purchaser is subject, without recourse to provisions (such as section 1405(a)(8) of the New York Insurance Law) permitting limited investments by insurance companies without restriction as to the character of the particular investment and (b) not violate any applicable law or regulation (including Regulation T, U or X of the Board of Governors of the Federal Reserve System). If requested by such Purchaser, such Purchaser shall have received an Officer's Certificate certifying as to such matters of fact as such Purchaser may reasonably specify to enable such Purchaser to determine whether such purchase is so permitted.

Section 5.7 Sale of Other Securities. Contemporaneously with such Closing, the Transaction Entities shall sell to each other Purchaser (if any) and each other Purchaser shall purchase the Securities to be purchased by it at such Closing as specified on each Purchaser's signature page to this Agreement.

Section 5.8 Changes in Corporate Structure. None of the Transaction Entities shall have changed its jurisdiction of incorporation or organization, as applicable, or been a party to any merger or consolidation or succeeded to all or any substantial part of the liabilities of any other entity, at any time following March 31, 2021.

Section 5.9 Funding Instructions. At least one Business Day prior to such Closing Date, the Notes Agent and each Purchaser shall have received written instructions signed by a Responsible Officer on letterhead of the Company confirming (i) the name and address of the transferee bank, (ii) such transferee bank's ABA number and (iii) the account name and number into which the purchase price for the Securities is to be deposited.

Section 5.10 Registration Rights Agreement. The Company and the Purchasers shall have executed a registration rights agreement on terms acceptable to the Purchasers (the "**Registration Rights Agreement**"), attached hereto as Schedule 5.10.

Section 5.11 Designation Agreement; Voting Agreement; Indemnity Agreement. The Company shall have executed and delivered the Designation Agreement, the Voting Agreement and an indemnity agreement, in each case, in form and substance acceptable to the Required Holders.

Section 5.12 **Consents and Amendments**. To the extent that any approval or consent is required for the execution and delivery of this Agreement and performance of the transactions contemplated hereunder, the Transaction Entities shall have delivered to the Purchasers evidence of such written approval or consent, as applicable, from any such party whose approval or consent is required.

SECTION 6. REPRESENTATIONS AND WARRANTIES OF THE TRANSACTION ENTITIES.

Each Transaction Entity, jointly and severally, hereby represents and warrants to each Purchaser on the date hereof, and shall be deemed to represent and warrant to the Purchasers on the Closing Date, that:

Section 6.1 **Organization; Power and Authority**. Each of the Transaction Entities and their respective subsidiaries is duly formed or organized and validly existing as a corporation, limited liability company, limited partnership or other organization in good standing under the laws of the jurisdiction of its incorporation, formation or organization with full corporate, limited liability company or limited partnership authority, as applicable, to own, lease and operate its properties and to conduct its business as presently conducted and as described in the Investor Information and the Historical Investor Information and is duly registered and qualified to conduct its business and is in good standing in each jurisdiction or place where the nature of its properties or the conduct of its business requires such registration or qualification, except where the failure to so register or qualify would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 6.2 **Due Authorization, Execution and Delivery**. Each Transaction Entity's execution and delivery of this Agreement and each of the other Note Documents and Warrant Documents to which it is a party and the performance by such Transaction Entity of its obligations under this Agreement and each of the Note Documents and Warrant Documents to which it is a party has been duly and validly authorized by such Transaction Entity, and this Agreement and each of the other Note Documents and Warrant Documents to which it is a party have been duly executed and delivered by the each Transaction Entity, and, assuming due authorization, execution and delivery by the other parties thereto (other than the Transaction Entities), this Agreement and each of the other Note Documents and Warrant Documents constitute legal, valid and binding obligations of the Transaction Entities, in accordance with their terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforceability of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

Section 6.3 **Disclosure**.

None of the Historical Investor Information provided prior to the Closing, contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

All factual information furnished by or on behalf of the Transaction Entities to the Notes Agent and/or any of the Purchasers for purposes of or in connection with this Agreement, the other Notes Documents, the other Warrant Documents or any transaction contemplated herein or therein is, and all other such factual information hereafter furnished by or on behalf of the Transaction Entities to the Notes Agent and/or any of the Holders will be, true and accurate in all material respects on the date as of which such information is dated or certified (except with respect to statements or information expressly made or provided as of a specific date, which shall be true and accurate in all material respects as of such date) and not incomplete by omitting to state any fact necessary to make such information not misleading in any material respect at such time in light of the circumstances under which such information was provided. There is no fact presently known to the Transaction Entities which has not been disclosed to the Purchasers, which could reasonably be expected to have a Material Adverse Effect.

Section 6.4 Financial Statements: Auditors.

(a) The consolidated financial statements of the Company, together with the related schedules and notes thereto, included in the Investor Information and the Historical Investor Information, as applicable, present fairly in all material respects the financial condition, results of operations, cash flows and changes in financial position of the Company and its subsidiaries on the basis stated in the Investor Information and the Historical Investor Information, as applicable, at the respective dates or for the respective periods to which they apply; such financial statements and related schedules and notes thereto have been prepared in conformity with GAAP applied consistently throughout the periods involved, except as disclosed therein; and the other financial and statistical information and data set forth in the Investor Information and the Historical Investor Information, as applicable, is accurately presented in all material respects. None of the Transaction Entities have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations), that are not disclosed in the Investor Information and the Historical Investor Information, as applicable.

(b) McGovern Hurley LLP has certified the audited financial statements of the Company included in the Investor Information and the Historical Investor Information.

(c) The Company's interim financial statements for the periods ended on March 31, 2021 and June 30, 2021 have been filed without review from an auditor, in compliance with the Canadian Securities Exchange regulations.

(d) On October 6, 2021, the Company engaged Macias Gini & O'Connell, LLP to certify the previously audited financial statements for the purpose of future anticipated filings with the SEC. Macias Gini & O'Connell, LLP is an independent registered public accounting firm as required by the applicable rules and regulations adopted by the Commission and the Public Accounting Oversight Board (United States).

Section 6.5 Compliance with Laws, Other Instruments, Etc.

(a) None of the issuance and sale of the Securities by the Transaction Entities, the execution, delivery or performance of the Note Documents, the Warrant Documents and this Agreement by the Transaction Entities, nor the consummation by the Transaction Entities of the

transactions contemplated herein or therein (i) requires any consent, approval, authorization or other order of or registration or filing with, any court, regulatory body, administrative agency or other governmental body, agency or official, other than certain post-closing filings pursuant to National Instrument 45-106F1 of the Canadian Securities Administrators and applicable filings with the Canadian Securities Exchange, (ii) conflicts with or will conflict with or constitutes or will constitute a breach of, or a default under, organizational and operating documents of any Transaction Entity, (iii) constitutes or will constitute a breach of, or a default under, any agreement, contract, indenture, lease or other instrument to which the either of the Transaction Entities or any of their respective subsidiaries is a party or by which any of its properties may be bound, (iv) violates any statute, law, regulation, ruling, filing, judgment, injunction, order or decree applicable to either of the Transaction Entities or any of their respective subsidiaries or any of their properties, or (v) results in a breach of, or default or Debt Repayment Triggering Event (as defined below) under, or results in the creation or imposition of any Lien, charge or encumbrance upon any property or assets of either of the Transaction Entities or any of their respective subsidiaries pursuant to, or requires the consent of any other party to, any Existing Instrument, except, with respect to clauses (i), (iii) and (iv), such conflicts, breaches, defaults, Liens, charges or encumbrances that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. As used herein, a "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, share, debenture or other evidence of Indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such Indebtedness by either of the Transaction Entities or any of their respective subsidiaries.

Section 6.6 Litigation; Observance of Agreements; Compliance with Law.

(a) Except as disclosed in the Investor Information or the Historical Investor Information, (i) there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Transaction Entities, threatened, against or affecting the Transaction Entities that would, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, or that would reasonably be expected to materially and adversely affect the consummation of the transactions contemplated in this Agreement, the other Note Documents and the Warrant Documents, as applicable, or the performance by the Transaction Entities of their respective obligations hereunder or thereunder; and (ii) the aggregate of all pending legal or governmental proceedings to which the Transaction Entities are a party or of which any of their property or assets is the subject, including ordinary routine litigation incidental to the business, would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(b) The operations of the Transaction Entities and their respective subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Anti-Money Laundering Laws**"); and no action, suit or proceeding by or before any Governmental Entity involving the Company or any subsidiary with respect to the Anti- Money Laundering Laws is pending or, to the best knowledge of the Transaction Entities, threatened.

(c) There are no legal or governmental proceedings pending or, to the best knowledge of the Transaction Entities, threatened, against the Transaction Entities or their respective subsidiaries or to which the Transaction Entities or their respective subsidiaries or any of their properties are subject, that are required to be described in the Investor Information or the Historical Investor Information but are not described as required. Except as described in the Investor Information, there are no actions, suits, inquiries, proceedings or investigations by or before any court or governmental or other regulatory or administrative agency or commission pending or, to the best knowledge of the Transaction Entities, threatened, against or involving the Transaction Entities or their respective subsidiaries, which might individually or in the aggregate reasonably be expected to have a Material Adverse Effect or prevent or adversely affect the transactions contemplated by this Agreement, nor to the knowledge of the Transaction Entities, is there any basis for any such action, suit, inquiry, proceeding or investigation. There are no agreements, contracts, indentures, leases or other instruments that are required to be described in the Investor Information or the Historical Investor Information that are not described therein. All such contracts to which the Transaction Entities or any of their respective subsidiaries is a party have been duly authorized, executed and delivered by the Transaction Entities or the applicable subsidiary and constitute legal, valid and binding agreements of the Transaction Entities or the applicable subsidiary, as applicable, and are enforceable against the Transaction Entities or the applicable subsidiary, as applicable, in accordance with the terms thereof, except as enforceability thereof may be limited by (i) the application of bankruptcy, reorganization, insolvency and other laws affecting creditors' rights generally and (ii) equitable principles being applied at the discretion of a court before which any proceeding may be brought. None of the Transaction Entities nor any of their respective subsidiaries has received notice or been made aware that any other party is in breach of or default to either of the Transaction Entities or any of their respective subsidiaries under any of such contracts.

(d) None of the Transaction Entities nor any of their respective subsidiaries nor, to the knowledge of the Transaction Entities, any director, officer, agent, employee or affiliate of the Transaction Entities or any of their respective subsidiaries has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended (the "**Foreign Corrupt Practices Act**"), and the rules and regulations thereunder or any similar anti-corruption law (collectively, "**Anti-Corruption Laws**"), including, without limitation, taking any action in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the Foreign Corrupt Practices Act) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the Anti-Corruption Laws; and the Transaction Entities and their respective subsidiaries and, to the knowledge of the Transaction Entities, its affiliates have conducted their businesses in compliance in all material respects with the Anti-Corruption Laws and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance in all material respects therewith.

(e) None of the Transaction Entities nor any of their respective subsidiaries nor, to the knowledge of the Transaction Entities, any director, officer, agent, employee or affiliate of the Transaction Entities or any of their respective subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury

("**OFAC**"); and the Transaction Entities will not directly or indirectly use the proceeds of the sale of the Securities, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC (a "**Sanctioned Person**"). In addition, none of the Transaction Entities nor any of the their respective subsidiaries, nor, to the knowledge of the Transaction Entities, any director, officer, agent, employee or affiliate of the Transaction Entities or any of their respective subsidiaries, is an individual or entity currently the subject of any sanctions administered or enforced by OFAC, the United Nations Security Council, the European Union or Her Majesty's Treasury (collectively, "**Sanctions**"), nor are the Transaction Entities nor any of their respective subsidiaries located, organized or resident in a country or territory that is the subject or the target of comprehensive Sanctions, including, without limitation, Cuba, Iran, North Korea, Syria and Crimea (each, a "**Sanctioned Country**"). None of the Transaction Entities will, directly or indirectly, use the proceeds of the sale of the Securities, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity to fund or facilitate any activities of or business with any person, or in any country or territory, that, at the time of such funding or facilitation, is a Sanctioned Person or Sanctioned Country, in each case, in any manner that will result in a violation by any person (including any person participating in the transaction, whether as Purchaser, advisor, investor or otherwise) of Sanctions. Since its inception, neither the Transaction Entities nor any of their respective subsidiaries have knowingly engaged in, or are now knowingly engaged in, any dealings or transactions with any person that at the time of the dealing or transaction is or was a Sanctioned Person or with any Sanctioned Country.

(f) Except as otherwise disclosed in the Investor Information or the Historical Investor Information, the Transaction Entities and their respective subsidiaries are (i) in compliance with any and all applicable federal, state, local and foreign laws and regulations relating to the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("**Environmental Laws**") (ii) have received all permits required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permits, except where such noncompliance with Environmental Laws, failure to receive required permits or failure to comply with the terms and conditions of such permits would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of the Transaction Entities nor any of their respective subsidiaries has been named as a "potentially responsible party" under the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended. None of the Transaction Entities nor any of their respective subsidiaries owns, leases or occupies any property that appears on any list of hazardous sites compiled by any state or local governmental agency. There are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any permit, any related constraints on operating activities and any potential liabilities to third parties) which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Except as otherwise disclosed in the Investor Information or the Historical Investor Information, there are no pending or, to the knowledge of the Transaction Entities, threatened costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for investigation, clean up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related

constraints on operating activities and any potential liabilities to third parties) which would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(g) None of the Transaction Entities nor any of their respective subsidiaries is (i) in violation of (A) its Articles of Incorporation or Bylaws, or other organizational documents, (B) any federal, state or foreign law, ordinance, administrative or governmental rule or regulation applicable to the Transaction Entities or any of their subsidiaries or (C) any decree of any federal, state or foreign court or governmental agency or body having jurisdiction over either of the Transaction Entities or any of their respective subsidiaries, except, in the case of (B) and (C), for violations that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; or (ii) in default in any material respect in the performance of any obligation, agreement or condition contained in an Existing Instrument, except for such defaults which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and there does not exist any state of facts that constitutes an event of default on the part of either of the Transaction Entities or any of their respective subsidiaries as defined in such documents or that, with notice or lapse of time or both, would constitute such an event of default, except for such events of default which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 6.7 [Reserved].

Section 6.8 Liabilities.

Except as disclosed in the Investor Information or the Historical Investor Information, (i) none of the Transaction Entities nor any of their respective subsidiaries has incurred any liabilities or obligations, indirect, direct or contingent, or entered into any transaction, in each case that is material to the Transaction Entities and their respective subsidiaries, taken as a whole, that is not in the Ordinary Course of Business; (ii) none of the Transaction Entities nor any of their respective subsidiaries has sustained any material loss or interference with its business or properties from fire, flood, windstorm, pandemics, accident or other calamity, whether or not covered by insurance; (iii) other than any dividends on Common Stock in the Ordinary Course of Business and consistent with the Company's dividend policy in effect on the Closing Date, none of the Transaction Entities nor any of their respective subsidiaries has paid or declared any dividends or other distributions with respect to its Capital Stock or similar ownership interest and none of the Transaction Entities is in default under the terms of any class of Capital Stock of either of the Transaction Entities or any outstanding debt obligations of either of the Transaction Entities, (iv) there has not been any change in the authorized or outstanding Capital Stock of either of the Transaction Entities or any material change in the Indebtedness of either of the Transaction Entities (other than in the Ordinary Course of Business) and (v) there has not been any change, or any development or event involving a prospective change that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 6.9 Capitalization of the Transaction Entities; Prior Issuances.

(a) As of October 7, 2021, there are (i) an unlimited number of shares of the Common Stock that are authorized, of which 75,526,443 shares were issued and outstanding, and (ii) an unlimited number of proportionate voting shares of the Company, of which 28,358,598 shares

were issued and outstanding. All the outstanding shares of Capital Stock and proportionate voting shares of the Company have been, and as of the Closing Date will be, duly authorized and validly issued, are fully paid and non-assessable and are free of any preemptive or similar rights, except as set forth in the Investor Information or the Historical Investor Information.

(b) All offers and sales of the Company's or any other Transaction Entity's Capital Stock and other debt or other securities prior to the date hereof were made in compliance with the registration requirements of the Securities Act or were the subject of an available exemption from the Securities Act and all other applicable state and federal laws or regulations.

Section 6.10 Organization and Ownership of Subsidiaries.

(a) Schedule 6.10 hereto contains (except as noted therein) complete and correct lists of (i) the Transaction Entities' subsidiaries, showing, as to each such subsidiary, the name thereof, the jurisdiction of its organization, the percentage of shares of each class of its Capital Stock or similar equity interests outstanding owned by the Company and each other subsidiary and (ii) the Company's directors and executive officers.

(b) All of the issued and outstanding Capital Stock of the Company and the Subsidiaries have been duly authorized for issuance by the issuer thereof and validly issued. Except as disclosed in the Investor Information or the Historical Investor Information: (i) no Capital Stock of the Company and the Subsidiaries is reserved for any purpose, (ii) there are no outstanding securities convertible into or exchangeable for any Capital Stock of the Company and the Subsidiaries and (iii) there are no outstanding options, rights (preemptive or otherwise) or warrants to purchase or subscribe for Capital Stock of the Company and the Subsidiaries. Any prior offers and sales of the Capital Stock of the Company and the Subsidiaries described in the Investor Information or the Historical Investor Information have been offered and sold in transactions exempt from the registration requirements of the Securities Act, the applicable rules and regulations of the SEC thereunder and applicable state securities and blue sky laws. None of the Capital Stock of the Company and the Subsidiaries were issued in violation of the preemptive or other similar rights of any holder of Capital Stock of the Company and the Subsidiaries.

(c) No subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, from paying any dividends to either of the Company, from making any other distribution on such subsidiary's Capital Stock or similar ownership interest, from repaying to either of the Company any loans or advances to such subsidiary from either of the Company or from transferring any of such subsidiary's properties or assets to either of the Transaction Entities or any of their respective subsidiaries, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 6.11 Taxes.

(a) Each of the Transaction Entities and their respective subsidiaries have filed, or are within legal extension periods with respect to, all income and all other material tax returns required to be filed (other than certain tax returns as to which the failure to file would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect), which filed returns

are complete and correct in all material respects, and none of the Transaction Entities nor any of their respective subsidiaries is in default in the payment of any taxes that were payable pursuant to said returns.

(b) None of the Transaction Entities holds any asset the disposition of which would be subject to Section 1374 of the Code (or otherwise result in any "built-in gains" tax under Section 337(d) of the Code, Treasury Regulation Section 1.337(d)-7 or any other temporary or final regulations issued under Section 337 of the Code), nor have they disposed of any such asset during their current taxable year.

Section 6.12 Property. Each of the Transaction Entities and their respective subsidiaries has good and valid title to all property owned by it, free and clear of all Liens, claims, security interests or other encumbrances except (i) such as are described in the Investor Information or the Historical Investor Information or (ii) such as would not, individually or in the aggregate, be materially burdensome to the use of the property or the conduct of the business of the Transaction Entities or would reasonably be expected to have a Material Adverse Effect. All property held under lease by Transaction Entities and their respective subsidiaries is held by it under valid, subsisting and enforceable leases with only such exceptions as would not, individually or in the aggregate, be materially burdensome to the use of the property or the conduct of the business of the Transaction Entities or reasonably be expected to have a Material Adverse Effect. Neither the Transaction Entities nor their respective subsidiaries own real property.

Section 6.13 Reserved.

Section 6.14 ERISA. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (A) the Transaction Entities and their respective subsidiaries and any Plan established or maintained by the Transaction Entities and their respective subsidiaries are in compliance with ERISA, the Code and all other applicable state and federal laws with respect to the establishment and maintenance of such Plans; (B) none of the Transaction Entities nor any of their respective subsidiaries has incurred or reasonably expects to incur any liability under Sections 4975 or 4980B of the Code; (C) there are no pending or, to the knowledge of the Transaction Entities, threatened claims, actions or lawsuits, or action by any Governmental Authority with respect to any Plan established or maintained by the Transaction Entities and their respective subsidiaries; (D) there has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan established or maintained by the Transaction Entities and their respective subsidiaries, and (E) each Plan established or maintained by the Transaction Entities and their respective subsidiaries that is intended to be qualified under Section 401(a) of the Code is so qualified and, to the knowledge of the Transaction Entities, nothing has occurred, whether by action or failure to act, that would cause the loss of such qualification. No Transaction Entity or any ERISA Affiliate maintains, contributes to or has any obligation to contribute to, or has within the past six years maintained, contributed to or had any obligation to contribute to, a Pension Plan or Multiemployer Plan, or otherwise has any liability (contingent or otherwise) with respect to a Pension Plan or Multiemployer Plan. None of the Transaction Entities is an entity deemed to hold "plan assets" within the meaning of 29 C.F.R. 2510.3-101, as modified by Section 3(42) of ERISA.

Section 6.15 Insurance. The Company has directors' and officers' insurance, which insurance is in amounts and insures against such losses and risks as are prudent and customary to protect the Company's directors and officers; and the Company has no reason to believe that it will not be able to renew its existing directors' and officers' insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, each of the Transaction Entities and each of their respective subsidiaries maintain insurance with responsible and reputable insurance companies or associations with respect to its properties (including all real property leased or owned by it) and business, in such amounts and covering such risks as is (i) carried generally in accordance with sound business practice by similarly situated companies engaged in similar businesses, and (ii) required by any legal requirement.

Section 6.16 Labor and Employment Matters. No Transaction Entity or any of their respective subsidiaries is a party to or bound by any collective bargaining agreement, trade union agreement, works council, employee representative agreement or information or consultation agreement. The Transaction Entities are not aware that any key employee or significant group of employees of any Transaction Entity or any of their respective subsidiaries plans to terminate employment with such Transaction Entity or any of their respective subsidiaries, as applicable. None of the Transaction Entities nor any of their respective subsidiaries has engaged in any unfair labor practice, and except for matters which would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (i) there is (A) no unfair labor practice complaint pending or, to the knowledge of the Transaction Entities, threatened against either of the Transaction Entities or any of their respective subsidiaries before the National Labor Relations Board, and no grievance or arbitration proceeding arising out of or under collective bargaining agreements is pending or, to the knowledge of the Transaction Entities, threatened, (B) no strike, labor dispute, slowdown or stoppage pending or, to the knowledge of the Transaction Entities, threatened against the Transaction Entities or any of their respective subsidiaries, (C) no union representation dispute currently existing concerning the employees of either of the Transaction Entities or any of their respective subsidiaries, and (D) no labor union, labor organization or other organization or group that has (x) represented or purported to represent any employee, or (y) made a demand to any of the Transaction Entities or any of their respective subsidiaries or, to the knowledge of the Transaction Entities, to any Governmental Body for recognition or certification, and there are no representation or certification proceedings or petitions seeking a representation proceeding presently pending, threatened in writing or, to the knowledge of the Transaction Entities, verbally threatened to be brought or filed with the National Labor Relations Board or any other labor relations Governmental Body. Each of the Transaction Entities and their respective subsidiaries is in compliance with all applicable federal, state, local or foreign laws respecting labor and employment matters, including, without limitation, labor relations, terms and conditions of employment, equal employment opportunity, discrimination, harassment, retaliation, family and medical leave and other leaves of absence, disability benefits, affirmative action, employee privacy and data protection, health and safety, wage and hours, worker classification as employees or independent contractors, exempt or non-exempt, child labor, immigration, recordkeeping, tax withholding, unemployment insurance, workers' compensation, and plant closures and layoffs, except where the failure to comply with such applicable laws would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. There is no action, claim, proceeding, problem or dispute pending or, to the knowledge of the Transaction Entities,

threatened against any Transaction Entity or any of their respective subsidiaries, alleging a violation of any such applicable law pertaining to labor or employment matters, except for any such action, claim, proceeding or dispute that would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. No Transaction Entity or any of their respective subsidiaries has any direct or indirect liability, whether absolute or contingent, with respect to any misclassification of any person as an independent contractor rather than as an employee, or with respect to any employee leased from another employer, except for any such misclassification that would not reasonably be expected to result in a Material Adverse Effect.

Section 6.17 Reserved.

Section 6.18 IT Systems. Each of the Transaction Entities' and their respective subsidiaries' information technology assets and equipment, computers, systems, networks, hardware, software, websites, applications, and databases (collectively, "**IT Systems**") are reasonably believed by the Transaction Entities to be adequate in all material respects for, and operate and perform as required in connection with, the operation of the business of the Transaction Entities and their respective subsidiaries as currently conducted and, to the knowledge of the Transaction Entities, are free and clear of all material bugs, errors, defects, Trojan horses, time bombs, malware and other corruptants, except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Each of the Transaction Entities and their respective subsidiaries have implemented and maintained commercially reasonable controls, policies, procedures, and safeguards to maintain and protect their material confidential information and the integrity, continuous operation, redundancy and security of all IT Systems and data (including all personal, personally identifiable, sensitive, confidential or regulated data ("**Personal Data**")) used in connection with the business of the Transaction Entities and their respective subsidiaries as currently conducted, and, to the knowledge of the Transaction Entities, there have been no breaches, violations, outages or unauthorized uses of or accesses to same, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor any incidents under internal review or investigations relating to the same, except for such failures as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. To the knowledge of the Transaction Entities, each of the Transaction Entities and their respective subsidiaries are presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Personal Data and to the protection of such IT Systems and Personal Data from unauthorized use, access, misappropriation or modification, except for such failures as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

Section 6.19 Investment Company Act. None of the Transaction Entities is, nor, after giving effect to the offer and sale of the Securities and the application of the proceeds pursuant to Section 9.6, will be, required to register as an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 6.20 Margin Rules. Neither the issuance, sale and delivery of the Securities nor the application of the proceeds pursuant to Section 9.6 will violate Regulation T, U or X of the

Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

Section 6.21 Finder's Fees. Except as have been disclosed to the Purchasers prior to the date hereof in writing, none of the Transaction Entities nor any of their respective subsidiaries is a party to any contract, agreement or understanding with any person that would give rise to a valid claim against the Transaction Entities or any of their respective subsidiaries for a brokerage commission, finder's fee or like payment in connection with the offer and sale of the Securities.

Section 6.22 Private Offering by the Transaction Entities. None of the Transaction Entities nor anyone acting on their behalf has offered the Securities or any similar securities for sale to, or solicited any offer to buy the Securities or any similar securities from, or otherwise approached or negotiated in respect thereof with, any Person other than the Purchasers, each of which has been offered the Securities in a private sale for investment. None of the Transaction Entities nor anyone acting on their behalf has taken, or will take, any action that would subject the issuance or sale of the Securities to the registration requirements of Section 5 of the Securities Act or to the registration requirements of any securities or blue sky laws of any applicable jurisdiction.

Section 6.23 SEDAR Information. The information and statements set forth in the Company's Disclosure Record is true, correct, and complete in all material respects and do not contain any misrepresentation, as of the date of such information or statement and there is not presently any material change, as defined in Canadian Securities Laws, relating to the Company or its subsidiaries, on a consolidated basis, or change in any material fact, as defined in Canadian Securities Laws, relating to any of the Common Shares which has not been or will not be fully disclosed in accordance with the requirements of Canadian Securities Laws and the policies of the Canadian Securities Exchange and the Company has not filed any confidential material change reports which continue to be confidential.

Any certificate signed by any officer or any authorized representative of either of the Transaction Entities and delivered to the Purchasers shall be deemed a representation and warranty by the Transaction Entities, as the case may be, to the Purchasers as to the matters covered thereby as of the date or dates indicated on such certificate.

SECTION 7. REPRESENTATIONS OF THE PURCHASERS.

Each Purchaser, severally and not jointly, hereby represents and warrants to the Transaction Entities on the date that such Purchaser executes this Agreement, and shall be deemed to represent and warrant to the Transaction Entities on the Closing Date on which such Purchaser purchases Securities hereunder, as follows:

Section 7.1 Purchase for Investment. Each Purchaser severally represents that it is purchasing the Securities for its own account or for one or more separate accounts maintained by such Purchaser or for the account of one or more pension or trust funds and not with a view to the distribution thereof, provided that the disposition of such Purchaser's or their property shall at all times be within such Purchaser's or their control. Each Purchaser understands that (i) the offer and sale of the Securities have not been registered under the Securities Act and such Securities may be resold only if registered pursuant to the provisions of the Securities Act or if an exemption

from registration is available, except under circumstances where neither such registration nor such an exemption is required by law and in compliance with all applicable Canadian Securities Laws;, and (ii) none of the Transaction Entities is required to register the resale of the Securities, other than as required by the Registration Rights Agreement.

Section 7.2 **Investment Experience; Access to Information**. Each Purchaser (a) is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act, (b) either alone or together with its representatives has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of this investment and make an informed decision to so invest, and has so evaluated the risks and merits of such investment, (c) has the ability to bear the economic risks of this investment and can afford a complete loss of such investment, (d) understands the terms of and risks associated with the purchase of the Securities, including, without limitation, a lack of liquidity, pricing availability and risks associated with the industry in which the Transaction Entities operate, (e) has had the opportunity to review the business and financial condition of the Transaction Entities as such Purchaser has determined to be necessary in connection with the purchase of the Securities, (f) has had an opportunity to ask such questions and make such inquiries concerning the Transaction Entities, their respective businesses and their respective financial condition as such Purchaser has deemed appropriate in connection with such purchase and to receive satisfactory answers to such questions and inquiries and (g) would not disqualify the Transaction Entities' reliance on Rule 506 of Regulation D as a result of the Purchaser being a Bad Actor as defined in Rule 506 of Regulation D.

Section 7.3 **Authorization**. The Purchaser identified on the signature page hereto has full power and authority to enter into this Agreement. This Agreement, when executed and delivered by such Purchaser, will constitute a valid and legally binding obligation of such Purchaser, enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

Section 7.4 **Cannabis**. The Purchaser is aware that: (i) the U.S. Federal Controlled Substances Act classifies "marijuana" as a Schedule I drug, and accordingly, the Company's borrowers' and lessees' cannabis-related activities, including without limitation, cultivation, manufacture, importation, possession, use or distribution of cannabis and cannabis products are illegal under U.S. federal law; (ii) these current laws and/or amendments thereto could have a material adverse impact on the Company as a result of its operations in the cannabis industry; and (iii) it has carefully considered the risk factors related to the Company, including as identified in its public disclosure filings on SEDAR at www.sedar.com, before investing directly or indirectly in the Company or acquiring the Securities hereunder.

Section 7.5 **Taxes**.

(a) Each Purchaser represents and warrants that (i) it has not relied upon any Transaction Entity for any tax advice or disclosure of tax consequences arising from the purchase, ownership or disposition of the Securities and (ii) it has relied upon its own tax counsel or advisors with respect to any tax consequences arising from the purchase, ownership or disposition of the

Securities. Each Purchaser understands that it (and not the Company) shall be responsible for its own tax liability that may arise as a result of this investment and the transactions contemplated by this Agreement.

(b) Each Purchaser represents that it is a "United States person" as defined in Section 7701(a)(30) of the Code.

Section 7.6 Canadian Securities Laws.

(a)(i) Each Purchaser represents and warrants that (A) it, and, if applicable, others for whom it is contracting hereunder, has not received or been provided with a prospectus, offering memorandum (within the meaning of the Canadian Securities Laws) sales or advertising literature, or any document purporting to describe the business and affairs of the Company which has been prepared for review by prospective purchasers to assist in making an investment decision in respect of the Securities and that its decision, or, if applicable, the decision of others for whom it is contracting hereunder, to enter into this Agreement and to purchase the Securities from the Company is based entirely upon publicly available information concerning the Company, and not upon any other verbal or written representation as to fact or otherwise made by or on behalf of the Company; (B) it has not become aware of any advertisement in printed media of general and regular paid circulation (or other printed public media), radio, television or telecommunications or other form of advertisement (including electronic display such as the Internet) with respect to the distribution of the Securities; and (C) it is solely responsible for obtaining such tax, investment, legal and other professional advice as it considers appropriate in connection with the execution, delivery and performance of this Agreement and the transactions contemplated hereunder (including the resale and transfer restrictions referred to herein), and, without limiting the generality, it agrees and acknowledges that the Company's legal counsel is acting solely as counsel to the Company and not as counsel to the Purchaser.

(ii) as a consequence of the sale of the Securities being exempt from the prospectus requirements of the Canadian Securities Laws, (A) certain protections, rights and remedies provided by the Canadian Securities Laws, including statutory rights of rescission and certain statutory remedies against an issuer, underwriters, auditors, directors and officers that are available to investors who acquire securities offered by a prospectus, will not be available to the Purchasers, or, if applicable, others for whom the Purchasers are contracting hereunder; (B) the common law may not provide investors with an adequate remedy in the event that they suffer investment losses in connection with securities acquired in a private placement; (C) the Purchasers, or, if applicable, others for whom they are contracting hereunder, may not receive information that would otherwise be required to be given under the Canadian Securities Laws, and (D) the Company is relieved from certain obligations that would otherwise apply under the Canadian Securities Laws.

(iii) there is no government or other insurance covering the Securities.

(iv) no person has made any written or oral representation (A) that any person will resell or repurchase the Securities, (B) that any person will refund the purchase price of the Notes or Warrants; or (C) as to the future price or value of the Common Stock.

(b) Each Purchaser, on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom the Purchaser is contracting hereunder, acknowledges and consents to the fact that the Company is collecting the Purchaser's personal information (as that term is defined under applicable privacy legislation, including, without limitation, the Personal Information Protection and Electronic Documents Act (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time), and, if applicable, that of each beneficial purchaser for whom it is contracting hereunder, for the purpose of completing this Agreement. Each Purchaser, on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom it is contracting hereunder, acknowledges and consents to the Company retaining such personal information for as long as permitted or required by law or business practices. Each Purchaser, on its own behalf and, if applicable, on behalf of each beneficial purchaser for whom it is contracting hereunder, further acknowledges and consents to the fact that the Company may be required by the Canadian Securities Laws or the rules and policies of any stock exchange to provide regulatory authorities with any personal information provided under this Agreement. Each Purchaser represents and warrants, as applicable, that it has the authority to provide the consents and acknowledgements set out in this paragraph on behalf of each beneficial purchaser for whom it is contracting hereunder. In addition to the foregoing, each Purchaser agrees and acknowledges that the Company may use and disclose the Purchaser's personal information, and that of each beneficial purchaser for whom such Purchaser is contracting hereunder, as follows: (i) for internal use with respect to managing the relationships between and contractual obligations of the Company and the Purchaser or any beneficial purchaser for whom the Purchaser is contracting hereunder; (ii) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to the Canada Revenue Agency; (iii) for disclosure to securities regulatory authorities and other regulatory bodies with jurisdiction with respect to reports of trades and similar regulatory filings; (iv) for disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure; (v) for disclosure to professional advisers of the Company in connection with the performance of their professional services; (vi) for disclosure to any person where such disclosure is necessary for legitimate business reasons and is made with such Purchaser's prior written consent; (vii) for disclosure to a court determining the rights of the parties under this Agreement; or (viii) for use and disclosure as otherwise required or permitted by law.

(c) Each Purchaser hereby authorizes the indirect collection of personal information (as defined in the Canadian Securities Laws) by the Ontario Securities Commission and confirms that it has been notified by the Company: (i) that the Company will be delivering such personal information to the Ontario Securities Commission and other applicable Canadian securities commissions; (ii) that such personal information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in the Canadian Securities Laws applicable in the Province of Ontario; (iii) that such personal information is being collected for the purpose of the administration and enforcement of the Canadian Securities Laws applicable in the Province of Ontario; and (iv) that the title, business address and business telephone number of the public official in the Province of Ontario who can answer questions about the Ontario Securities Commission's indirect collection of personal information is as follows:

Administrative Assistant to the Director of Corporate Finance
Ontario Securities Commission

Suite 1903, Box 55, 20 Queen Street West
Toronto, Ontario M5H 2S8
Telephone: 416-593-8086

SECTION 8. INFORMATION AS TO TRANSACTION ENTITIES.

Section 8.1 Financial and Business Information. Subject to Section 8.4, the Transaction Entities shall deliver to each Holder (collectively, the "**Investor Information**"):

(a) *Annual Financials*. Within 120 days after the end of each fiscal year of the Company beginning with the fiscal year ending December 31, 2021

(i) all annual reports that would be required to be filed or furnished with the SEC on Form 10-K if the Company were required to file or furnish such reports; and

(ii) the Company's then current consolidated capitalization table as of the end of such fiscal year.

(b) *Quarterly Financials*. Within 60 days after the end of the first three fiscal quarters of each fiscal year of the Company beginning with the fiscal quarter ending September 30, 2021,

(i) all quarterly reports that would be required to be filed or furnished with the SEC on Form 10-Q if the Company were required to file or furnish such reports; and

(ii) the Company's then current consolidated capitalization table as of the end of such fiscal quarter.

(c) *Monthly Financials*. Within 30 days after the end of each calendar month, beginning with the calendar month ending October 31, 2021, unaudited consolidated financial statements and the notes thereto of the Company and its consolidated subsidiaries in respect of its most recently completed calendar month, which consolidated financial statements and notes thereto will include at least the Company's and its consolidated subsidiaries' consolidated balance sheet as of the end of such fiscal quarter and its consolidated statements of operations, equity and changes in cash flow of the Company and its subsidiaries or such calendar month, prepared in accordance with GAAP consistently applied;

(d) *Current Reports*. All current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports within five (5) Business Days after the occurrence of the event requiring the delivery thereof.

(e) *Notice of Default or Event of Default*. Promptly, and in any event within five Business Days after a Responsible Officer becomes aware of the existence of any Default or Event of Default, the Transaction Entities shall provide the Purchasers (with a copy to the Notes Agent) a written notice specifying the nature and period of existence thereof and what action the Transaction Entities are taking or propose to take with respect thereto;

(f) *Notice of Material Adverse Effect*. The Transaction Entities shall provide the Purchasers (with a copy to the Notes Agent) promptly, and in any event within 30 days after a

Responsible Officer has received a written notice of any breach or non-performance of, or any default under, an Existing Instrument of the Transaction Entities that has resulted or would reasonably be expected to result in a Material Adverse Effect.

(g) *Other Lender Reporting*. Promptly, and in any event within two (2) Business Days after the delivery thereof, all reporting (including, without limitation, borrowing base certificates and other borrowing base reporting) delivered in writing to all other holders of Indebtedness of the Company or any of its Subsidiaries (including, without limitation, lenders disclosed in Schedule 11.5).

(h) *Notice of the Commencement of Marketing*. The Transaction Entities shall provide the Purchasers (with a copy to the Notes Agent) promptly, and in any event no later than twenty (20) days prior to the date of the applicable Qualified Offering, notice of a Qualified Offering setting forth the terms of such Qualified Offering including, without limitation, a range of offering prices per security to be issued thereunder, provided that the maximum price of such range shall be no greater than 40% higher than the minimum price of such range (such notice, a "**Qualified Offering Notice**"). Each Purchaser shall, within ten (10) Business Days of receipt of a Qualified Offering Notice, provide a Notice of Conversion to the Company and Notes Agent pursuant to Section 2.3(b). Failure to provide such Notice of Conversion within the ten Business Day period shall be deemed a rejection from such Purchaser to convert his/her/its Notes at such Qualified Offering.

Section 8.2 Officer's Certificate. Each set of financial statements delivered to a Purchaser pursuant to Sections 8.1(a) or (b) shall be accompanied by an Officer's Certificate as set forth on Schedule 8.2.

(a) *Covenant Compliance*. The Officer's Certificate shall certify that the Transaction Entities are in compliance with the negative covenants of Section 9.9 and Section 11 and shall set forth the information from such financial statements that is required in order to establish whether the Transaction Entities were in compliance with the requirements of Section 11 during the quarterly or annual period covered by the financial statements then being furnished (including with respect to each such provision that involves mathematical calculations, the information from such financial statements that is required to perform such calculations) and, to the extent that Section 11 sets forth any maximum or minimum amount, ratio or percentage applicable to the Transaction Entities, the calculation of the amount, ratio or percentage, as the case may be, then in existence; and

(b) *Event of Default*. The Officer's Certificate shall certify that such Senior Financial Officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Transaction Entities and their respective subsidiaries from the beginning of the quarterly or annual period covered by the financial statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Transaction Entities shall have taken or propose to take with respect thereto.

Section 8.3 **Conference Call**. Not later than five (5) Business Days following the delivery of the Investor Information required to be delivered to the Holders pursuant to Sections 8.1(a) and 8.1(b) hereof, the senior management team for the Transaction Entities shall host a conference call with the Purchasers (and, at the Company's option, certain holders of Common Stock) to discuss such reports and the results of operations for the relevant reporting period and other matters about which the Purchasers (or the holders of Common Stock) may ask on such calls. The Company will issue a notice to the Notes Agent and the Purchasers at least three Business Days prior to the date of the conference call required to be held in accordance with this Section 8.3, announcing the time and date of such conference call and including all information necessary to access the call.

Section 8.4 **Electronic Delivery**. Financial statements, opinions of independent certified public accountants, notices, other information and Officer's Certificates that are required to be delivered by the Transaction Entities pursuant to Section 8.1(a), Section 8.1(b), Section 8.1(d) and Section 8.2 shall be deemed to have been delivered if such financial statements satisfying the requirements of Sections 8.1(a) or (b) and related Officer's Certificate satisfying the requirements of Section 8.2 are delivered to each Purchaser by e-mail at the e-mail address set forth in such Purchaser's signature page to this Agreement or as communicated from time to time in a separate writing delivered to the Transaction Entities or when filed with the SEC via its EDGAR system. The Transaction Entities will be deemed to have delivered the Officer's Certificate when e-mailed to a Purchaser's email address listed on such Purchaser's signature page to this Agreement or as otherwise communicated from time to time to the Transaction Entities. In no event will the Transaction Entities be liable if such e-mail address is invalid or inoperable.

SECTION 9. AFFIRMATIVE COVENANTS.

The Transaction Entities, and with respect to Section 9.13, the Company, covenant that so long as any of the Notes are outstanding:

Section 9.1 **Compliance with Laws**. Each of the Transaction Entities will comply with all laws, ordinances or governmental rules or regulations to which it is subject (including the USA PATRIOT Act and the other laws and regulations that are referred to in Section 6.6) and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of its properties or to the conduct of its business, in each case to the extent necessary to ensure that non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.2 **Payment of Taxes and Claims**. Each of the Transaction Entities will file all income and all other material tax returns required to be filed and pay all income and all other material taxes shown to be due and payable on such returns and all other taxes, assessments, governmental charges, or levies imposed on it or any of its properties, assets, income or franchises, to the extent the same have become due and payable and before they have become delinquent and all claims for which sums have become due and payable that have or might become a Lien on properties or assets of the Company, provided that the Transaction Entities need not pay any such tax, assessment, charge, levy or claim if (i) the amount, applicability or validity thereof is contested

by the Transaction Entities on a timely basis in good faith and in appropriate proceedings, and the Transaction Entities have established adequate reserves therefor in accordance with GAAP on the books of the Transaction Entities or (ii) the nonpayment of all such taxes, assessments, charges, levies and claims would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 9.3 Tax Matters.

(a) Except as otherwise required by law, each Purchaser and each of the Transaction Entities agrees to treat, and shall treat, the Notes as indebtedness of the Company for U.S. federal income tax purposes.

(b) The Company has determined that the Notes do not constitute, and the Company and the Purchaser agree that they will not treat the Notes as, contingent payment debt instruments within the meaning of Treasury Regulations Section 1.1275-4, except as otherwise required by pursuant to a final "determination" within the meaning of Section 1313(a) of the Code.

Section 9.4 Corporate Existence, Etc. The Transaction Entities will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate, limited partnership or limited liability company, as applicable, existence in accordance with its organization documents (as the same may be amended from time to time); provided that the Transaction Entities will not be required to preserve any such existence if the Transaction Entities in good faith determine that the preservation thereof is no longer desirable in the conduct of the business of the Transaction Entities, taken as a whole and the lack of preservation thereof would not, individually or in the aggregate, have a Material Adverse Effect.

Section 9.5 [Reserved].

Section 9.6 Use of Proceeds. The proceeds from the Notes shall be used by the Transaction Entities (a) to fund Authorized Transactions, (b) for general working capital purposes (c) to retire existing indebtedness of the Company consented to by the Required Holders (which shall not include Indebtedness under the Garrington Facility and all existing debentures of the Transaction Entities currently outstanding), provided that the Transaction Entities shall be permitted to, without the Required Holders' consent, (i) retire existing indebtedness which can be re-drawn by such Transaction Entity under the terms of applicable financing documents, and (ii) repay existing indebtedness if specifically required pursuant to the applicable financing document in effect between the Transaction Entities and the lender as permitted under the terms of the applicable financing documents, (d) to fund certain fees and expenses associated with Authorized Transactions, the maintenance and sale of assets acquired pursuant to Authorized Transactions and (e) the consummation of the transactions contemplated by this Agreement.

Section 9.7 [Reserved].

Section 9.8 Economic Sanctions, Etc. The Transaction Entities will not, and will not permit any of their respective subsidiaries to (a) become (including by virtue of being owned or controlled by a Blocked Person), own or control a Sanctioned Person or (b) directly or indirectly have any investment in or engage in any dealing or transaction (including any investment, dealing

or transaction involving the proceeds of the Securities) with any Person if such investment, dealing or transaction is prohibited by or subject to sanctions under OFAC.

Section 9.9 Use of Proceeds; Margin Regulations. The Transaction Entities will not, and will not permit any of their respective subsidiaries to:

(a) Use the proceeds of the Securities (i) for any purpose other than as set forth in Section 9.5, (ii) in payment to any Person in violation of any Anti-Corruption Laws, or (iii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country.

(b) Use the proceeds of the Securities, whether directly or indirectly, and whether immediately, incidentally or ultimately for the purpose of buying or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (12 CFR 221), or for the purpose of buying or carrying or trading in any securities under such circumstances as to involve the Company in a violation of Regulation X of said Board (12 CFR 224) or to involve any broker or dealer in a violation of Regulation T of said Board (12 CFR 220), and, without limiting the foregoing, at no time shall margin stock constitute more than 10% of the value of the assets of the Transaction Entities and their respective subsidiaries on a consolidated basis. As used in this Section, the terms "margin stock" and "purpose of buying or carrying" shall have the meanings assigned to them in said Regulation U.

Section 9.10 Additional Guarantors. Following creation or acquisition of any subsidiary that is not a Guarantor, as soon as reasonably practicable after such subsidiary is capitalized with, or acquires or holds assets in excess of, $1.0 million (and no later than fifteen (15) calendar days after such capitalization or acquisition), the Transaction Entities shall cause such subsidiary to become a Guarantor by executing the joinder attached hereto as Exhibit A and delivering such executed joinder to the Notes Agent and the Holders.

Section 9.11 ERISA. Each of the Transaction Entities will take such actions as are necessary to ensure that it is not deemed to hold "plan assets" within the meaning of 29 C.F.R. 2510.3-101, as modified by Section 3(42) of ERISA.

Section 9.12 Servicing Agreement. The Transaction Entities shall, as soon as reasonably practicable (and in no event later than December 31, 2021 or such later date as may be agreed by the Required Holders), enter into a servicing agreement (the "**Specified Servicing Agreement**") and such Specified Servicing Agreement shall be effective, having terms and conditions acceptable to the Required Holders and the Company, with Field Point Servicing, LLC, which Specified Servicing Agreement shall apply to each and every lease entered into by the Transaction Entities with their customers (and shall apply to each and every lease of the Transaction Entities entered into with their customers after the date of such Specified Servicing Agreement).

Section 9.13 Warrant Exchange. If the Company changes its jurisdiction of organization, the Company will exchange the Warrants for a new warrant governed by the law of the Company's new jurisdiction of organization that contains terms substantially identical in all material respects to those contained in the Warrant, subject to compliance with the laws of the

resulting jurisdiction of organization; provided that the Company shall exchange the Warrant for a new warrant no later than one (1) Business Day following receipt of written request for exchange from a Warrant holder.

SECTION 10. OPTIONAL REDEMPTION; PURCHASE OF NOTES.

Section 10.1 No Optional Redemption. Except as set forth in Sections 10.2 and 10.3, the Notes shall not be redeemable by the Company prior to the Maturity Date.

Section 10.2 Mandatory Change of Control Redemption. If a Change of Control occurs at any time after the date hereof, the Company shall redeem (a "**Change of Control Redemption**") all of the Notes on the Change of Control Redemption Date at a repurchase price (the "**Change of Control Redemption Price**") equal to the greater of (i) 101% of the principal amount thereof, plus accrued and unpaid interest thereon, if any, to, but excluding, the Change of Control Redemption Date, payable in cash, and (ii) the product of (x) the number of shares of Common Stock issuable upon conversion of the Note (and accrued and unpaid interest thereon) to be redeemed as of immediately prior to the effective date of the Change of Control (such date, the "**Change of Control Effective Date**") *times* (y) the Transaction Price in such Change of Control, payable in the same form and amount of consideration as would be payable to the shares of Common Stock issuable upon conversion of the Note to be redeemed had such Note been converted in full immediately prior to the Change of Control Effective Date.

Section 10.3 [Reserved].

Section 10.4 Notice of Redemption.

(i) If the Company redeems the Notes pursuant to Section 10.2, it shall fix a date for the Change of Control Redemption which shall be the Change of Control Effective Date (the "**Change of Control Redemption Date**"), and it shall provide notice of such Change of Control Redemption (a "**Change of Control Redemption Notice**") not less than sixty (60) calendar days prior to the expected Change of Control Redemption Date to the Notes Agent and each Holder of Notes to be redeemed at its last address as the same appears on the Note Register. For the avoidance of doubt, the Change of Control Redemption Date must be a Business Day.

(ii) The Change of Control Redemption Notice, if mailed in the manner herein provided, shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice. In any case, failure to give such Change of Control Redemption Notice by mail to the Holder of any Note designated for Change of Control Redemption, or any defect in the Change of Control Redemption Notice, shall not affect the validity of the proceedings for the redemption of any other Note.

(iii) Each Change of Control Redemption Notice shall specify:

(A) the events causing the Change of Control;

(B) the expected date of the Change of Control;

(C) the expected Change of Control Redemption Date;

(D) the Change of Control Redemption Price;

(E) the name and address of the Notes Agent;

(F) that on the Change of Control Redemption Date, the Change of Control Redemption Price will be paid upon each Note to be redeemed, and that, unless the Company defaults in the payment of the Change of Control Redemption Price, interest thereon, if any, shall cease to accrue on and after the Change of Control Redemption Date; and

(G) the place or places where such Notes are to be surrendered for payment of the Change of Control Redemption Price.

Notwithstanding delivery of any Change of Control Redemption Notice, Holders may convert the Notes pursuant to Section 2.1.

Section 10.5 Payment of Notes Called for Redemption.

(a) If any Change of Control Redemption Notice has been given in respect of the Notes in accordance with Section 10.2, the Notes shall become due and payable on the Change of Control Redemption Date at the place or places stated in the Change of Control Redemption Notice and at the Change of Control Redemption Price. The Notes shall be paid and redeemed by the Company at the applicable Change of Control Redemption Price.

(b) By 12:00 p.m. (Eastern Time) on the Change of Control Redemption Date, the Company shall deposit with the Notes Agent an amount of cash (in immediately available funds if deposited on the Change of Control Redemption Date), sufficient to pay the Change of Control Redemption Price of all of the Notes to be redeemed on such Change of Control Redemption Date. Subject to receipt of funds by the Notes Agent, payment for the Notes to be redeemed (including the payment of any non-cash consideration, which shall be paid directly by the Company or its designee, rather than the Notes Agent) shall be made on the Change of Control Redemption Date for such Notes. The Notes Agent shall, promptly after such payment and upon written demand by the Company, return to the Company any funds in excess of the cash portion of the Change of Control Redemption Price. If any portion of the Change of Control Redemption Price is payable in a form other than cash, such cash or non-cash consideration shall be delivered by the Company or its designee directly to the Holders.

(c) Restrictions on Redemption. The Company may not redeem any Notes on any date if the principal amount of the Notes has been accelerated in accordance with the terms of the Agreement, and such acceleration has not been rescinded, on or prior to the Change of Control Redemption Date (except in the case of an acceleration resulting from a Default by the Company in the payment of the Change of Control Redemption Price with respect to such Notes).

(d) Purchase of Notes. On any Business Day, the Company or its Affiliates may purchase Notes on the open market or in privately negotiated transactions with holders of Notes. The Company shall, after such aforementioned purchase of the Notes, deliver to the Notes Agent

an Officer's Certificate detailing what Notes have been purchased by the Company and directing the Notes Agent to cancel such Notes. Promptly upon receipt of the Officer's Certificate, the Notes Agent shall cancel the Notes. Such cancelled Notes shall not be reissued and upon cancellation shall not be considered outstanding for purposes of calculating the covenants set forth in Section 11.2. No provision of this Agreement that relates to redemption procedures, penalties, fees, make-whole payments or any other related matters shall be applicable to any Notes cancelled pursuant to and in accordance with this Section 10.6. Any Notes purchased by the Company and any of its Affiliates may not be voted in any matter in which votes of Holders are solicited.

SECTION 11. NEGATIVE COVENANTS.

The Transaction Entities covenant that so long as any of the Notes are outstanding:

Section 11.1 Line of Business. Without the prior written consent of the Required Holders, the Transaction Entities shall not carry on business activities that differ materially or substantially from the Core Business.

Section 11.2 Restricted Payments. The Transaction Entities will not declare or pay any dividend on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement or other acquisition of, any Capital Stock of the Company or any of its Subsidiaries, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of the Company or such Subsidiary (collectively, "**Restricted Payments**") until the first Qualified Offering following the NASDAQ Listing is completed by the Transaction Entities, immediately after which time, the Transaction Entities may make Restricted Payments equivalent to the Allowed Distributions during any fiscal year; provided, that a Subsidiary may make Restricted Payments to its direct parents on a *pro rata* basis.

Section 11.3 Disposition of Assets. Without the prior written consent of the Required Holders, no Transaction Entity will consummate an Asset Disposition other than an Asset Disposition in the Ordinary Course of Business of such Transaction Entity. For the purpose of clarity, each Purchaser expressly acknowledges that the Company's acquisition of Financing Documents and related Accounts, the Company's administration of its rights thereunder (including disposition of goods leased or financed thereunder), and the Company's sale of any shares or other equity interests that are publicly traded and that are owned by the Company on the effective date of this Agreement are Asset Dispositions in the Company's Ordinary Course of Business.

Section 11.4 Indebtedness. Without the prior written consent of the Required Holders, the Transaction Entities shall not, and shall not permit their subsidiaries to, create, incur, issue, assume or permit to exist any Indebtedness for borrowed money, except Indebtedness for borrowed money outstanding or borrowed pursuant to commitments in effect on the Closing Date, in each case, as set forth on Schedule 11.5 hereto; provided, that in no event shall the Transaction Entities incur Indebtedness for borrowed money under the Garrington Facility in excess of the greater of the aggregate principal amount outstanding thereunder as of the Closing Date and the $7,500,000 Minimum Facility Amount (as defined in the Garrington Facility) required to be drawn within the first year of the Garrington Facility, as set forth in the Garrington loan and security agreement minimum borrowing covenant. Without limiting any of the foregoing, without the prior written

consent of the Required Holders, the Transaction Entities shall not, and shall not permit their subsidiaries to, commence activities in preparation of the incurrence of, or agreement to incur, any Indebtedness for borrowed money (including, without limitation, engaging financial advisors or investment bankers), except with respect to Indebtedness for borrowed money to repay the Notes on the Maturity Date and no earlier than six months prior to such Maturity Date.

Section 11.5 Liens. Without the prior written consent of the Required Holders, the Transaction Entities shall not, and shall not permit their subsidiaries to, create, incur, assume or permit to exist any Lien securing Indebtedness for borrowed money unless the Notes are equally and ratably secured with such Indebtedness, subject to the Notes Agent entering into a first lien-intercreditor agreement having terms reasonably acceptable to the Required Holders (which shall provide for equal enforcement rights), except (a) Liens imposed by law, such as carriers', warehousemen's and mechanics' Liens, in each case for sums not yet overdue for a period of more than 30 days or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review if adequate reserves with respect thereto are maintained on the books of such Person in accordance with GAAP; (b) Liens for taxes, assessments or other governmental charges not yet overdue for a period of more than 30 days or not yet payable or subject to penalties for nonpayment or which are being contested in good faith by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of such Person to the extent required by GAAP; or (c) Liens disclosed in the Schedule 11.5 attached hereto. The Liens permitted under subparagraphs (a) through (c) of this Section 11.5 shall be referred to, collectively, as "**Permitted Liens**."

Section 11.6 Investments. The Transaction Entities shall not, and shall not permit their subsidiaries, to make any Investment, other than Permitted Investments.

Section 11.7 Affiliate Transaction. Without the prior written consent of the Required Holders, the Transaction Entities shall not, and shall not permit their subsidiaries to, enter into, or be a party to, any transaction with any Person which is an Affiliate of any Transaction Entity, except transactions entered into in the Ordinary Course of Business and on terms which are no less favorable to such Transaction Entity than would be obtained in a comparable arm's-length transaction with an unrelated third party, provided that this Section 11.7 shall not apply to (x) transactions entirely between and among Transaction Entities and (y) transactions involving aggregate payments or consideration less than $1.0 million.

Section 11.8 Total Leverage Ratio. Without the prior written consent of the Required Holders, the Transaction Entities will not permit the Total Leverage Ratio as of the last day of each fiscal quarter to be greater than 4.25 to 1.0.

Section 11.9 Three-Month Rolling Default Rate. Borrower shall not permit the Three-Month Rolling Default Rate to exceed 7.00%. The Three-Month Rolling Default Rate for each month (the "Measurement Month") shall be calculated on the first day of the month next succeeding the end of such Measurement Month and shall equal the average of the previous three (3) full months' Monthly Default Rate. For greater clarity, as an example, in April the Three-Month Rolling Default Rate shall encompass the Monthly Default Rates for January, February and March.

Section 11.10 ERISA. The Transaction Entities shall not, and shall not permit any ERISA Affiliate, to establish, maintain, contribute or incur any obligation to contribute to Pension Plan or Multiemployer Plan.

Section 11.11 Capital Raise Transactions. Without the prior written consent of the Required Holders, the Transaction Entities shall not issue, or agree to issue, any Capital Stock or other securities (including, without limitation, any Qualified Offering or any Capital Stock or other securities in the form of common equity, subordinated shares, preferred stock or convertible or exchangeable instruments) or commence activities in preparation of the issuance of, or agreement to issue, any such Capital Stock or other securities (including, without limitation, engaging financial advisors or investment bankers), other than in connection with any of the following:

(i) the issuance of Common Stock and/or proportionate voting shares upon the exercise of the Warrants and/or other convertible securities of the Company outstanding as of the date hereof, all in accordance with the respective terms thereof;

(ii) the issuance of securities based compensation arrangements of the Company;

(iii) the issuance of Common Stock and/or other securities, in each case, for fair market value (based on the trading price of the Common Stock at the time, subject to reasonable allowable discounts as may be permitted by the Canadian Securities Exchange at the time of issuance), no earlier than six months prior to the Maturity Date (after the Company shall have exercised the Term Extension) which will generate sufficient net proceeds and will be used to satisfy all applicable payments of principal and interest due and payable under the Notes;

(iv) the issuance of Common Stock, proportionate voting shares and/or warrants for the foregoing, in each case, for fair market value (based on the trading price of the Common Stock at the time, subject to reasonable allowable discounts as may be permitted by the Canadian Securities Exchange at the time of issuance), which will generate sufficient net proceeds and will be used to satisfy any indebtedness of the Company which is to become due and payable within three months from the date of such issuance, and in respect of which the Board has determined, acting reasonably, that the Company does not otherwise have sufficient cash on hand to satisfy the amounts owing thereunder; provided, that the Transaction Entities shall have used commercially reasonable efforts to evaluate all other options for such refinancing (including consulting with the Purchasers); and

(v) the issuance of Common Stock, proportionate voting shares and/or warrants for the foregoing, in each case, for fair market value (based on the trading price of the Common Stock at the time, subject to reasonable allowable discounts as may be permitted by the Canadian Securities Exchange at the time of issuance) in addition to the amounts set forth in items 11.11(i) to (iv) above, in the aggregate amount of up to $5,000,000 in one or more tranches upon such terms as may be determined by the Company in its sole and unfettered discretion.

SECTION 12. GUARANTEE.

(a) *Guarantee*. Each Guarantor, in accordance with the terms hereof, irrespective of the validity and the legal effects of the Notes, irrespective of restrictions of any kind on the Company's performance of its obligations under the Notes, and waiving all rights of objection and defense arising from the Notes, hereby irrevocably and unconditionally guarantees (the "**Guarantee**") to the Holders, the due and punctual payment of principal, premium (if any), and interest (including any additional amounts required to be paid in accordance with the terms and conditions of the Notes) from time to time payable by the Company in respect of the Notes as and when the same shall become due, whether at stated maturity, upon redemption or repayment, by acceleration or otherwise, and accordingly undertakes to pay such Holder, in the manner and the currency set forth in the terms and conditions of the Notes, any amount or amounts which the Company is at any time liable to pay in respect of such Notes and which the Company has failed to pay, including amounts that become due in advance of their stated maturity as a result of acceleration. Any diligence, presentment, demand, protest or notice, whether in relation to any Guarantor, the Company, or any other person, from a Holder, in respect of any of such Guarantor's obligations under the Guarantee is hereby waived.

(b) *Status*. The obligations of each Guarantor under the Guarantee constitute direct, unsecured and unsubordinated obligations of such Guarantor and the Guarantor undertakes that its obligations hereunder will rank *pari passu* with all other present or future direct, unsecured and unsubordinated obligations of such Guarantor.

(c) *Duration*. Each Guarantor's Guarantee is a guarantee of payment and not merely of collection and it shall continue in full force and effect by way of continuing security until all principal, premium (if any) and interest (including any additional amounts required to be paid in accordance with the terms and conditions of the Notes) have been paid in full and all other actual or contingent obligations of each Guarantor in relation to the Notes or under this Agreement have been satisfied in full. Notwithstanding the foregoing, if any payment received by any Holder is, on the subsequent bankruptcy or insolvency of the Company, avoided under any applicable laws, including, among others, laws relating to bankruptcy or insolvency, such payment will not be considered as having discharged or diminished the liability of any Guarantor under the Guarantee and the Guarantee will continue to apply as if such payment had at all times remained owing by the Company. For the avoidance of doubt, all obligations under the guarantee with respect to any Note shall terminate and be released upon conversion of such Note in accordance with this Agreement.

(d) *Exercise of Rights; Subrogation; Claims against the Company*. Until all principal, premium (if any) and interest and all other monies payable by the Company in respect of any Notes shall be paid in full, (i) no right of any Guarantor, by reason of the performance of any of its obligations under the Guarantee, to be indemnified by the Company or any other Guarantor or to take the benefit of or enforce any security or other guarantee or indemnity against the Company or any other Guarantor in connection with the Notes shall be exercised or enforced and (ii) no Guarantor shall (a) by virtue of the Guarantee or any other reason be subrogated to any rights of any Holder or (b) claim in competition with the Holders against the Company or any other Guarantor. If any Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts

which may be or become payable to the Holders by the Company under or in connection with the Notes to be paid in full on behalf and for the benefit of the Holders and shall promptly pay or transfer the same to the Holders as they may direct to the extent such amount shall be due and unpaid by the Company to the Holders.

(e) *Release of Guarantors*. Upon request of the Company in connection with any disposition of all or substantially all of the Capital Stock of any Guarantor not prohibited by this Agreement (including by way of merger or amalgamation) pursuant to which any Guarantor is no longer a subsidiary of the Transaction Entities, the Guarantee of such former subsidiary shall automatically terminate and the Notes Agent shall (with notice to the Holders) execute and deliver all releases reasonably necessary or desirable to evidence the release the Guarantee.

(f) If a provision of this Section 12 with respect to the Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction or in any other jurisdiction of any other provision of the Guarantee.

SECTION 13. EVENTS OF DEFAULT.

An "**Event of Default**" shall exist if any of the following conditions or events shall occur and be continuing:

(a) the Company defaults in the payment of any principal or premium, if any, on any Note when the same becomes due and payable, whether at maturity or at a date fixed for prepayment or by declaration or otherwise; or

(b) the Company defaults in the payment of any interest, fees or expenses on any Note or under this Agreement when the same becomes due and payable and such default continues for 30 days; or

(c) (x) the Company defaults in the performance of or compliance with any term contained in Section 8 hereof and such default is not remedied within 30 days after the Transaction Entities (with a copy to the Notes Agent) receive written notice of such default from Holders holding at least 50% in aggregate principal amount of the then-outstanding Notes (any such written notice to specify the default and require it to be remedied and to be identified as a "notice of default" and to refer specifically to this Section 13(c)(x)); or (y) the Company defaults in the performance of or compliance with any term contained herein (other than those referred to in Sections 13(a) and (b) and clause (x) above); or

(d)

(i) default under any bond, note, debenture, certificate of designation or other evidence of Indebtedness for borrowed money of or guaranteed by the Transaction Entities or under any mortgage, indenture or other instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for borrowed money of or guaranteed by the Transaction Entities that results in the acceleration or required redemption of such Indebtedness for borrowed money in an aggregate principal amount exceeding $5,000,000 or which constitutes a failure to pay when due (after expiration of any applicable grace period); or

(ii) any default under any bond, note, debenture, certificate of designation or other evidence of Indebtedness for borrowed money of or guaranteed by the Transaction Entities or under any mortgage, indenture or other instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for borrowed money of or guaranteed by the Transaction Entities that permits the acceleration or required redemption of such Indebtedness for borrowed money by the lenders or holders thereof in an aggregate principal amount exceeding $5,000,000;

(e) any representation or warranty made in writing by or on behalf of the Transaction Entities or by any officer of the Transaction Entities in this Agreement proves to have been false or incorrect in any material respect on the date as of which it was made; or

(f) the Transaction Entities (i) are generally not paying, or admit in writing their inability to pay, their debts as they become due, (ii) file, or consent by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy, for liquidation or to take advantage of any bankruptcy, insolvency, reorganization, moratorium or other similar law of any jurisdiction, (iii) make an assignment for the benefit of its creditors, (iv) consent to the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to the Transaction Entities or with respect to any substantial part of their property, or (v) takes corporate action for the purpose of any of the foregoing; or

(g) a court or other Governmental Authority of competent jurisdiction enters an order appointing, without consent by either of the Transaction Entities, a custodian, receiver, trustee or other officer with similar powers with respect to it or with respect to any substantial part of its property, or constituting an order for relief or approving a petition for relief or reorganization or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy or insolvency law of any jurisdiction, or ordering the dissolution, winding-up or liquidation of either of the Transaction Entities, or any such petition shall be filed against either of the Transaction Entities and such petition shall not be dismissed within 45 days; or

(h) one or more final judgments or orders for the payment of money aggregating in excess of $5,000,000 are rendered against either of the Transaction Entities; or

(i) the director appointed by the Purchasers or their Affiliates is removed from the Board in breach of the Company's Bylaws or any registration rights agreement; or

(j) the Company defaults in the performance of or compliance with any term contained in the Designation Agreement, the Voting Agreement or the Specified Servicing Agreement (in each case after expiration of any applicable grace period provided thereto).

SECTION 14. REMEDIES ON DEFAULT, ETC.

Section 14.1 Acceleration. If an Event of Default with respect to the Notes occurs and is continuing (other than an Event of Default set forth in Sections 13(a), (b), (f), (g) or (h)), then Required Holders may declare the principal of the Notes, and accrued and unpaid interest, if any, thereon to be due and payable immediately, by a written notice to the Company (with a copy to the Notes Agent), and upon any such declaration such principal and such accrued and unpaid interest shall become immediately due and payable. If any Event of Default described in Sections

13(a) or (b) has occurred and is continuing, any Holder or Holders at the time outstanding affected by such Event of Default may at any time, at its or their option, by notice or notices to the Company (with a copy to the Notes Agent), declare all the Notes held by it or them to be immediately due and payable. If an Event of Default under Sections 13(f), (g) or (h) with respect to the Transaction Entities occurs and is continuing, then the principal of all the Notes, and accrued and unpaid interest, if any, thereon shall be automatically due and payable.

Upon any Notes becoming due and payable under this Section 14.1, whether automatically or by declaration, such Notes will forthwith mature and the entire unpaid principal amount of such Notes, plus all accrued and unpaid interest thereon (including interest accrued thereon at the Default Rate) shall be due and payable without presentment, demand, protest or further notice, all of which are hereby waived.

Section 14.2 Other Remedies. If any Event of Default has occurred and is continuing, and the Notes have been declared immediately due and payable under Section 14.1, Required Holders may proceed to protect and enforce the rights of the Holders by an action at law, suit in equity or other appropriate proceeding, whether for the specific performance of any agreement contained herein or in any Note, or for an injunction against a violation of any of the terms hereof or thereof, or in aid of the exercise of any power granted hereby or thereby or by law or otherwise.

Section 14.3 Rescission. At any time after any Notes have been declared due and payable pursuant to Section 14.1, Required Holders, by written notice to the Transaction Entities (with a copy to the Notes Agent), may rescind and annul any such declaration and its consequences if (a) the Company has paid all overdue interest on the Notes, all principal of any Notes that are due and payable and are unpaid other than by reason of such declaration, and all interest on such overdue principal and (to the extent permitted by applicable law) any overdue interest in respect of the Notes, at the Default Rate, (b) neither the Company nor any other Person shall have paid any amounts which have become due solely by reason of such declaration, (c) all Events of Default and Defaults, other than non-payment of amounts that have become due solely by reason of such declaration, have been cured or have been waived pursuant to Section 19, and (d) no judgment or decree has been entered for the payment of any monies due pursuant hereto or to the Notes. No rescission and annulment under this Section 14.3 will extend to or affect any subsequent Event of Default or Default or impair any right consequent thereon.

Section 14.4 No Waivers or Election of Remedies. No course of dealing and no delay on the part of any Holder in exercising any right, power or remedy shall operate as a waiver thereof or otherwise prejudice such Holder's rights, powers or remedies. No right, power or remedy conferred by this Agreement or any Note upon any Holder shall be exclusive of any other right, power or remedy referred to herein or therein or now or hereafter available at law, in equity, by statute or otherwise.

Section 14.5 [Reserved].

Section 14.6 Rights and Remedies Cumulative. No right or remedy herein conferred by this Agreement or any Note upon or reserved to the Notes Agent or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder

or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 14.7 Waiver of Stay or Extension Laws. The Transaction Entities covenant (to the extent that they may lawfully do so) that they will not at any time insist upon, or plead or in any manner whatsoever, claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Agreement.

Section 14.8 Expenses, Etc. Without limiting the obligations of the Transaction Entities under Section 17, the Transaction Entities will pay to each Holder that, together with its Affiliates, holds at least 45% of the Notes on demand such further amount as shall be sufficient to cover all out-of-pocket third party costs and expenses of such Holder and all reasonable documented costs and expenses of the Notes Agent incurred in any enforcement or collection under this Section 14, including reasonable and documented attorneys' fees, expenses and disbursements of one counsel to each of the Notes Agent and such Holder.

SECTION 15. REGISTRATION; EXCHANGE; SUBSTITUTION OF NOTES.

Section 15.1 Form of Notes. The Notes will be represented on the Note Register and shall not be represented by physical certificates. Beneficial interests in the Notes will be shown on, and transfers thereof will be effected only through, the Note Register maintained by the Notes Agent.

Section 15.2 Authentication and Delivery.

(a) All Notes shall be evidenced on the Note Register at the direction of a Responsible Officer in writing to the Notes Agent. Upon receipt of such written instructions as described in the preceding sentence, the Notes Agent shall record the effect of such direction on the Note Register.

(b) [Reserved].

(c) All instructions given by the Company pursuant to this Section 15.2 must be received by the Notes Agent by 11 a.m., New York City time, on the Business Day preceding the original issue date for the Notes.

(d) The Notes Agent shall have no responsibility to the Transaction Entities to determine whether a signature of a Responsible Officer is genuine. The Notes Agent shall not incur any liability to the Transaction Entities in acting or refraining from taking any action hereunder upon instructions contemplated hereby which the recipient thereof believed in good faith to have been given by a Responsible Officer. In the event a discrepancy exists between the instructions as originally received by the Notes Agent and any subsequent instruction relating to the same subject matter, the original instructions will be deemed controlling if action has already been taken in reliance thereon. The Notes Agent, as the case may be, agrees to give notice to the Transaction Entities of such discrepancy reasonably promptly upon the discovery by the Notes Agent of such discrepancy.

(e) Each instruction given to the Notes Agent in accordance with this Section 15.2 shall constitute a representation and warranty to the Notes Agent, as the case may be, by the Company that (i) the issuance and delivery of the Notes to which the instruction relates have been duly and validly authorized by the Company, (ii) such Notes, when completed pursuant hereto, will constitute valid and legally binding obligations of the Transaction Entities and (iii) the Notes Agent's appointment to act for the Transaction Entities hereunder has been duly authorized by all necessary corporate action of the Transaction Entities.

Section 15.3 Denominations; Issuance of Certificated Securities.

(a) The Notes shall be issuable only in registered form, without coupons, in minimum denominations of $1. Each Note shall be issued solely on the Note Register and be dated the date of its issuance and shall bear interest from the date specified on the face of such Note; provided that any PIK Notes shall bear interest only from their respective dates of issue.

Section 15.4 Transfer and Exchange of Notes.

(a) The Notes Agent shall, acting solely for this purpose as a non-fiduciary agent of the Company, so long as any of the Notes remain outstanding, maintain records in accordance with customary practices, including all forms of transfer for the Notes and shall: (i) keep at its corporate offices a register (the "**Note Register**") in such form as the Notes Agent may determine, but in any event in form sufficient to cause the Notes to be considered to be in registered form for purposes of Section 163(f) of the Code, in which, subject to such reasonable requirements as it may prescribe, it shall provide for the registration of the Notes and the Additional Notes Commitment and of any exchanges or transfers thereof and (ii) maintain records showing for each outstanding Note issued in definitive form under this Section 15.4, the principal amount, maturity date, interest rate and other terms thereof, the date of original issue and all subsequent transfers and consolidations or exchanges. The Company may, upon reasonable prior written notice to Notes Agent, access and copy the Note Register during normal business hours. The Purchasers may, from time to time, inspect the Notes Register (including holdings of Holders other than the Purchasers) and each other Holder may inspect the Note Register with respect to its own holding of Notes, in each case, upon reasonable advance written notice to the Notes Agent.

(b) The Company may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Purchaser (and any attempted assignment or transfer by the Company without such consent shall be null and void). Except as otherwise provided in this Section 15.4(b), no Note and no interest in any Note may be sold, transferred or assigned by the original Holder of such Note. Except as otherwise provided in this Section 15.4(b), no Purchaser may assign its rights or obligations under this Agreement. Any Holder or a Purchaser may assign to one or more of the Holder's or Purchaser's Affiliates or one or more other assignees (including any third party assignees) (a "**Permitted Assignee**") all or a portion of its rights and obligations under its Note, Additional Notes Commitment and this Agreement without the consent of the Transaction Entities and, for the avoidance of doubt, subject to the transferee's confirmation of each of the representations of the Purchasers in Section 7.

The parties to each assignment shall execute and deliver to the Company and the Notes Agent an Assignment and Assumption in the form of Exhibit B hereto acceptable to the Notes

Agent and any tax form required by the Notes Agent, together with a processing and recordation fee of $3,500; provided, that the Notes Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Purchaser, shall deliver to the Agent an Administrative Questionnaire.

(c) Each Holder shall pay all of its costs and expenses, including Transfer Taxes, payable upon transfer, assignment or resale of any Notes and the Notes Agent may require the payment of a sum sufficient by a Holder to cover any such Transfer Tax that may be imposed in connection therewith or presentation of evidence that such tax or charge has been paid. Notwithstanding anything to the contrary set forth herein, no registration or transfer shall be made on or after the 15th day immediately preceding the Maturity Date.

(d) Beneficial ownership of the Notes will only be shown on, and transfers thereof will be effected only through, the books and records of the Notes Agent.

(e) The Notes Agent shall not record upon its books and records any transfer of any Notes except in accordance with the terms and conditions of this Agreement. Any purported sale, transfer or assignment of Notes in express violation of such terms and conditions (including but not limited to Section 15.4(b)(ii)) shall be void *ab initio* and shall not be recognized by the Company or the Notes Agent.

Section 15.5 Persons Deemed Owners. Prior to due presentment of a Note for registration or transfer, the Transaction Entities, the Notes Agent and any agent of the Transaction Entities, the Notes Agent may treat the person in whose name such Note is registered as the owner of such Note for the purpose of receiving payments of principal and interest, if any, and for all other purposes whatsoever, whether or not such Note be overdue, and the Transaction Entities nor the Notes Agent shall not be affected by notice to the contrary.

SECTION 16. PAYMENTS ON NOTES.

Section 16.1 Place of Payment on the Maturity Date. Payment of the principal and interest payable on the Maturity Date will be made by wire transfer in immediately available funds to a bank account in the United States designated by the Notes Agent or at such other place or places as the Notes Agent shall designate by notice to the Company.

Section 16.2 Interest Payments Due on the Notes. Notwithstanding anything to the contrary contained in this Agreement or the other Note Documents, any payment of interest shall be payable to the Holder of any Note in whose name such Note is registered in the Note Register at the close of business on the fifteenth (15th) calendar day prior to the applicable Interest Payment Date (a "**Record Date**").

Section 16.3 Non-Maturity Date Payment by Wire Transfer. Payments (other than on the Maturity Date) shall be made by wire transfer in immediately available funds to a bank account in the United States designated by the Notes Agent in a written notice received by the Company not later than the applicable Record Date (as defined below). Interest and principal payable on any payment date (other than on the Maturity Date) shall be payable to the Holder of any Note in whose name such Note is registered at the close of business on the Record Date.

Section 16.4 Taxes.

(a) If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law. All such amounts withheld under this Section 16.4 shall be treated as delivered to the Holder hereunder.

(b) By acceptance of any Note, the Holder agrees that such Holder will with reasonable promptness duly complete and deliver to the Transaction Entities and the Notes Agent, or to such other Person as may be reasonably requested by the Transaction Entities, from time to time (a) any forms, documents, or certifications as may be reasonably required for the Transaction Entities to satisfy any information reporting or withholding tax obligations with respect to any payments under this Agreement, (b) in the case of any such Holder that is a United States Person, such Holder's United States tax identification number or other forms reasonably requested by the Transaction Entities necessary to establish such Holder's status as a United States Person under FATCA and as may otherwise be necessary for the Company to comply with its obligations under FATCA and (c) in the case of any such Holder that is not a United States Person, such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation as may be necessary for the Transaction Entities to comply with its obligations under FATCA and to determine that such Holder has complied with such Holder's obligations under FATCA or to determine the amount (if any) to deduct and withhold from any such payment made to such Holder. Nothing in this Section 16.4 shall require any Holder to provide information that is confidential or proprietary to such Holder unless the Transaction Entities are required to obtain such information under FATCA and, in such event, the Transaction Entities shall treat any such information it receives as confidential.

(c) The Notes Agent shall deliver to the Company on or prior to the date on which the Notes Agent becomes a party to this Agreement (and, for the avoidance of doubt, prior to the date on which any payment to the Notes Agent is due under this Agreement), and from time to time thereafter upon the reasonable request of the Company, an executed IRS Form W-9 certifying that the Notes Agent is a U.S. Person that is exempt from U.S. federal withholding Tax (including backup withholding Tax).

SECTION 17. EXPENSES, ETC.

Section 17.1 Transaction Expenses. The Transaction Entities agree to promptly (and in any event within 10 days of request therefor) pay or reimburse the Notes Agent and each Holder that, together with its Affiliates, holds at least 45% of the Notes for all reasonable and documented out-of-pocket costs and expenses (including, without limitation, fees and expense of counsel to each of the Notes Agent and each such Holder and any local counsel of each in each appropriate jurisdiction) incurred in connection with this Agreement or the other Note Documents, including, without limitation, in connection with (i) the development, preparation, execution and delivery of this Agreement and the other Note Documents and in each case any amendment thereto, (ii) the administration of and exercise of any rights under this Agreement or the other Note Documents

and (iii) any proceeding under any Insolvency Law or in connection with any workout or restructuring.

The Transaction Entities will promptly (and in any event within 10 days of request thereof) indemnify and hold harmless the Notes Agent, each Holder and their respective Affiliates, and each of their respective partners that are natural persons, members that are natural persons, officers, directors, employees, trustees, advisors, agents and controlling Persons (each, an "**Indemnitee**") from any liability, obligation, loss, damage, disbursement, judgment, liability, claim, order, decree, fine, penalty, cost, fee, expense (but limited, in the case of attorneys' fees and expenses, to the reasonable and documented out-of-pocket attorneys' fees of one special counsel for the Notes Agent and one special counsel for each Holder that, together with its Affiliates, holds at least 45% of the Notes, and local counsel for each in each material jurisdiction) or obligation arising out of any actions, judgments or suits of any kind or nature whatsoever, arising out of or in connection with any claim, action or proceeding resulting from the execution, delivery, enforcement, performance and administration of this Agreement, the other Note Documents and the transactions contemplated hereby and thereby, owning the Notes or the conversion of the Notes into Common Stock, including the use of the proceeds of the Securities by the Transaction Entities, in each case, other than any such judgment, liability, claim, order, decree, fine, penalty, cost, fee, expense (including reasonable attorneys' fees and expenses) or obligation that resulted from (x) the gross negligence or willful misconduct or a breach of this Agreement or any Note by such Indemnitee or any of its Affiliates (other than a breach by the Notes Agent or its Affiliates) determined by a court of competent jurisdiction in a final non-appealable decision or (y) a claim between any Purchaser or Holder, on the one hand, and any other Purchaser or Holder, on the other hand (other than claims arising out of any act or omission by the Transaction Entities and/or their Affiliates). Notwithstanding anything to the contrary, the Transaction Entities shall not be liable to any Indemnitee for any special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of the transactions contemplated hereunder or under any Note.

Section 17.2 Survival. The obligations of the Transaction Entities under this Section 17 will survive the payment or transfer of any Note, the enforcement, amendment or waiver of any provision of this Agreement or the Notes, and the termination of this Agreement.

SECTION 18. SURVIVAL OF REPRESENTATIONS AND WARRANTIES; ENTIRE AGREEMENT.

All representations and warranties contained herein shall survive the execution and delivery of this Agreement and the other Note Documents, the purchase or transfer by any Purchaser of any Securities or portion thereof or interest therein and the payment of any Note, and may be relied upon by any subsequent Holder of a Note, regardless of any investigation made at any time by or on behalf of such Purchaser or any other Holder. All statements contained in any certificate or other instrument delivered by or on behalf of the Transaction Entities pursuant to this Agreement shall be deemed representations and warranties of the Transaction Entities under this Agreement. Subject to the preceding sentence, this Agreement and the other Note Documents embody the entire agreement and understanding between each Purchaser and the Transaction Entities and supersede all prior agreements and understandings relating to the subject matter hereof.

SECTION 19. AMENDMENT AND WAIVER.

Section 19.1 Requirements. Any term of this Agreement or the Securities may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) by a writing signed by the Company and Required Holders, except that no amendment or waiver may, without the written consent of each Holder affected thereby:

(a) reduce or forgive the principal amount of the Notes;

(b) extend the final scheduled date of maturity of any Note;

(c) reduce or forgive the stated rate of any interest payable hereunder (or change the form or manner in which interest is paid) (except in connection with the waiver of applicability of any post-default increase in interest rates, which waiver shall be effective with the consent of the Required Holders);

(d) reduce or forgive the amount of any fees hereunder or extend the scheduled date of any payment of such interest, premium (including the Change of Control Redemption Price) or fees;

(e) (A) eliminate or reduce the voting rights of any Holder, (B) consent to the assignment or transfer by the Company of any of its rights and obligations under this Agreement and the other Note Documents or (C) contractually subordinate any Notes in right to payments to any other obligations of the Company;

(f) amend, waive, or alter any provision providing for the pro rata application of payments to Notes; or

(g) amend or waive any provisions providing any Notes with the right to convert into Common Stock or reducing the value or delaying the timing of such conversion rights or providing for dilution protection with respect to the definition of Conversion Price.

Any amendment or waiver effected in accordance with this Section 19 shall be binding upon each Investor, each holder of any Notes issued under this Agreement at the time outstanding, each future holder of securities into which such Notes are convertible, and the Company.

Notwithstanding the foregoing, the Company and the Holders shall not amend, modify or waive any provision of Sections 25 and 26 or any other provision that would affect the rights or duties of, or any fees or other amounts payable to, the Notes Agent under this Agreement or any other Note Document, without the written consent of the Notes Agent.

Section 19.2 Solicitation of Holders. The Transaction Entities will provide each Holder with sufficient information, sufficiently far in advance of the date a decision is required, to enable such Holder to make an informed and considered decision with respect to any proposed amendment, waiver or consent in respect of any of the provisions hereof or of the Securities. The Transaction Entities will deliver executed or true and correct copies of each amendment, waiver

or consent effected pursuant to this Section 19 to each Holder promptly following the date on which it is executed and delivered by, or receives the consent or approval of, Required Holders.

Section 19.3 Binding Effect, Etc. Any amendment or waiver consented to as provided in this Section 19 applies equally to all Holders and is binding upon them and upon each future Holder and upon the Transaction Entities without regard to whether any Note has been marked to indicate such amendment or waiver. No such amendment or waiver will extend to or affect any obligation, covenant, agreement, Default or Event of Default not expressly amended or waived or impair any right consequent thereon. No course of dealing between the Transaction Entities and any Holder and no delay in exercising any rights hereunder or under any Note shall operate as a waiver of any rights of any Holder of such Note.

Section 19.4 Cancellation of Notes Held by Transaction Entities, Etc. Notes directly or indirectly owned by the Transaction Entities and/or any their respective subsidiaries and Affiliates shall be immediately cancelled for all purposes of this Agreement after delivery by the Company of an Officer's Certificate detailing the Notes directly or indirectly owned by the Transaction Entities and/or any their respective subsidiaries and Affiliates and the Notes Agent shall record the cancellation thereof on the Note Register. For the avoidance of doubt, for the purpose of determining whether the Holders of the requisite percentage of the aggregate principal amount of Notes then-outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement or the Notes, or have directed the taking of any action provided herein or the Notes to be taken upon the direction of the Holders of a specified percentage of the aggregate principal amount of Notes then-outstanding, Notes directly or indirectly owned by the Transaction Entities and/or any their respective subsidiaries and Affiliates shall be deemed not to be outstanding.

SECTION 20. NOTICES.

Section 20.1 Written Notices. Except to the extent otherwise provided in Section 8.3 and Section 20.2, all notices and communications provided for hereunder shall be in writing and sent (a) by telecopy if the sender on the same day sends a confirming copy of such notice by an internationally recognized overnight delivery service (charges prepaid), or (b) by registered or certified mail with return receipt requested (postage prepaid), (c) by an internationally recognized overnight delivery service (charges prepaid), or (d) by e-mail, provided, that upon request of any Holder to receive paper copies of such notices or communications, the Transaction Entities will promptly deliver such paper copies to such Holder:

(i) if to any Purchaser or its nominee, to such Purchaser or nominee at the address specified for such communications in such Purchaser's Administrative Questionnaire, or at such other address as such Purchaser or nominee shall have specified to the Transaction Entities in writing (with a copy to the Notes Agent),

(ii) if to any other Holder, to such Holder at such address as set forth in the Administrative Questionnaire, or

(iii) if to either of the Transaction Entities, to the Company at its address set forth on the first page of this Agreement to the attention of the Chief Financial Officer, or

at such other address as the Transaction Entities shall have specified to any Holder in writing.

(iv) If to the Notes Agent, to the Notes Agent at its address set forth below:

Acquiom Agency Services LLC, as Notes Agent
Attn: _____ Administrator
150 South 5th Street, Suite 2600
Minneapolis, MN 55402
loanagency@srsacquiom.com

Notices under this Section 20.1 will be deemed given only when actually received.

Section 20.2 Platform.

(a) Each of the Transaction Parties agree that the Notes Agent may, but shall not be obligated to, make the Communications available to the Purchasers by posting the Communications on the Platform.

(b) The Platform is provided "as is" and "as available." The Notes Agent and its Affiliates do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by the Notes Agent or its Affiliates in connection with the Communications or the Platform. In no event shall the Notes Agent or any of its Affiliates have any liability to the Transaction Entities, any Purchaser or any other Person or entity for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the transmission of Communications through the Platform by the Notes Agent or a Transaction Entity.

SECTION 21. REPRODUCTION OF DOCUMENTS.

This Agreement and all documents relating thereto, including (a) consents, waivers and modifications that may hereafter be executed, (b) documents received by any Purchaser at the Closing (except the Notes themselves), and (c) financial statements, certificates and other information previously or hereafter furnished to any Purchaser, may be reproduced by such Purchaser by any photographic, photostatic, electronic, digital, or other similar process and such Purchaser may destroy any original document so reproduced. The Transaction Entities agree and stipulate that, to the extent permitted by applicable law, any such reproduction shall be admissible in evidence as the original itself in any judicial or administrative proceeding (whether or not the original is in existence and whether or not such reproduction was made by such Purchaser in the regular course of business) and any enlargement, facsimile or further reproduction of such reproduction shall likewise be admissible in evidence. This Section 21 shall not prohibit the Transaction Entities or any Holder from contesting any such reproduction to the same extent that it could contest the original, or from introducing evidence to demonstrate the inaccuracy of any such reproduction.

SECTION 22. CONFIDENTIAL INFORMATION.

For the purposes of this Section 22, "**Confidential Information**" means non-public information delivered to any Purchaser or the Notes Agent by or on behalf of the Transaction Entities or any of their respective subsidiaries in connection with the transactions contemplated by or otherwise pursuant to this Agreement, provided that such term does not include information that (a) was publicly known or otherwise known to such Purchaser or the Notes Agent prior to the time of such disclosure, (b) subsequently becomes publicly known through no act or omission by such Purchaser or Notes Agent or any Person acting on such Purchaser's or Notes Agent's behalf, or (c) otherwise becomes known to such Purchaser or the Notes Agent other than through disclosure by the Transaction Entities or any of their respective subsidiaries. Each of the Purchasers and the Notes Agent will maintain the confidentiality of such Confidential Information in accordance with procedures adopted by such Purchaser or the Notes Agent, as the case may be, in good faith to protect Confidential Information of third parties delivered to such Purchaser or the Notes Agent, as the case may be, provided that such Purchaser or Notes Agent, as the case may be, may deliver or disclose Confidential Information to (i) its directors, officers, employees, agents, attorneys, trustees and affiliates (to the extent such disclosure reasonably relates to an investment in the Securities), (ii) its auditors, financial advisors and other professional advisors who agree to hold confidential the Confidential Information substantially in accordance with this Section 22, (iii) any other Holder or Party to this Agreement, (iv) any financial institution to which the relevant Purchaser sells or offers to sell such Note or any part thereof or any participation therein (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 22), (v) any Person from which the relevant Purchaser offers to purchase any security of the Transaction Entities (if such Person has agreed in writing prior to its receipt of such Confidential Information to be bound by this Section 22), (vi) any federal or state regulatory authority having jurisdiction over such Purchaser or the Notes Agent, as the case may be, (vii) any nationally recognized rating agency that requires access to information about such Purchaser's investment portfolio, or (viii) any other Person to which such delivery or disclosure may be necessary or appropriate (w) to effect compliance with any law, rule, regulation or order applicable to such Purchaser or the Notes Agent, as the case may be, (x) in response to any subpoena or other legal process, (y) in connection with any litigation to which such Purchaser or the Notes Agent, is a party or (z) if an Event of Default has occurred and is continuing, to the extent such Purchaser or the Notes Agent, as the case may be, may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under such Purchaser's Notes (if applicable), this Agreement or any of the other Note Documents. Each Holder, by its acceptance of a Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 22 as though it were a party to this Agreement. On reasonable request by the Transaction Entities in connection with the delivery to any Holder of information required to be delivered to such Holder under this Agreement or requested by such Holder (other than a Holder that is a party to this Agreement or its nominee), such Holder will enter into an agreement with the Transaction Entities embodying this Section 22.

In the event that as a condition to receiving access to information relating to the Transaction Entities or their respective subsidiaries in connection with the transactions contemplated by or otherwise pursuant to this Agreement, any Purchaser or Holder is required to agree to a confidentiality undertaking (whether through a secure website, a secure virtual workspace or otherwise) which is different from this Section 22, this Section 22 shall not be amended thereby

and, as between such Purchaser or such Holder and the Transaction Entities, this Section 22 shall supersede any such other confidentiality undertaking.

SECTION 23. RIGHT OF FIRST OFFER.

Section 23.1 Right of First Offer. Subject to Section 23.4, in the event that the Company decides to undertake from time to time following the Closing Date a future issuance (in each case, a "**New Offering**") of any Shares of Common Stock or other securities of the Company which are convertible into, exchangeable or exercisable for or otherwise represent a right to acquire Shares of Common Stock (collectively, the "**New Securities**"), the Company shall, at such time, deliver to the Eligible Investors written notice of such future issuance (the "**Pre-emptive Notice**"). The Pre-emptive Notice shall describe the amount, type and terms (including, as applicable, the exercise price and expiration date thereof) of such New Securities, the purchase price per New Security (the "**New Securities Price**") to be paid by the purchasers thereof and the other terms upon which the Company intends to issue the New Securities, including the expected timing of such issuance (which will in no event be more than sixty (60) days or less than ten (10) days (or, in the case of a bought deal, three (3) days) after the date upon which such notice is given). Subject to the receipt of all required regulatory and stock exchange approvals and compliance with all applicable laws and the regulations of any stock exchange upon which the Common Stock may be listed from time to time, the Eligible Investors shall have the right to purchase at the lowest price paid by the purchasers of such New Securities and otherwise on substantially the terms and conditions set out in the Pre-emptive Notice:

(a) in the case of a New Offering of Shares of Common Stock, such number of Shares of Common Stock that will allow the Eligible Investors to maintain their same percentage ownership in the Shares of Common Stock as they had immediately prior to completion of the New Offering, on a partially converted, exchanged and diluted basis, assuming the conversion and/or exercise of the convertible securities held by the Eligible Investors only; and

(b) in the case of a New Offering of New Securities that are not Shares of Common Stock, such number of such New Securities that will (assuming conversion or exchange of all of the convertible or exchangeable New Securities issued in connection with the New Offering and the convertible or exchangeable New Securities issuable to the Eligible Investors pursuant to this Section 23.1(b)) allow the Eligible Investors to maintain the same percentage ownership in the Shares of Common Stock as it had immediately prior to completion of the New Offering, on a partially converted, exchanged and diluted basis assuming the conversion and/or exercise of the convertible securities held by the Eligible Investors only.

Section 23.2 Notice of Additional Notes. If the Eligible Investors wish to exercise their pre-emptive right set forth in Section 23.1, the Eligible Investors shall have five (5) Business Days (or, in the case of a bought deal, two (2) Business Days) (the "**Offer Period**") from the date on which the Pre-emptive Notice is given to provide the Company with a written notice (the "**Subscription Notice**") of their agreement to purchase such New Securities on the same terms and conditions as indicated in the Pre-emptive Notice. The Subscription Notice must specify the maximum number of, or percentage of, New Securities the Eligible Investors are prepared to acquire (subject to the limit prescribed in Section 23.1). For the avoidance of doubt, the Company will not be required to seek any required securityholder approvals or formal valuations required

for the Eligible Investors to exercise their pre-emptive rights pursuant to MI 61-101 or otherwise and in the event any such securityholder approvals or formal valuations are required, the pre-emptive rights of the Eligible Investors set forth in this Section 23 shall be null and void. Further, the Eligible Investors agree to provide all requisite information and complete all necessary filings in connection with the exercise of their pre-emptive rights pursuant to this Section 23, including providing all requisite Personal Information Forms and completing all insider reports as required under applicable law and stock exchange regulations. If the Company receives a Subscription Notice from the Eligible Investors within the Offer Period, then the Company shall, subject to the receipt and continued effectiveness of all required regulatory approvals and compliance with all applicable laws and regulations (including the approval of and compliance with the regulations of any Stock Exchange on which the Company has listed or applied to list its Shares of Common Stock or other New Securities) on terms and conditions satisfactory to the Company, acting reasonably, which approvals the Company shall use commercially reasonable efforts to promptly obtain other than as expressly noted above, and subject to the limits prescribed in Section 23.1, issue to the Eligible Investors, against payment of the subscription price payable in respect thereof pursuant to Section 23.1, that number of Shares of Common Stock or other New Securities, as applicable, set forth in the Subscription Notice. The closing of any private placement pursuant to a Subscription Notice will take place on the date that is not later than 30 Business Days after the expiry of the Offer Period. If the closing of such private placement has not been completed by the end of such period (or such earlier or later date as the parties may agree to in writing), provided that the Company has used its commercially reasonable efforts to obtain all required regulatory approvals other than as expressly noted above, then the Subscription Notice will be deemed to have been irrevocably withdrawn and the Company will have no obligation to issue any Shares of Common Stock or other New Securities, as applicable, pursuant to such Subscription Notice; provided however, the Company shall use commercially reasonable efforts to issue the maximum number of New Securities possible in connection with such Subscription Notice in accordance with the terms hereof without having to seek any such approvals.

Section 23.3 Failure to Deliver Subscription Notice. If the Eligible Investors fail to deliver a Subscription Notice within the Offer Period, any right of the Eligible Investors to subscribe for any of the New Securities described in the applicable Preemptive Notice is extinguished (in that particular instance only).

Section 23.4 Excluded Issuance. Notwithstanding Section 23.1, the Eligible Investors' pre-emptive rights under Section 23.1 will not apply to an Excluded Issuance. An "**Excluded Issuance**" means the issuance of:

(a) securities of the Company issued upon the exercise or conversion of any convertible or exchangeable securities that: (X) are outstanding as of the Closing Date, including the Notes, (Y) are issued pursuant to the exercise or conversion of securities issued under an Excluded Issuance, or (Z) are issued pursuant to the exercise or conversion of securities that were issued in a New Offering in which the Eligible Investors were provided with a Pre-emptive Notice and in connection with which the Company otherwise complied in all material respects with its obligations under this Section 23;

(b) securities of the Company issued pursuant to employee, officer or director compensation arrangements, including without limitation bonuses, stock option plans and other equity incentive plans; and

(c) any Qualified Offering.

SECTION 24. MISCELLANEOUS.

Section 24.1 Successors and Assigns. All covenants and other agreements contained in this Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns (including any subsequent Holder of a Note) whether so expressed or not, except that, the Transaction Entities may not assign or otherwise transfer any of its rights or obligations hereunder or under the Securities without the prior written consent of Required Holders. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto and their respective successors and assigns permitted hereby) any legal or equitable right, remedy or claim under or by reason of this Agreement.

Section 24.2 Accounting Terms.

(a) All accounting terms used herein which are not expressly defined in this Agreement have the meanings respectively given to them in accordance with GAAP. Except as otherwise specifically provided herein, (i) all computations made pursuant to this Agreement shall be made in accordance with GAAP, and (ii) all financial statements shall be prepared in accordance with GAAP.

(b) If the Transaction Entities notify a Holder that the Transaction Entities request an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if a Holder notifies the Transaction Entities that Required Holders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

Section 24.3 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

Section 24.4 Construction, Etc. Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any Person, or which such Person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such Person.

Defined terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein) and, for purposes of the Notes, shall also include any such notes issued in substitution therefor pursuant to Section 15, (b) subject to Section 24.1, any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections and Schedules shall be construed to refer to Sections of, and Schedules to, this Agreement, and (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.

Section 24.5 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

Section 24.6 Governing Law. This Agreement and the Notes shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York.

Section 24.7 Jurisdiction and Process; Waiver of Jury Trial.

(a) The Transaction Entities irrevocably submit to the non-exclusive jurisdiction of any New York State or federal court, in each case, sitting in the Borough of Manhattan, The City of New York, over any suit, action or proceeding arising out of or relating to this Agreement or the Notes. To the fullest extent permitted by applicable law, the Transaction Entities irrevocably waive and agree not to assert, by way of motion, as a defense or otherwise, any claim that it is not subject to the jurisdiction of any such court, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding brought in any such court and any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(b) The Transaction Entities agree, to the fullest extent permitted by applicable law, that a final judgment in any suit, action or proceeding of the nature referred to in Section 24.7(a) brought in any such court shall be conclusive and binding upon it subject to rights of appeal, as the case may be, and may be enforced in the courts of the United States of America or the State of New York (or any other courts to the jurisdiction of which it or any of its assets is or may be subject) by a suit upon such judgment.

(c) The Transaction Entities consent to process being served by or on behalf of any Holder in any suit, action or proceeding of the nature referred to in Section 24.7(a) by mailing a copy thereof by registered, certified, priority or express mail (or any substantially similar form of mail), postage prepaid, return receipt or delivery confirmation requested, to the Transaction Entities at the address specified in Section 20 or at such other address of which such Holder shall then have been notified pursuant to said Section. The Transaction Entities agree that such service upon receipt (i) shall be deemed in every respect effective service of process upon them in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by applicable law, be taken and held to be valid personal service upon and personal delivery to the Transaction Entities. Notices hereunder shall be conclusively presumed received as evidenced by a delivery receipt furnished by the United States Postal Service or any reputable commercial delivery service.

(d) Nothing in this Section 24.7 shall affect the right of any Holder to serve process in any manner permitted by law, or limit any right that the Holders may have to bring proceedings against the Transaction Entities in the courts of any appropriate jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

(e) THE PARTIES HERETO HEREBY WAIVE TRIAL BY JURY IN ANY ACTION BROUGHT ON OR WITH RESPECT TO THIS AGREEMENT, THE NOTES OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION HEREWITH OR THEREWITH.

Section 24.8 Reserved.

SECTION 25. AGENCY.

Section 25.1 Appointment and Authority. Each of the Holders hereby irrevocably appoints, authorizes and empowers Acquiom Agency Services LLC to act on its behalf as the Notes Agent hereunder and under the other Note Documents and authorizes the Notes Agent to take such actions on its behalf and to exercise such powers as are delegated to the Notes Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Section are solely for the benefit of the Notes Agent and the Holders, and the Company (and its Affiliates) shall not have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Note Documents (or any other similar term) with reference to the Notes Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any law. Instead such term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties.

Section 25.2 Merger or Consolidation. Any corporation or association into which Acquiom Agency Services LLC may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer all or substantially all of its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which Acquiom Agency Services LLC is a party, will be and become the successor Notes Agent under this Agreement and will have and succeed to the rights, powers, duties, immunities and privileges as its predecessor, without the execution or filing of any instrument or paper or the performance of any further act.

Section 25.3 Exculpatory Provisions.

(a) The Notes Agent shall not have any duties or obligations except those expressly set forth herein and in the other Note Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Notes Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or an Event of Default has occurred and is continuing;

(ii) shall not have any duty to take any action or exercise any powers, except the rights and powers expressly contemplated hereby or by the other Note Documents that the Notes Agent is authorized or required to exercise as directed in writing by the Required Holders (or such other number or percentage of the Holders as shall be expressly provided for herein or in the other Note Documents); provided, that the Notes Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Notes Agent to liability or that is contrary to any Note Document or law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Insolvency Laws;

(iii) shall not, except as expressly set forth herein and in the other Note Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Company or any of its Affiliates that is communicated to or obtained by the Person serving as the Notes Agent or any of its Affiliates in any capacity;

(iv) shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or in the exercise of any of its rights or powers hereunder; and

(v) shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of, or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; pandemics; riots; cyberattacks and other IT software or service disruptions; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility; it being understood that the Notes Agent shall use its commercially reasonable best efforts to resume performance as soon as practicable under the circumstances.

(b) The Notes Agent shall not be liable for any action taken or not taken by it (i) with the consent or acquiescence of, or at the request of the Required Holders (or such other number or percentage of the Holders as shall be necessary, or as the Notes Agent shall believe in good faith shall be necessary, under the circumstances as provided for herein), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Notes Agent shall be deemed not to have knowledge of

any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Notes Agent in writing by the Company or a Holder. In the event that the Notes Agent receives such a notice of the occurrence of a Default or Event of Default, as applicable, the Notes Agent shall take such action with respect to such Default or Event of Default as shall reasonably be directed by the Required Holders, provided that, unless and until the Notes Agent shall have received such directions, the Notes Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default, or applicable, as it shall deem advisable in the best interest of the Holders.

(c) The Notes Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any recital, statement, warranty or representation (whether written or oral) made in or in connection with this Agreement or any other Note Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the value, validity, enforceability, effectiveness, sufficiency or genuineness of this Agreement, any other Note Document or any other agreement, instrument or document, (v) the satisfaction of any condition set forth herein, other than to confirm receipt of items expressly required to be delivered to the Notes Agent, or (vi) any litigation or collection proceedings (or to initiate or conduct any such litigation or proceedings) under any Note Document unless requested by the Required Holders in writing and it receives indemnification satisfactory to it from the Holders.

Section 25.4 Reliance by Agent. The Notes Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Notes Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to purchase Notes that by its terms must be fulfilled to the satisfaction of a Holder, the Notes Agent may presume that such condition is satisfactory to such Holder unless the Notes Agent shall have received written notice to the contrary from such Holder prior to purchasing such Notes. The Notes Agent may consult with legal counsel (who may be counsel for the Company), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 25.5 Nature of Duties; Delegation of Duties. The Notes Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Note Document by or through any one or more sub-agents appointed by the Notes Agent. The Notes Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section shall apply to any such sub-agent and to the Related Parties of the Notes Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Facilities as well as activities as Agent. The Notes Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Notes Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 25.6 Resignation of Agent.

(a) The Notes Agent may at any time give notice of its resignation to the Holders and the Company. Upon receipt of any such notice of resignation, (i) the Required Holders shall have the right, with the prior written consent of the Company (which consent is not required if an Event of Default has occurred and is continuing and which consent shall not be unreasonably withheld, conditioned or delayed), to appoint, as applicable, a successor Notes Agent. If no such successor shall have been so appointed by the Required Holders and shall have accepted such appointment within thirty (30) days after the retiring Notes Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Holders) (the "**Resignation Effective Date**"), then the retiring Notes Agent may (but shall not be obligated to), on behalf of the Holders, appoint a successor Notes Agent meeting the qualifications set forth above. In the event that the Notes Agent appoints a successor Notes Agent, the Notes Agent shall not be liable in any respect for any action taken by the successor Notes Agent in connection with such appointment after the date thereof. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If no such successor shall have been so appointed by applicable Required Holders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the applicable Required Holders) (the "**Removal Effective Date**"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (i) the retiring or removed Notes Agent shall be discharged from its duties and obligations hereunder and under the other Note Documents and (ii) except for any indemnity payments owed to the retiring or removed Agent, all payments, communications and determinations provided to be made by, to or through the Notes Agent shall instead be made by or to each Holder directly, until such time, if any, as the Required Holders appoint a successor Notes Agent as provided for above. Upon the acceptance of a successor's appointment as the Notes Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Notes Agent (other than any rights to indemnity payments owed to the retiring or removed Notes Agent), and the retiring or removed Notes Agent shall be discharged from all of its duties and obligations hereunder or under the other Note Documents. The fees payable by the Company to a successor Notes Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor. After the retiring or removed Notes Agent's resignation or removal hereunder and under the other Note Documents, the provisions of this Section 25 shall continue in effect for the benefit of such retiring or removed Notes Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Notes Agent was acting as Notes Agent.

Section 25.7 Non-Reliance on Agent and Other Holders. Each Holder acknowledges and agrees that it has, independently and without reliance upon the Notes Agent or any other Holder or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Holder also acknowledges and agrees that it will, independently and without reliance upon the Notes Agent or any other Holder or any of their Related Parties and based on such documents and

information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Note Document or any related agreement or any document furnished hereunder or thereunder. Except for notices, reports, and other documents and information expressly required to be furnished to the Holders by the Notes Agent hereunder and for other information in the Notes Agent's possession which has been requested by a Holder and for which such Holder pays the Notes Agent's expenses in connection therewith, the Notes Agent shall not have any duty or responsibility to provide any Holder with any credit or other information concerning the affairs, financial condition, or business of the Company or any of its Affiliates that may come into the possession of the Notes Agent or any of its Affiliates.

Section 25.8 Costs and Expenses. The Company agrees to pay (i) as set forth in the Notes Agent Fee Letter, on or before the Closing the annual administration fee, together with all reasonable and documented out-of-pocket legal and other expenses incurred by the Notes Agent (including the reasonable and documented fees, charges and disbursements of one primary counsel for the Notes Agent in each material jurisdiction), in connection with the preparation, negotiation, execution, delivery, administration and enforcement of this Agreement and the other Note Documents and (ii) on an ongoing basis, such additional annual fees and other amounts, as set forth in the Notes Agent Fee Letter promptly upon receipt of an invoice therefor, including the reasonable fees, charges and disbursements of one primary counsel for the Notes Agent in each material jurisdiction, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Note Documents, including its rights under this Section, or (B) in connection with the Notes, including all such reasonable and documented out-of-pocket expenses (including reasonable and documented fees of one legal counsel in each material jurisdiction) incurred by Notes Agent during any workout, restructuring or negotiations in respect of such Notes.

Section 25.9 Charging Lien. To the extent that the Company for any reason fails to indefeasibly pay any required fees of the Notes Agent or counsel to the Notes Agent (and without limiting its obligation to do so), such fees of the Notes Agent or counsel to the Notes Agent required to be paid to Notes Agent shall constitute a priority claim against and may be satisfied out of any distribution or payment otherwise to be made to the holders of the Notes under the terms of this Agreement.

SECTION 26. INDEMNITY OF THE NOTES AGENT BY THE HOLDERS.

THE HOLDERS SEVERALLY AGREE TO INDEMNIFY THE NOTES AGENT AND ITS AFFILIATES AND ITS DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS, RATABLY ACCORDING TO THE RESPECTIVE PRINCIPAL AMOUNTS OF THE NOTES THEN HELD BY EACH OF THEM, FROM AND AGAINST ANY AND ALL LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES, OR DISBURSEMENTS OF ANY KIND OR NATURE WHATSOEVER WHICH MAY BE IMPOSED ON, INCURRED BY, OR ASSERTED AGAINST SUCH INDEMNIFIED PERSON IN ANY WAY RELATING TO OR ARISING OUT OF THIS AGREEMENT OR ANY ACTION TAKEN OR OMITTED BY THE NOTES AGENT UNDER THIS AGREEMENT OR ANY OTHER NOTE DOCUMENT (IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN

WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF SUCH INDEMNIFIED PERSON), AND INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL CLAIMS, IN EACH CASE, TO THE EXTENT NOT REIMBURSED BY THE COMPANY OR ANY SUBSIDIARY THEREOF, PROVIDED THAT NO HOLDER SHALL BE LIABLE FOR ANY PORTION OF SUCH LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, ACTIONS, JUDGMENTS, SUITS, COSTS, EXPENSES, OR DISBURSEMENTS RESULTING FROM SUCH INDEMNIFIED PERSON'S DELIBERATE FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, IN EACH CASE, AS DETERMINED BY A FINAL NON-APPEALABLE JUDGMENT OF A COURT OF COMPETENT JURISDICTION. WITHOUT LIMITING THE FOREGOING, EACH HOLDER AGREES TO REIMBURSE THE NOTES AGENT PROMPTLY UPON DEMAND FOR ITS RATABLE SHARE (DETERMINED AS SET FORTH ABOVE IN THIS PARAGRAPH) OF ANY OUT-OF-POCKET EXPENSES (INCLUDING REASONABLE COUNSEL FEES) INCURRED BY THE NOTES AGENT IN CONNECTION WITH THE PREPARATION, EXECUTION, DELIVERY, ADMINISTRATION, MODIFICATION, AMENDMENT, OR ENFORCEMENT (WHETHER THROUGH NEGOTIATIONS, LEGAL PROCEEDINGS, OR OTHERWISE) OF, OR LEGAL ADVICE IN RESPECT OF RIGHTS OR RESPONSIBILITIES UNDER, THIS AGREEMENT OR ANY OTHER NOTE DOCUMENT, TO THE EXTENT THAT THE NOTES AGENT IS NOT REIMBURSED FOR SUCH BY THE COMPANY.

Section 26.1 **Certain Rights of the Notes Agent**. If the Notes Agent shall request instructions from the Required Holders with respect to any action or actions (including the failure to act) in connection with this Agreement or the other Note Documents, the Notes Agent shall be entitled to refrain from taking such action or actions unless and until it shall have received instructions from such Holders, and the Notes Agent shall not incur liability to any Person by reason of so refraining. Without limiting the foregoing, no Holder shall have any right of action whatsoever against the Notes Agent as a result of the Notes Agent acting or refraining from acting hereunder in accordance with the instructions of the Required Holders where required by the terms of this Agreement or the other Note Documents.

Section 26.2 **Agent May File Proofs of Claim**. In case of the pendency of any proceeding under any Insolvency Laws or any other judicial proceeding relative to the Company, the Notes Agent (irrespective of whether the principal of any Notes shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Notes Agent shall have made any demand on the Company) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Notes and all other obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Holders and the Notes Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Holders and the Notes Agent and their respective agents and counsel and all other amounts due the Holders and the Notes Agent hereunder) allowed in such judicial proceeding; and

to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, interim receiver, receiver and manager, monitor, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Notes Agent and, in the event that the Notes Agent shall consent to the making of such payments directly to the Holders, to pay to the Notes Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Notes Agent and its agents and counsel, and any other amounts due the Notes Agent hereunder.

Section 26.3 Agent Actions. With respect to any term or provision of this Agreement or any other Note Document that requires the consent, approval, satisfaction, discretion, determination, decision, action or inaction or any similar concept of or by the Notes Agent, or that allows, permits, requires, empowers or otherwise provides that any matter, action, decision or similar may be taken, made or determined by the Notes Agent (including any provision that refers to any document or other matter being satisfactory or acceptable to the Notes Agent) without expressly referring to the requirement to obtain consent or input from any Holders, or to otherwise notify any Holder, or without providing that such matter is required to be satisfactory or acceptable to the Required Holders, such term or provision shall be interpreted to refer to the Notes Agent exercising its discretion, it being understood and agreed that the Notes Agent shall be entitled to confirm that any matter is satisfactory or acceptable to the Required Holders to the extent that it deems such confirmation necessary or desirable.

SECTION 27. INCREMENTAL NOTES.

Section 27.1 Incremental Commitment. The Company may deliver written notice (the "**Incremental Notice**") to the Notes Agent and the Purchasers that the Company shall issue additional Notes (the "**Additional Notes**") in a single issuance to the Purchasers in an aggregate principal amount as set forth next to each Purchaser's name on Schedule 3 (the "**Additional Notes Commitment**"); provided, that the aggregate principal amount of all Additional Notes shall not exceed $10.0 million. The Incremental Notice shall specify the date on which the Company shall issue, and the Purchasers shall purchase subject to the conditions herein, the Additional Notes, which shall be a date not less than 10 Business Days (and not more than 20 Business Days) after the date on which such Incremental Notice is delivered. The Additional Notes shall have identical terms as the Notes (other than the first interest payment date and the issue date) and shall be issued together with a Warrant for every US$2.00 of principal amount of the Additional Notes so issued to the Purchasers. The Purchasers shall be obligated to purchase the Additional Notes, subject to the satisfaction (or waiver by each purchaser having an Additional Notes Commitment as to itself) of the conditions applicable to the issuance of the Notes on the Closing Date (including, without limitation, the Transaction Entities' "bring-down" of the representations and warranties set forth herein as of the issue date for the Additional Notes and the delivery of all documentation and satisfaction of all conditions, in each case, required hereby with respect to the Closing Date). When issued the Additional Notes shall be treated as a single class of securities with the Notes for all purposes hereunder, including waivers, amendments, redemptions and otherwise. The Company and the Purchasers purchasing Additional Notes shall enter into an amendment hereto (which shall not require consent from the Required Holders) solely to the extent necessary to give effect to or reflect the issuance of the Additional Notes.

Section 27.2 **Outside Date**. Notwithstanding any issuance of an Incremental Notice, the Purchasers shall have no obligation to purchase Additional Notes on any date later than June 30, 2022.

Section 27.3 **Required Holders Put Right**. Upon written notice from the Required Holders on or prior to June 15, 2022, the Company shall deliver to the Purchasers an Incremental Notice and shall cause the issuance of the Additional Notices pursuant to Section 27.1, including the satisfaction of all conditions otherwise applicable thereto.

Section 27.4 **Specific Performance**. Without limiting the remedies available to Purchasers under any other provision of this Agreement or applicable law, the Company hereby (i) agrees that the Purchasers' damages from the Company's failure to comply with this Section 27 is difficult to ascertain and may be irreparable, (ii) irrevocably waives any defense that the Purchasers cannot demonstrate damage or can be made whole by the awarding of damages, (iii) irrevocably waives any defense based on the adequacy of a remedy at law and any other defense that might be asserted to bar the remedy of specific performance in any action that may be brought by the Purchasers with respect to this Section 27 and (iv) agrees that the Purchasers shall be entitled to specific performance with respect to any failure of the Company to comply with this Section 27.

If you are in agreement with the foregoing, please sign the form of agreement on a counterpart of this Agreement and return it to the Transaction Entities, whereupon this Agreement shall become a binding agreement between you and the Transaction Entities.

Very truly yours,

[redacted]

By: _____
Name:
Title:

As Guarantors:

[redacted]

By: _____
Name:
Title:

[redacted]

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Purchaser has caused this Agreement to be executed by its duly authorized representative as of the date first above written.

[redacted]

By: [redacted]

Title: Executive Director

IN WITNESS WHEREOF, the Purchaser has caused this Agreement to be executed by its duly authorized representative as of the date first above written.

PURCHASER:

[redacted]

By: [redacted]

Name: [redacted]
Title: Managing Partner

PURCHASER:

[redacted]

By: [redacted]

Name: [redacted]
Title:

PURCHASER:
[redacted]

By: [redacted]

Name:
Title:

PURCHASER:
[redacted]

By: _____

Name: [redacted]
Title:

PURCHASER:
[redacted]

By: [redacted]

Name: [redacted]
Title: Founding Partner

PURCHASER:
[redacted]

By [redacted]

Name:
Title:

PURCHASER:
[redacted]

By: [redacted]

Name: [redacted]
Title: CEO

IN WITNESS WHEREOF, the Purchaser has caused this Agreement to be executed by its duly authorized representative as of the date first above written.

PURCHASER:
[redacted]

By: [redacted]

Name:
Title:

PURCHASER:
[redacted]

By: [redacted]

Name: [redacted]
Title: President of the Manager

DEFINED TERMS

As used herein, the following terms have the respective meanings set forth below or set forth in the Section hereof following such term:

"**Account Debtor**" means each lessee, borrower, guarantor or other obligor on an Account.

"**Accounts**" means: (a) all present and future "accounts" as defined in the UCC in effect on the date hereof with such additions to such term as may hereafter be made; and (b) all accounts receivable and any amounts owing to any Transaction Entity under any Financing Documents, irrespective of whether such rights constitute "accounts" as defined in the UCC or some other collateral category thereunder, including chattel paper.

"**Adjustment Notice**" is defined in Section 2.4(i).

"**Administrative Questionnaire**" means an administrative questionnaire in a form supplied by the Notes Agent.

"**Affiliate**" means, with respect to any Person, any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" (together with the correlative meanings of "controlled by" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities or other beneficial interests, by contract, or otherwise.

"**Agreement**" means this Note Purchase Agreement, including all Schedules attached to this Agreement.

"**Allowed Distributions**" means distributions to equityholders of the Company during the initial term of the Notes not to exceed, in the aggregate, 50.0% of the Net Income of the Company and its Affiliates, on a consolidated basis, determined in accordance with GAAP.

"**Anti-Corruption Laws**" is defined in Section 6.6(d).

"**Anti-Money Laundering Laws**" is defined in Section 6.6(b).

"**Asset Disposition**" means any disposition of any asset (excluding, for the avoidance of doubt, an issuance of Capital Stock of the Company by the Company), including by way of merger, consolidation or amalgamation or otherwise (whether through one transaction or a series of related transactions), by a Transaction Entity, other than to any disposition to any other Transaction Entity.

"**Assignee**" is defined in Section 15.4(b).

"**Authorized Transaction**" means a Financing Agreement made between the Company and a borrower or lessee (i) that is secured by a first priority security interest in the borrower/lesee's assets, and (ii) for the period in which more than fifty percent (50.0%) of the aggregate principal

amount of the Notes outstanding on the Closing Date remains outstanding, that meets the Authorized Transaction Criteria described in Exhibit C attached hereto.

"**Board**" means the board of directors of the Company.

"**Business Day**" means any day other than a Saturday, a Sunday or a day on which banking institutions in New York, New York, are authorized or obligated by law, regulation or executive order to close.

"**Canadian Prospectus**" means a preliminary prospectus and a final prospectus (including the short forms or base shelf forms thereof) prepared in accordance with applicable Canadian Securities Laws for the purposes of qualifying securities for distribution or distribution to the public, or to allow the Company to become eligible for listing on a stock exchange in Canada, as the case may be, in any province or territory of Canada, including all amendments and supplements thereto.

"**Canadian Securities Laws**" means the securities legislation and regulations of, and the instruments, policies, rules, orders, codes, notices and interpretation notes of the applicable securities regulatory authority or applicable securities regulatory authorities of, the applicable jurisdiction or jurisdictions in Canada, and the regulations and rules of the Canadian Securities Exchange, collectively.

"**Capital Stock**" means any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, and any and all equivalent ownership interests in a Person (other than a corporation) (including, without limitation, the Common Stock).

"**cash**" means any immediately available funds in Dollars.

"**Cash Interest**" is defined in Section 1.2.

"**Change of Control**" means (a) the sale, assignment, lease, transfer or other conveyance (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties and assets of the Company and its subsidiaries taken as a whole to any Person; or (b) the consummation of any transaction (including any merger or consolidation) the result of which is that any Person becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of the Company, measured by voting power rather than number of shares or the like, but excluding the acquisition of a beneficial interest in more than 50% of the outstanding Voting Stock of the Company by any Holder or Warrant holder.

Notwithstanding the foregoing, a transaction shall not be deemed to involve a "Change of Control" under clause (b) above if (i) the Company becomes a direct or indirect wholly owned subsidiary of a holding company and (ii)(A) the direct or indirect holders of the Voting Stock of such holding company immediately following such transaction are substantially the same as the holders of the Voting Stock of the Company immediately prior to such transaction or (B) immediately following such transaction no Person is the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the outstanding Voting Stock of such holding company, measured by voting power rather than number of shares or the like.

"**Change of Control Redemption**" is defined in Section 10.2.

"**Clause A Distribution**" is defined in Section 2.4(c).

"**Clause B Distribution**" is defined in Section 2.4(c).

"**Clause C Distribution**" is defined in Section 2.4(c).

"**Closing**" is defined in Section 4.2.

"**Closing Date**" is defined in Section 4.1.

"**Code**" means the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder.

"**Commencement of Marketing**" means the commencement of marketing of a Qualified Offering by the Company and/or its agents, which shall not be less than 20 calendar days after the Qualified Offering Notice is provided to the Holder.

"**Common Stock**" means the Company's Subordinate Voting Shares.

"**Communications**" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of a Transaction Entity pursuant to any Note Document or the transactions contemplated therein that is distributed to the Notes Agent or any Purchaser by means of electronic communications pursuant to this Section, including through the Platform.

"**Company**" is defined in the first paragraph of this Agreement.

"**Confidential Information**" is defined in Section 22.

"**Continuing Director**" means (a) any member of the Board who was a director (or comparable manager) of the Company on the Closing Date, and (b) any individual who becomes a member of the Board after the Closing Date if such individual was approved, appointed or nominated for election to the Board by a majority of the Continuing Directors.

"**Conversion Obligation**" is defined in Section 2.3(b).

"**Conversion Price**" means the price per share of Common Stock at which the portion of the aggregate principal amount of the Notes, either alone or together with interest thereon, as applicable, shall from time to time be convertible into shares of Common Stock, being equal to the lesser of: (i) CAD$0.35 per share of Common Stock; or (ii) (a) the Qualified Offering Price if the date of conversion is prior to the Commencement of Marketing of such Qualified Offering; or (b) 125% of the Qualified Offering Price if the Date of Conversion is after the Commencement of Marketing of such Qualified Offering.

"**Core Business**" means providing financing, leasing, and secured loans, for CAPEX and equipment purchases, that are primarily used for, or related to, cannabis or cannabis related

products or services including but not limited to CAPEX and equipment primarily used for growing, selling, retailing, processing, manufacturing, distributing, or testing of cannabis or cannabis related products or services.

"**Debt Repayment Triggering Event**" is defined in Section 6.5(a).

"**Default**" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"**Designation Agreement**" means Director Appointment Agreement (as amended, supplemented or otherwise modified from time to time), dated as of October 28, 2021, by and among the Company, [redacted], [redacted] and the Director named therein.

"**Dollars**" or "**$**" refers to lawful money of the United States of America.

"**Disclosure Record**" means all financial statements, information circulars, material change reports, management's discussion and analysis, press release, and other continuous disclosure documents and materials filed by the Company with the provincial and territorial securities regulatory authorities on the System for Electronic Document Analysis and Retrieval (SEDAR) during the period from and including December 31, 2020 to and including the date hereof.

"**Eligible Investor**" means Holder that (together with its Affiliates and affiliate funds) holds Notes in an aggregate principal amount equal to or greater than $500,000.

"**Environmental Laws**" is defined in Section 6.6(f).

"**Equity Interests**" means shares of Capital Stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests or equivalents (however designated, including any instrument treated as equity for U.S. federal income tax purposes) in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

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

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that, together with a Transaction Entity, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414(m) or (o) of the Code.

"**Event of Default**" is defined in Section 13.

"**Ex-Dividend Date**" means the first date on which outstanding shares of the Common Stock are not entitled to the right to receive the issuance, dividend or distribution in question, from the Company.

"**Excepted Holder**" has the meaning set forth in the Company's charter.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder from time to time in effect.

"**Existing Instrument**" is any bond, debenture, note, share or any other evidence of Indebtedness or agreement, contract, indenture, lease, certificate of designation or other instrument to which the Transaction Entities are parties or by which any of their properties may be bound.

"**FATCA**" means (a) sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), together with any current or future regulations or official interpretations thereof, (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the United States of America and any other jurisdiction, which (in either case) facilitates the implementation of the foregoing clause (a), and (c) any agreements entered into pursuant to section 1471(b)(1) of the Code.

"**Financing Agreement**" means an equipment lease, finance lease, loan or other similar equipment financing agreement, or other equipment financing transaction, between the Company or a Subsidiary and a customer thereof, irrespective of whether such agreements constitute tangible chattel paper or electronic chattel paper (as such terms are defined in the Code), retail installment contracts, notes and chattel mortgages, note and security agreements, instruments, documents or payment intangibles.

"**Financing Document**" means, solely as they relate to each such Financing Agreement, each master lease agreement, and all guaranties and security with respect to the applicable Financing Agreement, and all documents executed by any party or obligor in connection with the applicable Financing Agreement.

"**FMV**" is defined in Section 2.4(c).

"**Foreign Corrupt Practices Act**" is defined in Section 6.6(d).

"**GAAP**" means generally accepted accounting principles as in effect from time to time in the United States of America, or IFRS, as applicable.

"**Garrington Facility**" means that certain Loan and Security Agreement, dated September 3, 2021, by and between NE SPC LP, as lender, and XSF SPC LLC, a Delaware limited liability company, as borrower, as the same may be amended, amended and restated, supplemented or otherwise modified.

"**Governmental Authority**" means the government of the United States of America, or any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"**Guarantee**" has the meaning set forth in Section 12(a).

"**Guarantors**" is defined in the first paragraph of this Agreement.

"**Historical Investor Information**" means collectively: (i) the unaudited consolidated financial statements of the Company as at, and for the six months ended June 30, 2021; and (ii) the audited financial statements of the Company for the years ended December 31, 2020 and 2019, and the notes thereto.

"**Holder**" means, with respect to any Note, the Person in whose name such Note is registered in the Note Register maintained by the Notes Agent pursuant to Section 15.5.

"**IFRS**" means International Financial Reporting Standards applied on a consistent basis.

"**Indebtedness**" means, for any Person at any date, without duplication, (a) all then-outstanding indebtedness of such Person for borrowed money (whether by loan or the issuance and sale of debt securities) or for the deferred purchase price of property or services (other than current trade liabilities incurred in the Ordinary Course of Business and payable in accordance with customary practices), (b) any other then-outstanding indebtedness of such Person which is evidenced by a note, bond, debenture or similar instrument, (c) all then-outstanding obligations of such Person under financing leases, (d) all then-outstanding obligations of such Person in respect of letters of credit, acceptances or similar instruments issued or created for the account of such Person (e) all then-outstanding liabilities secured by any Lien on any property owned by such Person even though such Person has not assumed or otherwise become liable for the payment thereof and (f) all series of Preferred Stock of such Person (calculated based on the liquidation preference(s) thereof). For the avoidance of doubt, the indebtedness relating to "Bonds payable held in variable interest entities" that are not obligations of the Company, but are included on the Company's balance sheet as required by GAAP will not be included in this definition.

"**Insolvency Laws**" means Title 11 of the United States Code and all other applicable liquidation, conservatorship, bankruptcy, moratorium, rearrangement, receivership, insolvency, reorganization, suspension of payments and similar debtor relief laws from time to time in effect affecting the rights of creditors generally.

"**Interim Offering**" means an offering of shares of Common Stock or any other Capital Stock by the Company by Prospectus which is completed within twelve (12) months following the Closing Date to raise minimum aggregate gross proceeds of US$100,000, exclusive of offerings pursuant to acquisitions or share for debt issuances.

"**Investment**" means the acquisition of any real property or tangible personal property or of any stock or other security, any loan, advance, bank deposit, money market fund, contribution to capital, extension of credit (except for accounts receivable arising in the Ordinary Course of Business and payable in accordance with customary terms), or purchase or commitment or option to purchase or otherwise acquire real estate or tangible personal property or stock or other securities of any party or any part of the business or assets comprising such business, or any part thereof.

"**Investor Information**" is defined in Section 8.1.

"**IPO**" is defined in Section 2.7(d).

"**IT Systems**" is defined in Section 6.18.

"**Last Reported Sale Price**" of the Common Stock or any other security on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the Relevant Stock Exchange on which the Common Stock (or such other security) is then listed or admitted for trading; provided, however, if:

(i) the Common Stock or such other security is not listed for trading on a Relevant Stock Exchange on the relevant date, the "**Last Reported Sale Price**" shall be the average of the last quoted bid and ask prices for the Common Stock or such other security in the over-the-counter market on the relevant date as reported by OTC Markets Group Inc. (the "**OTC**") or a similar organization,

(ii) bid and ask prices for the Common Stock or such other security are not available, then the "**Last Reported Sale Price**" shall be determined in good faith by an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized.

The "**Last Reported Sale Price**" shall be determined without regard to after-hours trading or any other trading outside of regular trading session hours.

"**Lien**" means any mortgage, lien, pledge, charge, security interest or similar encumbrance.

"**Lock-Up Period**" is defined in Section 2.7(d).

"**Material Adverse Effect**" means a material adverse effect on the business, assets, liabilities, properties, condition (financial or otherwise), assets, net worth, results of operations or prospects of the Transaction Entities and their respective subsidiaries, taken as a whole.

"**Maturity Date**" means October 28, 2023; provided, that the Company may extend the Maturity Date for an additional one-year period to October 28, 2024 (the "**Term Extension**") by: (i) providing the Holders with written notice of its intention to exercise the Term Extension, delivered at least 30 days' prior to the Maturity Date then in effect (the "**Extension Notice**"); and (ii) issuing additional Notes to the Holders on a *pro rata* basis in an aggregate principal amount equal to 1% of the aggregate principal amount of the Notes outstanding as of the date of the Extension Notice. Any additional Notes issued pursuant to a Term Extension shall have identical terms as the Notes (other than issue date and first interest payment date) and shall be recorded on the Register on the date of such issuance.

"**MI 61-101**" means Multilateral 61-101 of the Canadian Securities Administrators.

"**Monthly Default Rate**" means the quotient of (and expressed as a percentage) (x) the outstanding balance of all Financing Agreements that were written off or, in accordance with the Company's Underwriting and Administrative Policy, should have been written off, during the relevant month; *divided by* (y) the outstanding balance of all Financing Agreements as of the relevant month-end.

"**Multiemployer Plan**" means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

"**NASDAQ Listing**" means the date of commencement of the trading of the Company's Common Stock on a market tier of the Nasdaq Stock Market LLC.

"**Net Income**" means, as calculated on a consolidated basis for the Company and its guarantor affiliates for any period as at any date of determination, the net profit (or loss), after provision for taxes, of the Company and its guarantor affiliates for such period taken as a single accounting period.

"**Note Documents**" means (a) this Agreement, (b) the Notes, (c) the Guarantee and (d) each other document or instrument now or hereafter executed and delivered by the Transaction Entities in connection with, pursuant to or relating to the Agreement, as amended.

"Note Register" is defined in Section 15.4.

"**Notes**" is defined in Section 1.1. Any Initial Notes and any PIK Notes shall be treated as a single class for all purposes under this Agreement, including, without limitation, waivers, amendments and offers to purchase. Unless the context otherwise requires, (a) all references to the "**Notes**" include any Initial Notes and Additional Notes, as applicable, and any PIK Notes and (b) all references to "**principal amount**" of Notes include any increase in the principal amount of outstanding Notes (including PIK Notes) as a result of a PIK Payment and references to "**payment of principal**" shall include, to the extent applicable, the payment of the Change of Control Redemption Price. Unless the context otherwise requires, any express mention of PIK Notes in any provision hereof shall not be construed as excluding PIK Notes in those provisions hereof where such express mention is not made.

"**Notes Agent**" means Acquiom Agency Services LLC, together with its permitted successors and assigns.

"**Notes Agent Fee Letter**" means the notes agent fee letter entered into by and between the Company and the Notes Agent as of the date hereof.

"**Notice of Conversion**" is defined in Section 2.3(b).

"**OFAC**" is defined in Section 6.6(e).

"**Officer's Certificate**" means a certificate of a Senior Financial Officer or of any other officer of the Company whose responsibilities extend to the subject matter of such certificate.

"**Ordinary Course of Business**" shall mean, in respect of any action or omission taken or not taken by any Persons, the ordinary course of such Person's business, as conducted by such Person in accordance with past practice on the date hereof.

"**Pension Plan**" means an employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA.

"**Permitted Assignee**" is defined in Section 15.4(b).

"**Permitted Investment**" means: (i) Investments in Subsidiaries shown on the Representations and existing on the date hereof; (ii) cash and cash equivalents; (iii) Investments consisting of Deposit Accounts in which Lender has a first-priority perfected security interest; and (iv) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the Ordinary Course of Business and (v) Authorized Transactions.

"**Person**" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity or Governmental Authority.

"**Personal Data**" is defined in Section 6.18.

"**PIK Interest**" is defined in Section 1.2.

"**PIK Notes**" is defined in Section 1.2.

"**Plan**" means an employee benefit plan within the meaning of Section 3(3) of ERISA.

"**Platform**" means Debt Domain, Intralinks, Syndtrak, DebtX or a substantially similar electronic transmission system.

"**Preferred Stock**" means any Capital Stock with preferential right of payment of dividends or upon liquidation, dissolution, winding up or some other event.

"**property**" or "**properties**" means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"**Prospectus**" means either (i) a prospectus included in any Registration Statement, including any preliminary prospectus at the applicable "time of sale" within the meaning of Rule 159 under the Securities Act, and all other amendments and supplements to any such prospectus, including post-effective amendments to the applicable Registration Statement, and all material incorporated by reference or deemed to be incorporated by reference, if any, in such prospectus; and/or (ii) a Canadian Prospectus and all other amendments and supplements thereto.

"**Purchaser**" or "**Purchasers**" means each of the purchasers that has executed and delivered a signature page to this Agreement to the Transaction Entities and such Purchaser's successors and assigns (so long as any such assignment complies with Section 15.4), provided, however, that any Purchaser of Securities that ceases to be the registered holder or a beneficial owner (through a nominee) of such Securities as the result of a transfer thereof pursuant to Section 15.4 shall cease to be included within the meaning of "Purchaser" of such Note for the purposes of the Agreement upon such transfer.

"**Qualified Offering**" means an offering of shares of Common Stock or any other Capital Stock by the Company by Prospectus which is consummated within 12 months following the Closing Date to raise aggregate gross proceeds equal to or greater than US$5,000,000, and which

may be effected either (i) as a single offering; or (ii) pursuant to two or more Interim Offerings in which event the Qualified Offering shall be deemed to be the Interim Offering pursuant to which aggregate gross proceeds of US$5,000,000 are raised when aggregated with the aggregate gross proceeds of all prior Interim Offerings. For greater certainty, a Qualified Offering may occur only once.

"**Qualified Offering Notice**" is defined in Section 8.1(h).

"**Qualified Offering Price**" means either (i) if the Company completes a single Qualified Offering to raise aggregate gross proceeds equal to or greater than US$5,000,000, the offering price per security in such Qualified Offering; or (ii) if the Company completes a Qualified Offering pursuant to two or more Interim Offerings, the offering price per security solely in the Interim Offering pursuant to which aggregate gross proceeds of US$5,000,000 are raised when aggregated with the aggregate gross proceeds of all prior Interim Offerings.

"**Record Date**" is defined in Section 16.2.

"**Relevant Stock Exchange**" with respect to the Common Stock (or any other security for which a closing sale price must be determined) means The New York Stock Exchange, The Nasdaq Global Select Market, The Nasdaq Global Market or The Nasdaq Capital Market, or if the Common Stock (or such other security) is not then listed or admitted for trading on any of The New York Stock Exchange, The Nasdaq Global Select Market, The Nasdaq Global Market or The Nasdaq Capital Market, the principal other U.S. national or regional securities exchange on which the Common Stock (or such other security) is then listed or admitted for trading, which, for the avoidance of doubt, may include the OTC.

"**Registration Statement**" means any registration statement of the Company that covers the resale, or enables the free trading, of shares of Common Stock including any amendments and supplements to such registration statement, including pre- and post-effective amendments, all exhibits thereto and all material incorporated by reference or deemed to be incorporated by reference, if any, in such registration statement.

"**Required Holders**" means Holders holding more than fifty percent (50%) of the aggregate principal amount of the then outstanding Notes.

"**Responsible Officer**" means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of this Agreement.

"**Sanctioned Country**" is defined in Section 6.6(e).

"**Sanctioned Person**" is defined in Section 6.6(e).

"**Sanctions**" is defined in Section 5.6(e).

"**SEC**" means the Securities and Exchange Commission of the United States of America.

"**Securities**" is defined in the first paragraph of this Agreement.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder from time to time in effect.

"**Senior Financial Officer**" means the chief financial officer, principal accounting officer, treasurer or comptroller of the Company.

"**Subsidiary**" means an entity at least 50% of whose voting securities or other equity interests is owned by a Transaction Entity (including indirect ownership by a Transaction Entity through other entities in which such Transaction Entity directly or indirectly owns 50% of the voting securities or other equity interests).

"**Tangible Net Worth**" means the excess of total assets over total Indebtedness, determined in accordance with generally accepted accounting principles.

"**Total Leverage Ratio**" means, with respect to the Company as of any determination date, the ratio of (x) the sum of total outstanding Indebtedness, to (y) the Tangible Net Worth.

"**Trading Day**" means a day on which (i) trading in the Common Stock (or any other security for which a closing sale price must be determined) generally occurs on a Relevant Stock Exchange and (ii) a Last Reported Sale Price for the Common Stock (or closing sale price for such other security) is available on such securities exchange or market; provided that if the Common Stock (or such other security) is not so listed or traded, "**Trading Day**" means a Business Day.

"**Transaction Entities**" is defined in the first paragraph of this Agreement.

"**Transaction Price**" means the per share amount of consideration received by the holders of Common Stock in a Change of Control. If the consideration is paid in property other than in cash, the value of such consideration, on a per share basis, shall be the fair market value of such property, determined as follows:

(a) for securities not subject to investment letters or similar restrictions on free marketability,

(1) if traded on a securities exchange, the value shall be deemed to be the volume-weighted average trading price of the securities on such exchange or market over the thirty (30) day period ending three (3) days prior to the Change of Control Effective Date;

(2) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the thirty (30) day period ending three (3) days prior to the Change of Control Effective Date; or

(3) if there is no active public market, the value shall be the fair market value thereof, as reasonably determined in good faith by the Board of Directors of the Company;

(b) for securities subject to investment letters or other similar restrictions on free marketability (other than restrictions arising solely by virtue of an equityholder's status as an Affiliate or former Affiliate), the valuation methodology shall take into account an appropriate

discount (as determined in good faith by the Board of Directors of the Company) from the market value as determined pursuant to clause (a) above so as to reflect the approximate fair market value thereof.

Within two Business Days after the Change of Control Effective Date, the Company shall deliver to the Notes Agent (if other than the Company) the Transaction Price and a schedule and reasonable explanation of the calculation thereof (the "**Transaction Price Notice**"). On or before the 10th Business Day following the Change of Control Effective Date, Holders holding at least 50% of the Notes (such holders, the "**Disputing Holders**") may, by notice in writing to the Company (which shall include proof of beneficial ownership of Notes in a manner reasonably acceptable to the Company) dispute the Transaction Price calculation (the "**Dispute Notice**"). Such Dispute Notice shall include a calculation detailing the Disputing Holders' determination of the Transaction Price (the "**Disputing Holders' Calculation**"). The Company shall deliver to Holders and the Notes Agent a final notice of the Transaction Price (the "**Final Transaction Price Notice**") (x) if no Dispute Notice is delivered, on the 11th Business Day following the Change of Control Effective Date, which Final Transaction Price Notice shall confirm the Transaction Price that was reflected in the original Transaction Price Notice or (y) if a Dispute Notice was timely received, no later than the 25th Business Day following the Change of Control Effective Date, which Final Transaction Price Notice shall either (i) adopt the Disputing Holders' Calculation or (ii) set forth the Transaction Price, as determined by an investment bank, which shall be reputable, independent and nationally-recognized selected by the Board of Directors of the Company. In the event a Holder previously converted all or a portion of a Note in connection with such Change of Control and the Final Transaction Price Notice indicates a Transaction Price that would result in a higher Conversion Price than the Conversion Price at which the Holder previously converted such Note in the same Change of Control, the Holder shall be entitled to the same consideration it would have received in connection with such Change of Control had it converted at such higher Conversion Price immediately prior to the Change of Control Effective Date.

"**Transfer Agent**" means Odyssey Trust Company or any successor transfer agent engaged by the Company.

"**Transfer Tax**" means all present or future stamp, court, documentary, intangible, recording, or filing taxes or similar levies, fees, assessments, imposts, or duties, including such taxes imposed by withholding, and including any interest, additions to tax or penalties applicable thereto, that arise from any payment made under, from the issuance, execution, delivery, performance, enforcement or registration of, or from the receipt or perfection of a security interest under, or otherwise with respect to, any Note Document.

"**Trigger Event**" is defined in Section 2.4(c).

"**United States Person**" has the meaning set forth in Section 7701(a)(30) of the Code.

"**Valuation Period**" is defined in Section 2.4(c).

"**Voting Agreement**" means that certain Voting Agreement, dated as of October 28, 2021, by and among the Company and the stockholders party thereto.

"**Voting Stock**," as applied to stock of any Person, means shares, interests, participations or other equivalents in the equity interest (however designated) in such Person having ordinary voting power for the election of the directors (or the equivalent) of such Person, other than shares, interests, participations or other equivalents having such power only by reason of the occurrence of a contingency.

"**Warrant**" means the warrant in the form attached hereto as Exhibit E.

"**Warrant Documents**" means the Warrants and any other agreement or document entered into or delivered in connection with the Warrants.

"**Withholding Agent**" means the Company and the Notes Agent, as applicable.

FORM OF CONVERSION NOTICE

FORM OF NOTICE OF CONVERSION

XS Financial Inc.
9.50% / 8.00% Senior Unsecured Convertible Notes due 2023

To: Aventine Property Group, Inc., as issuer of the above-referenced Notes
[_____]

[_____], Holder

The undersigned registered owner of this Note issued pursuant to that certain Note Purchase Agreement, dated as of October 28, 2021, by and among XS Financial Inc., a corporation subsisting under the Business Corporations Act (British Columbia) (the "Company"), the guarantors party thereto from time to time (the "Guarantors" and together with the Company, the "Transaction Entities"), Acquiom Agency Services LLC (the "Notes Agent"), and the Holders party thereto, hereby exercises the option to convert this Note, or the portion hereof below designated, in accordance with Section 2 of the Note Purchase Agreement, and directs that any shares of Common Stock issuable and deliverable upon such conversion, together with any cash payment in lieu of delivering any fractional share, and any Notes representing any unconverted principal amount hereof, be issued and delivered to the registered Holder hereof unless a different name has been indicated below. If any shares of Common Stock or any portion of this Note not converted are to be issued in the name of a Person other than the undersigned, the undersigned will pay all documentary, stamp or similar issue or transfer taxes, if any in accordance with Section 2.3(b) of the Note Purchase Agreement. Any amount required to be paid to the undersigned on account of interest accompanies this Note.

Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Note Purchase Agreement.
Dated:

_____ _____

_____ _____
Signature(s)

_____
(Street Address)

_____
(City, State and Zip Code)
Please print name and address

Principal amount to be converted (if less than all):
$_____,000

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

_____
Social Security or Other Taxpayer Identification Number

NOTICE: The above signature(s) of the Holder(s) hereof must correspond with the name as written upon the face of the Note in every particular without alteration or enlargement or any change whatever.

Social Security or Other Taxpayer Identification Number

Schedule 3

COMMITMENT SCHEDULE

PURCHASER	NOTES TO BE PURCHASED ON THE CLOSING DATE	NUMBER OF WARRANTS TO BE ISSUED ON THE CLOSING DATE	ADDITIONAL NOTES COMMITMENT	ADDITIONAL WARRANTS TO BE ISSUED
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
TOTAL	**$33,500,000.00**	**16,750,000**	**$10,000,000.00**	**5,000,000**

Schedule 5.3

COMPLIANCE CERTIFICATES

XS FINANCIAL INC.

Officer's Certificate

October 28, 2021

The undersigned, David Kivitz, hereby certifies that he is the duly elected, qualified and acting Chief Executive Officer of XS FINANCIAL INC., a British Columbia company (the "**Borrower**"), and that this Certificate is being delivered at the request of MLT Aikins LLP, the special Canadian counsel to Borrower, as part of the legal opinion required pursuant to Notes Purchase Agreement dated October 28, 2021 (the "**Notes Purchase Agreement**"), by and between the Borrower, as borrower, Acquiom Agency Services LLC (the "**Notes Agent**"), as notes agent, and each purchaser of notes and warrants of the Borrower pursuant to the Notes Purchase Agreement (the "**Purchasers**"), as purchasers of certain notes and warrants of the Borrower to be issued pursuant to the Notes Purchase Agreement. The undersigned certifies that this Certificate may be relied upon by MLT Aikins LLP in rendering such opinion and each recipient of the opinion of MLT Aikins LLP.

The undersigned, in his capacity as an officer of the Borrower, certifies and affirms on behalf of the Borrower as follows:

1. I am the duly elected and acting Chief Executive Officer of the Borrower and, in such capacity, am familiar with the management and affairs of the Borrower.

2. I have consulted with other officers, employees, representatives, advisors and agents of the Borrower with respect to providing this Certificate and have made such other investigations and inquires that I have deemed necessary or prudent.

3. Attached as Exhibit A to this Certificate is a true and correct copy of the minutes of the meeting of the board of directors of the Borrower (the "**Meeting**") consented to and adopted in writing by the directors of the Borrower at such Meeting relating to (i) the Notes Purchase Agreement, (ii) the Notes dated October 28, 2021 issued by the Borrower to the Purchasers, (iii) the registration rights agreement dated October 28, 2021 between the Borrower, entities controlled by [redacted] (together with its affiliates, "[redacted]"), each of the other Purchasers and each holder of Warrants, (iv) the warrants of the Borrower to be issued to Purchasers, (v) the voting agreement dated October 28, 2021 among the Borrower, [redacted] and each holder of proportionate voting shares of the Borrower ("**PVS**") set forth in Schedule B thereto; (vi) the director appointment agreement dated October 28, 2021 between the Borrower, [redacted] and [redacted], and (vii) the indemnity agreements dated October 28, 2021 between the Borrower and each of David Kivitz, Antony Radbod, Stephen Christoffersen, Gary Herman and [redacted] (collectively, the "**Note Documents**") and all matters related thereto that involve the Borrower, effective as of October 27, 2021, which resolutions passed at such Meeting have not been rescinded, amended or modified and are in full force and effect as of the date hereof and are the only resolutions pertaining to the subject matter thereof. Other than the resolutions of the directors of the Borrower passed at the Meeting, there are no other meetings, resolutions or proceedings of the shareholders, directors or any committee of the Borrower to the date hereof with respect to the Note Documents and the transactions contemplated thereby.

4. Attached hereto as Exhibit B to this Certificate are true and complete copies of the certificates of incorporation, certificate(s) of name change, by-laws, articles and notice of articles ("**Constating Documents**"), as applicable, of the Borrower and such documents are accurate and correct and remain in full force, unamended and unrevoked, as of the date hereof, and no other Constating Documents have been filed with or delivered by the any governmental authority or are in force with respect to the Borrower and none of the Constating Documents of the Borrower have been amended and no resolutions have been passed nor have any other actions been taken or notices received to authorize or require any amendments to the Constating Documents of the Borrower or to terminate the existence of the Borrower.

5. The Borrower is not a party to nor bound by any covenant or agreement which prohibits or restricts the Borrower from executing and delivering any of the Note Documents, or from observing and performing the obligations, covenants and agreements of the Borrower contained therein.

6. There are no orders of any Court of British Columbia or Canada or other agency of the Government of British Columbia or Canada binding on the Borrower.

7. There does not exist any encumbrance on any of the Borrower's properties under any provision of any indenture, mortgage, agreement or other instrument to which the Borrower or any of its properties is bound.

8. The documents and other corporate records of the Borrower provided to MLT Aikins LLP are true, correct and complete and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committee of the Borrower to the date hereof, nor have there been any amendments or additions to the articles or any of the other constating documents of the Borrower, that are not reflected in such documents and corporate records.

9. Each person listed below is a director of the Borrower, and there are no others, and the directors' powers to authorize this transaction have not been transferred to any other person or persons.

Stephen Christoffersen
Gary Herman
David Kivitz
Antony Radbod

10. Each person named below as holding an office holds such office or offices in the Borrower set out below opposite such person's name.

Name	**Office**	**Signature** (*if signing*)
David Kivitz	CEO, President	_____
Joseph Fazzini	CFO	_____
Antony Radbod	Other Offices	_____

11. Each person named above as an officer of the Borrower has been duly appointed was duly qualified for such office at the time of appointment and, since such appointment, has continued to be so qualified. Each signature appearing above opposite the name of an officer is a genuine signature of that officer.

12. The Borrower does not carry on any business contrary to the restrictions contained in its Constating Documents.

13. The Borrower is not engaged in the business of trading in securities or exchange contracts as a principal or agent and does not hold itself out as engaging in the business of trading in securities or exchange contracts as a principal or agent.

14. No order, ruling, decision or determination of any securities regulatory authority or of any court, regulatory or administrative body is in effect that has the effect of precluding or restricting any trade in securities of the Borrower or that affects any person or company who engages in such a trade and no proceedings for such purpose have been instituted or, to the knowledge of the undersigned, are pending or contemplated.

15. Odyssey Trust Company ("**Odyssey**") has been duly appointed as transfer agent and registrar for the subordinate voting shares ("**SVS**") and PVS of the Borrower.

16. The execution and delivery by the Borrower of, and the performance of its obligations under, the Note Documents do not and will not conflict with or constitute a material breach of any trust indenture, agreement or instrument to which the Borrower is a party or by which the Borrower is contractually bound on the date hereof.

17. The Borrower is up to date in the filing of all corporate returns and other documents required to be filed by it under the laws of its jurisdiction of incorporation and of any jurisdiction in which it carries on a material part of its business or owns any material property.

18. The authorized capital of the Borrower consists of an unlimited number of SVS and an unlimited number of PVS.

19. The consideration for each issued SVS and PVS in the capital of the Borrower has been fully paid in: (i) money, or (ii) property or past services that is not less in value than the fair equivalent of the money that the Borrower would have received if such shares had been issued for money.

20. The Borrower has not provided any document purporting to describe its business and affairs to any prospective purchaser of the securities pursuant to the Note Documents.

21. The Borrower has not received any notice of any action or proceeding, threatened or otherwise, which could have the effect of, or which might result in, the winding-up, dissolution or any other termination of the existence of the Borrower. No steps or proceedings have been taken or are pending to amend or surrender the articles of the Borrower or to wind-up the affairs of the Borrower. The Borrower is up-to-date in the filing of all returns required by governmental

authorities, including under corporate and tax legislation, and has not received any notice or letter or other document stating that the Borrower is in default with respect to any filings, registrations, declarations, consents, orders or approvals required to be made or obtained by it.

22. The Borrower is not insolvent, no acts or proceedings have been taken by or against the Borrower or are pending in connection with the Borrower, and the Borrower is not in the course of contemplating or has received any notice in respect of, any amalgamation, continuation, dissolution, winding-up, liquidation, insolvency, bankruptcy or reorganization.

23. The Borrower has not received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Borrower.

24. The Borrower has not taken any steps to terminate its existence, to continue into any other jurisdiction or to change its corporate existence in any way.

25. No voluntary case or proceeding has been commenced (including the filing of any notice in connection therewith) under any insolvency, incorporation or other law in effect in any jurisdiction for the following:

(a) the bankruptcy, liquidation, winding-up, dissolution or suspension of general operations;

(b) the composition, rescheduling, reorganization, arrangement or readjustment of, or other relief from, or stay of proceedings to enforce, some or all of the debts;

(c) the appointment of a trustee, receiver, receiver and manager, liquidator, administrator, custodian or other official for, or for all or a substantial part of the assets; or

(d) possession, foreclosure, seizure or retention, or sale or other disposition of, or other proceedings to enforce security over, all or a substantial part of the assets,

of the Borrower.

26. No resolution has been passed, no agreement has been entered into and no declaration has been executed by the current or former shareholders of the Borrower which has or could have the effect of limiting or otherwise restricting the power of the directors of the Borrower to exercise all their powers and authorities under the Borrower's Constating Documents, as applicable, under the *Business Corporations Act* (British Columbia).

27. The representations and warranties of the Borrower contained in the Note Documents are true and correct in all respects as at the date hereof with the same force and effect as if made at and as of the date hereof, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct as of such earlier date, and the Borrower has complied in all respects with all covenants and conditions in the Note Documents required to be complied with by the Borrower as at the date hereof.

28. The Borrower has performed and complied with all agreements and conditions contained in the Note Purchase Agreement required to be performed or complied with by it prior to or at the Closing Date (as defined in the Note Purchase Agreement). Before and after giving effect to the issue and sale of the Securities (and the application of the proceeds pursuant to Section 9.6 of the Note Purchase Agreement), no Default or Event of Default shall have occurred and be continuing (in each case as defined in the Note Purchase Agreement).

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this document as of the day and year first above written.

By: _____
Name: [redacted]
Title: Chief Executive Officer

EXHIBIT A

RESOLUTIONS OF THE BOARD OF DIRECTORS

(See Attached)

EXHIBIT B

CONSTATING DOCUMENTS

(See Attached)

Schedule 5.4

LEGAL OPINIONS

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大成 DENTONS

October 28, 2021

Acquiom Agency Services LLC,
150 South 5th Street, Suite 2600
Minneapolis, MN 55402

Each Purchaser party to the Note Purchase Agreement
described below on the date hereof as set forth on Schedule I attached hereto

Opinion: Note Purchase Agreement
XS FINANCIAL INC.
Unsecured Convertible Notes

Greetings:

We have acted as counsel to XS Financial Inc., a corporation subsisting under the Business Corporations Act (British Columbia) (the "**Company**"), Xtraction Services Inc., a Delaware corporation ("**Xtraction**"), and CA Licensed Lenders LLC, a California limited liability company ("**CFLL**," and together with Xtraction, the "**Guarantors**" and collectively with the Company and Xtraction, the "**Transaction Entities**") in connection with the Note Purchase Agreement, dated as of October 28, 2021 (the "**Note Purchase Agreement**"), among the Company, the Guarantors, Acquiom Agency Services LLC as the Notes Agent (the "**Notes Agent**"), and the purchasers set forth on Schedule I attached hereto (collectively, the "**Purchasers**"). Capitalized terms not defined herein have the meanings assigned to them in the Note Purchase Agreement.

In connection with rendering this opinion letter we have examined originals, certified copies or copies otherwise identified as being true copies of the following:

(a) Note Purchase Agreement;

(b) Certificate of Incorporation of Xtraction, as certified by the Secretary of State of the State of Delaware;

(c) By-laws of Xtraction, as in effect on the date hereof;

(d) Resolutions dated October 28, 2021 adopted by written consent by the Board of Directors of Xtraction, authorizing, among other things, the execution and delivery by Xtraction of the Note Purchase Agreement and the other documents contemplated thereby;

(e) Certificate issued by the Secretary of State of the State of Delaware, dated October 28, 2021, as to the good standing of Xtraction in the State of Delaware;

(f) Articles of Organization of CFLL, as certified by the Secretary of State of the State of California;

(g) Operating Agreement of CFLL, as in effect on the date hereof;

(h) Written Consent dated October 28, 2021 adopted by the sole member of CFLL, authorizing, among other things, the execution and delivery by CFLL of the Note Purchase Agreement and the other documents contemplated thereby;

(i) Certificate issued by the Secretary of State of the State of California, dated October 28, 2021, as to the good standing of CFLL in the State of California;

(j) Notes issued pursuant to the Note Purchase Agreement (the "**Notes**");

(k) Warrant Certificates dated October 28, 2021 issued by the Company to the Purchasers in connection with the Note Purchase Agreement (the "**Warrants**");

(l) Registration Rights Agreement, dated October 28, 2021 (the "**Registration Rights Agreement**"; together with the Note Purchase Agreement, the "**NY Law Agreements**"), among the Company and each holder of a Warrant that is a party thereto on the date hereof (the "**Warrant Holders**");

(m) Voting Agreement, dated October 28, 2021 (the "**Voting Agreement**"), among the Company and each holder of voting shares issued by the Company that is a party thereto on the date hereof; and

(n) Director Appointment Agreement, dated October 28, 2021 (the "**Director Appointment Agreement**"), among the Company, [redacted] and the individual party thereto.

The Note Purchase Agreement, the Warrants, the Registration Rights Agreement, the Voting Agreement and the Director Appointment Agreement are collectively referred to herein as the "**Agreements**."

In rendering this opinion letter, as to relevant factual matters we have examined the documents described above and such other documents as we have deemed necessary including, where we have deemed appropriate, representations or certifications of officers of parties thereto or public officials, and we have assumed that there has been no relevant change or development between the dates as of which such documents were provided and the date hereof. In rendering this opinion letter, except for the matters that are specifically addressed in any opinion expressed below, we have assumed (i) the authenticity of all documents submitted to us as originals or as copies thereof, the conformity to the originals of all documents submitted to us as copies, the genuineness of all signatures and the legal capacity of natural persons, (ii) the necessary entity formation and continuing existence in the jurisdiction of formation, and the necessary licensing and qualification in all jurisdictions, of all parties to all documents, (iii) the enforceability (as limited by bankruptcy and other insolvency laws) and, with respect thereto and to any other matter herein to which relevant, any necessary entity power and authority, authorization, execution, authentication, payment and delivery of, under and with respect to all documents to which this opinion letter relates, (iv) the necessary ownership of and/or other rights and interests in assets, and the necessary adequacy and fairness of any consideration therefor, (v) as to factual matters, the accuracy of each of the representations and warranties contained in any document, (vi) the compliance by the parties thereto with each of the covenants contained in any document, (vii) the conformity of the underlying

assets and related documents to the requirements of any agreement to which this opinion letter relates, (viii) there is not any other agreement that modifies or supplements the agreements expressed in any document to which this opinion letter relates in a manner that affects the correctness of any opinion expressed below, (ix) there has been no mutual mistake of fact or misunderstanding, fraud, duress or undue influence in connection with any document and (x) none of the parties or agents acting on their behalf have knowledge or have received notice of any defense against the enforcement of any right created by, or any adverse claim to any property transferred pursuant to, the Agreements. Each assumption herein is made and relied upon with your permission and without independent investigation.

In rendering this opinion letter, each opinion expressed and assumption relied upon herein with respect to the enforceability of any right or obligation is subject to (i) general principles of equity, including concepts of materiality, reasonableness, good faith and fair dealing and the possible unavailability of specific performance and injunctive relief, regardless of whether considered in a proceeding in equity or at law, (ii) bankruptcy, insolvency, receivership, reorganization, liquidation, voidable preference, fraudulent conveyance and transfer, moratorium and other similar laws affecting the rights of creditors or secured parties, (iii) the effect of certain laws, regulations and judicial and other decisions upon (a) the availability and enforceability of certain remedies, including the remedies of specific performance and self-help, and provisions purporting to waive the obligation of good faith, materiality, fair dealing, diligence, reasonableness, objection to judicial jurisdiction, venue or forum or the relevant statute of limitations and (b) the enforceability of any provision the violation of which would not have any material adverse effect on the performance by any party of its obligations under any agreement and (iv) public policy considerations underlying United States federal securities laws, to the extent that such public policy considerations limit the enforceability of any provision of any agreement which purports or is construed to provide indemnification with respect to securities law violations. However, the non-enforceability of any provisions referred to in the foregoing clause (iii) will not, taken as a whole, materially interfere with the practical realization of the benefits of the rights and remedies included in any such agreement which is the subject of any opinion expressed below, except for the consequences of any judicial, administrative, procedural or other delay which may be imposed by, relate to or arise from applicable laws, equitable principles and interpretations thereof.

This opinion letter is based solely upon our review of the documents referred to herein. We have conducted no independent investigation with respect to the facts contained in such documents and relied upon in rendering this opinion letter. We also note that we do not represent any of the parties to the transactions to which this opinion letter relates or any of their affiliates in connection with matters other than the transactions, which are the subject of this opinion letter. However, the attorneys in this firm who are directly involved in the representation of parties to the transactions to which this opinion letter relates have no actual present knowledge of the inaccuracy of any fact relied upon in rendering this opinion letter. In addition, if we indicate herein that any opinion is based on our knowledge, our opinion is based solely on the actual present knowledge of such attorneys and, with respect to the opinions in paragraphs 5(ii) and (iii), 6(ii) and (iii), 7 and 8 below, the Certificate of the Transaction Entities, a copy of which is annexed as Exhibit A and the accuracy of which we have assumed in rendering this opinion letter. We have not undertaken any lien, suit or judgment searches or other searches of court dockets in any jurisdiction.

In rendering this opinion letter, we do not express any opinion concerning any law other than the laws of the State of New York, the General Corporation Law of the State of Delaware, the California Revised

Uniform Limited Liability Company Act and the federal laws of the United States, including without limitation the Securities Act of 1933, as amended (the "**1933 Act**"), and the Investment Company Act of 1940, as amended. Any opinion expressed below to the effect that any agreement is valid, binding and enforceable relates only to an agreement that designates therein the laws of the State of New York as the governing law thereof. To the extent that the laws of Canada, including without limitation the federal and securities laws of Canada and of any province thereof, are relevant to any opinion expressed below, our opinions are expressly qualified by the effect of any such laws. We do not express any opinion herein with respect to any matter not specifically addressed in the opinions expressed below, including without limitation (i) any statute, regulation or provision of law of any county, municipality or other political subdivision or any agency or instrumentality thereof, (ii) the securities laws of any jurisdiction other than the federal securities laws of the United States, or (iii) the tax laws of any jurisdiction.

Based upon and subject to the foregoing, it is our opinion that:

1. Xtraction, based upon the certificate of good standing issued by the State of Delaware dated October 13, 2021, is validly existing as a corporation in good standing under the laws of that State, and has the requisite entity power and authority to execute and deliver each Agreement to which it is a party and to perform its obligations thereunder.

2. CFLL, based upon the certificate of status issued by the State of California dated October 21, 2021, is validly existing as a limited liability company in good standing under the laws of that State, and has the requisite entity power and authority to execute and deliver each Agreement to which it is a party and to perform its obligations thereunder.

3. Each of the Agreements to which any of the Guarantors is a party has been duly authorized by all requisite action, executed and delivered by that party.

4. Each of the NY Law Agreements to which any of the Transaction Entities is a party, assuming the necessary entity power and authority, authorization, execution and delivery of and by each party thereto (other than with respect to the Guarantors), is a valid and legally binding agreement under the laws of the State of New York, enforceable thereunder in accordance with its terms against each of the Transaction Entities that is a party thereto.

5. With respect to Xtraction, the performance of its obligations under each of the Agreements to which it is a party and the consummation of the transactions contemplated thereby will not result in (i) any breach or violation of its certificate of incorporation or bylaws, (ii) to our knowledge, any breach, violation or acceleration of or default under any Other Financing Agreement (as defined in Exhibit A) or (iii) to our knowledge, any breach or violation of any order of any State of Delaware, US federal or State of New York court, agency or other governmental body.

6. With respect to CFLL, the performance of its obligations under each of the Agreements to which it is a party and the consummation of the transactions contemplated thereby will not result in (i) any breach or violation of its articles of organization or limited liability company agreement, (ii) to our knowledge, any breach, violation or acceleration of or

default under any Other Financing Agreement (as defined in Exhibit A) or (iii) to our knowledge, any breach or violation of any order of any State of Delaware, State of California, US federal or State of New York court, agency or other governmental body.

7. With respect to Xtraction, to our knowledge there is no legal action, suit, proceeding or investigation before any court, agency or other governmental body pending or threatened (by written communication to it of a present intention to initiate such action, suit, proceeding or investigation) against it which, either in one instance or in the aggregate, draws into question the validity of, seeks to prevent the consummation of any of the transactions contemplated by or would impair materially its ability to perform its obligations under any of the Agreements to which it is a party.

8. With respect to CFLL, to our knowledge there is no legal action, suit, proceeding or investigation before any court, agency or other governmental body pending or threatened (by written communication to it of a present intention to initiate such action, suit, proceeding or investigation) against it which, either in one instance or in the aggregate, draws into question the validity of, seeks to prevent the consummation of any of the transactions contemplated by or would impair materially its ability to perform its obligations under any of the Agreements to which it is a party.

9. With respect to the Company, to our knowledge there is no legal action, suit, proceeding or investigation before any US federal court, agency or other governmental body pending or threatened (by written communication to it of a present intention to initiate such action, suit, proceeding or investigation) against it which, either in one instance or in the aggregate, draws into question the validity of, seeks to prevent the consummation of any of the transactions contemplated by or would impair materially its ability to perform its obligations under any of the Agreements to which it is a party.

10. With respect to each of the Transaction Entities, the performance of its obligations under each of the Agreements to which it is a party and the consummation of the transactions contemplated thereby do not require any consent, approval, authorization or order of, filing with or notice to any United States federal or State of New York court, agency or other governmental body under any United States federal or State of New York statute or regulation that is normally applicable to transactions of the type contemplated by the Agreements, except such as may be required under the securities laws of any State of the United States or such as have been obtained, effected or given.

11. None of the Transaction Entities is required to be registered as an “investment company,” as defined in the Investment Company Act of 1940, as amended.

12. The proceeds raised by the Company in connection with the Notes issued pursuant to the Note Purchase Agreement and the application of the proceeds thereof as provided therein, assuming the accuracy of each of the representations and warranties contained in the Note Purchase Agreement, will not violate Regulation T, U or X of the Board of Governors of the Federal Reserve System.

13. The offer and sale of the Notes and Warrants to the Purchasers, and the initial offers and sales thereof by the Purchasers pursuant to and in accordance with the Note Purchase Agreement, are transactions that do not require registration under the 1933 Act.

Notwithstanding anything to the contrary set forth herein, we express no opinion as to whether the conduct of the business or operations of any of the Transaction Entities violates any federal, state or local law, rule or regulation.

This opinion letter is rendered for the sole benefit of each addressee hereof with respect to the matters specifically addressed herein, and no other person or entity is entitled to rely hereon. Copies of this opinion letter may not be made available, and this opinion letter may not be quoted or referred to in any other document made available, to any other person or entity except (i) to any applicable rating agency, institution providing credit enhancement or liquidity support or governmental authority, (ii) to any accountant or attorney for any person or entity entitled hereunder to rely hereon or to whom or which this opinion letter may be made available as provided herein, (iii) to any and all persons, without limitation, in connection with the disclosure of the tax treatment and tax structure of the transaction to which this opinion letter relates, (iv) in connection with a due diligence inquiry by or with respect to any addressee that is identified in the first paragraph hereof as a person or entity for which we have acted as counsel in rendering this opinion letter, (v) in order to comply with any subpoena, order, regulation, ruling or request of any judicial, administrative, governmental, supervisory or legislative body or committee or any self-regulatory body (including any securities or commodities exchange or the Financial Industry Regulatory Authority, Inc.), (vi) as otherwise required by law and (vii) to any initial assignee of the Notes; provided that, other than in the case of clause (vii), none of the foregoing is entitled to rely hereon unless an addressee hereof or, in the case on any initial assignee of the Notes, we have received written notice identifying any such assignee. This opinion letter is being delivered as of the date hereof and we assume no obligation to amend, update, revise, supplement or withdraw this opinion letter, or otherwise inform any addressee hereof or other person or entity, with respect to any change occurring or matter that may come to our attention subsequent to the delivery hereof in any applicable fact or law or any judicial or administrative interpretation thereof, even though such change may affect a legal analysis or conclusion contained herein. In addition, no attorney-client relationship exists or has existed by reason of this opinion letter between our firm and any addressee hereof or other person or entity except for any addressee that is identified in the first paragraph hereof as a person or entity for which we have acted as counsel in rendering this opinion letter. In permitting reliance hereon by any person or entity other than such an addressee for which we have acted as counsel, we are not acting as counsel for such other person or entity and have not assumed and are not assuming any responsibility to advise such other person or entity with respect to the adequacy of this opinion letter for its purposes.

Very truly yours,

EXHIBIT A

CERTIFICATE
OF
XS FINANCIAL INC.
XTRACTION SERVICES INC.
CA LICENSED LENDERS LLC

This Certificate is being delivered to Dentons US LLP ("**Dentons**") for reliance hereon by Dentons in rendering its opinion letter to which this Certificate is annexed (the "**Opinion Letter**"). The undersigned understands, acknowledges and agrees that the facts set forth in the Opinion Letter and this Certificate are being relied upon by Dentons in rendering the Opinion Letter and by each addressee thereof and other parties to the transactions to which the Opinion Letter relates in the consummation of those transactions. Capitalized terms not defined herein have the meanings assigned to them in the Opinion Letter and the Agreements. Each undersigned hereby represents, warrants, covenants and certifies solely as to itself, after reasonable investigation and review and consultation as appropriate with its attorneys and independent accountants, as follows:

1. The Company has (i) entered into that certain Guaranty with Burling Bank ("**Guaranty I**") to support the obligations of Xtraction Services, Inc. ("**Xtraction**") to Burling Bank under the terms of that certain Amended and Restated Revolving Credit and Security Agreement, dated as of July 1, 2021 (the "**Burling Bank Credit Agreement**"), and (ii) entered into that certain General Continuing Guaranty Agreement with NE SPC LP dated September 3, 2021 ("**Guaranty II**") to support the obligations of XSF SPC LLC to NE SPC LP under the terms of that certain Loan and Security Agreement dated September 3, 2021 (the "**Garrington Facility Agreement**").

Xtraction has also entered into that certain General Continuing Guaranty Agreement with NE SPC LP dated September 3, 2021 ("**Guaranty III**") to support the obligations of XSF SPC LLC to NE SPC LP under the terms of the Garrington Facility Agreement (Guaranty I, Guaranty II, Guaranty III, the Burling Bank Credit Agreement and the Garrington Facility Agreement, collectively, the "**Other Financing Agreements**").

2. There are no orders of any State of Delaware, State of California, US federal or State of New York court, agency or other governmental body in effect that affect the Company or Xtraction.

3. With respect to each of the Transaction Entities, there is no legal action, suit, proceeding or investigation before any court, agency or other governmental body pending or threatened (by written communication to it of a present intention to initiate such action, suit, proceeding or investigation) against it which, either in one instance or in the aggregate, draws into question the validity of, seeks to prevent the consummation of any of the transactions contemplated by or would impair materially its ability to perform its obligations under any of the Agreements to which it is a party.

The undersigned has executed this Certificate as of the date of the Opinion Letter.

[redacted]

By: _____
Name: [redacted]
Title: Chief Executive Office

[redacted]

By: _____
Name: [redacted]
Title: Chief Executive Office

[redacted]

By: _____
Name: [redacted]
Title: Authorized Representative

Schedule I

[redacted]

MLT AIKINS

WESTERN CANADA'S LAW FIRM

MLT Aikins LLP
Suite 2600 - 1066 West Hastings Street
Vancouver, BC V6E 3X1
T: (604) 682-7737
F: (604) 682-7131

October 28, 2021

Each purchaser set forth on Schedule A hereto (the "**Purchasers**")

and

Acquiom Agency Services LLC
150 South 5th Street, Suite 2600
Minneapolis, MN 55402

Dear Sirs and Mesdames:

Re: Note Purchase Agreement dated October 28, 2021 ("Notes Purchase Agreement") among XS Financial Inc. ("Borrower"), as borrower, Acquiom Agency Services LLC (the "Notes Agent"), as notes agent, and each of the Purchasers, as purchasers of certain notes of the Borrower to be issued pursuant to the Notes Purchase Agreement.

I. INTRODUCTION

We have acted as local counsel in the province of British Columbia (the "**Province**") to the Borrower in connection with certain notes (the "**Notes**") and subordinate voting share purchase warrants ("**Warrants**") of the Borrower issued to the Purchasers pursuant to the Notes Purchase Agreement. Each Warrant is exercisable in accordance with its terms to acquire one (1) subordinate voting share (a "**SVS**" and the SVS issuable upon exercise of the Warrants, the "**Warrant Shares**") of the Borrower at an exercise price of C$0.45 until 5:00 p.m. (Toronto time) on October 28, 2024. Each Note is convertible, at the option of the holder thereof in accordance with the terms of the Notes Purchase Agreement and the certificates evidencing such notes, into SVS ("**Note Shares**") at the Conversion Price at any time prior to the third Business Day prior to the Maturity Date (in each case, as such term is defined in the Notes Purchase Agreement).

II. EXAMINATIONS

In acting as such counsel we have examined an original, facsimile or electronic executed copies, but have not participated in the preparation, of the following documents (collectively, the "**Note Documents**"):

(i) the Notes Purchase Agreement;

(ii) the registration rights agreement dated October 28, 2021 among the Borrower and the entities controlled by [redacted] (together with its affiliates, "[redacted]"), each of the other Purchasers and each holder of Warrants;

(iii) the Warrants dated October 28, 2021 issued by the Borrower to the Purchasers;

(iv) the voting agreement dated October 28, 2021 among the Borrower, [redacted] and each holder of proportionate voting shares of the Borrower ("**PVS**") set forth in Schedule B thereto;

(v) the director appointment agreement dated October 28, 2021 between the Borrower, [redacted] and [redacted]; and

(vi) the indemnity agreements dated October 28, 2021 between the Borrower and each of David Kivitz, Antony Radbod, Stephen Christoffersen, Gary Herman, and [redacted].

In connection with the opinions set out below, we have also examined:

(a) a certificate of good standing dated October 27, 2021, issued by the Registrar of Companies for British Columbia (the "**Registrar**") under the *Business Corporations Act* (British Columbia) (the "**Act**") in respect of the Borrower's existence as a company under the laws of the Province and good standing with respect of filing of annual reports (the "**Certificate of Good Standing**"), a copy of which was delivered to you;

(b) a copy of a certificate of an officer of the Borrower (the "**Officer's Certificate**"), dated the date hereof, a copy of which was delivered to you, as to certain factual matters and attaching and certifying copies of the Borrower's certificate of incorporation, certificate(s) of name change, notice of articles and articles (collectively, the "**Constating Documents**"), the minutes of the meeting of the board of directors of the Borrower with respect to the Note Documents and the transactions contemplated thereby (the "**Minutes**"), and a certificate of incumbency;

(c) a letter dated October 27, 2021 from Odyssey Trust Company, the transfer agent and registrar of the Borrower (the "**Odyssey Letter**"), a copy of which was delivered to you; and

(d) such other records and documents as we have considered necessary or appropriate.

We have also considered such questions of law and have made such investigations and examined originals or copies, certified or otherwise identified to our satisfaction, of such certificates of public officials and of such other certificates, documents and records as we have considered necessary or relevant for the purposes of giving the opinions expressed below.

III. ASSUMPTIONS AND RELIANCES

As to various questions of fact material to the opinions set out below and which were not independently established or investigated by us, we have relied solely upon certificates of public officials, boards, commissions and authorities and officers of the Borrower, copies of which have been delivered to you. We have assumed that the parties delivering these certificates have been duly appointed to the positions indicated and have the power, capacity and authority to certify the information contained therein. To the extent that any certificates upon which we have relied are based on any assumption, are given in reliance on any other certificate or other document or are made subject to any limitation, qualification or exception, our opinion given in reliance thereon is also based upon such assumption, is given in reliance on such other certificate or other document and is subject to such limitation, qualification or exception.

For the purpose of giving the opinions expressed below, we have assumed:

(a) that (i) all individuals signing documents examined by us had the legal capacity to do so at all relevant times; (ii) all signatures on all documents examined by us are genuine; (iii) all documents submitted to us as originals are authentic and complete; and (iv) all documents submitted to us as certified, conformed, facsimile or photostatic copies are complete and conform to authentic original documents;

(b) the accuracy, currency and completeness of: (i) the public indices and filing systems maintained by the public offices and registries where we have searched or inquired; (ii) the search results and certificates furnished to us by public officials; and (iii) the results of any printed or computer search result provided to or obtained by us, including results obtained by electronic transmission from public offices;

(c) the resolutions of the Company contained in the Minutes were duly and validly passed at a duly and validly constituted meeting of the board of directors of the Borrower;

(d) that the Certificate of Good Standing continues to be accurate as of the date hereof;

(e) that the Borrower is not insolvent, no acts or proceedings have been taken by or against or are pending in connection with, and the Borrower is not in the course of contemplating or has received any notice in respect of, any amalgamation, continuation, dissolution, winding up, liquidation, insolvency, bankruptcy or reorganization of the Borrower;

(f) that the Borrower has not received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Borrower;

(g) that the Borrower has not taken any steps to terminate its existence, to continue into any other jurisdiction or to change its corporate existence in any way;

(h) that no voluntary case or proceeding has been commenced (including the filing of any notice in connection therewith) under any insolvency, incorporation or other law in effect in any jurisdiction for the following:

(i) the bankruptcy, liquidation, winding-up, dissolution or suspension of general operations;

(ii) the composition, rescheduling, reorganization, arrangement or readjustment of, or other relief from, or stay of proceedings to enforce, some or all of the debts;

(iii) the appointment of a trustee, receiver, receiver and manager, liquidator, administrator, custodian or other official for, or for all or a substantial part of the assets; or

(iv) possession, foreclosure, seizure or retention, or sale or other disposition of, or other proceedings to enforce security over, all or a substantial part of the assets,

of the Borrower.

(i) that to the extent that any certificate or other document relied upon by us for the purposes of this opinion has been dated prior to the date of this opinion, that the information contained in the said certificate or other document continues to be valid, complete, true and accurate as of the date of this opinion letter;

(j) that all persons other than the Borrower executing Note Documents on behalf of themselves or on behalf of another party have been duly authorized to do so and that such documents have been validly executed and delivered and constitute legal, valid, binding and enforceable obligations of such parties thereto in accordance with the terms of such documents;

(k) that the Borrower does not have a French form or combined English-French form of its name set out in its Constating Documents;

(l) that no resolution has been passed, no agreement has been entered into and no declaration has been executed by the current or former shareholders of the Borrower which has or could have the effect of limiting or otherwise restricting the power of the directors of the Borrower to exercise all their powers and authorities under the Borrower's notice of articles or articles under the Act;

(m) that the minute books and other corporate records of the Borrower provided to us were true, correct and complete and there have been no other meetings, resolutions or proceedings of

the shareholders, directors or any committee thereof of the Borrower to the date hereof, nor have there been any amendments or additions to the articles or any of the other constating documents of the Borrower, that are not reflected in such minute books and corporate records;

(n) that at the time of any distribution of or trade in securities of the Borrower, no order, ruling or decision is in effect that restricts any trades in such securities or that affects any person or company who engages in any such trades, including, without limitation, any cease trade orders and any agreement imposing sanctions, conditions, restrictions or requirements on a person or company based on a finding or admission of a contravention of securities or derivative laws or conduct contrary to the public interest which is relevant to our opinions expressed herein;

(o) the issue of the Notes and Warrants has been effected without the preparation, use or delivery of an "offering memorandum" as defined in the Applicable Securities Laws (as defined below);

(p) no selling or promotional expenses have been paid or incurred in connection with the sale of the Notes and Warrants;

(q) that the covenants, representations, warranties, certifications and acknowledgments of each party other than the Borrower set out in the Note Documents and the schedule(s) thereto are true and correct (which covenants, representations, warranties, certifications and acknowledgements we have relied upon without independent verification);

(r) that none of the Purchasers are resident in the Province;

(s) that each Purchaser is purchasing Notes and Warrants as principal and no Purchaser was created, or is used, solely to purchase or hold securities of the Borrower;

(t) that the Borrower has complied with the securities law requirements in each jurisdictions where a Purchaser is resident;

(u) the Borrower is not relying on Multilateral Instrument 45-108 – *Crowdfunding* in the jurisdictions where the Purchasers are resident;

(v) that the distribution of the Notes and Warrants was effected in accordance with the terms of the Notes Purchase Agreement;

(w) that the Securities will not be distributed, whether directly or indirectly, into the Province, and that the Borrower is not aware and cannot reasonably foresee that the Securities will be resold in the Province; and

(x) that the Borrower is not, and will not at any relevant time after the date hereof be, engaged in, and does not, and will not at any relevant time after the date hereof, hold itself out as engaged in, the business of trading in securities as a principal or agent.

In rendering our opinion in paragraph V.1 below, we have relied exclusively and without independent investigation upon the Certificate of Good Standing.

In rendering our opinion in paragraph V.2 below, we have relied exclusively and without independent investigation upon the Odyssey Letter and the Officer's Certificate.

In rendering our opinion in paragraph V.3 below, we have relied exclusively upon a search conducted on October 27, 2021 of the reporting issuer list dated as of October 27, 2021 12:00 A.M. (P.S.T.), and the defaulting issuers list dated as of October 26, 2021 11:59:59 P.M. (P.S.T.), each as maintained by the British Columbia Securities Commission (the "**BCSC**") and reproduced on its website (www.bcsc.bc.ca) (together, the "**BC Issuers Lists**") and we have assumed that such lists as so reproduced

continue to be accurate. A copy of the relevant page of each of the BC Issuers Lists has been delivered to you.

In rendering our opinion in paragraph V.11 below, we have assumed that any transfer of Securities (as defined below) has and will comply with Article 25 of the articles of the Borrower.

For the purposes of our opinions expressed below, we have relied solely upon the Officer's Certificate as to the factual matters provided for therein, without independent investigation, verification or inquiry.

Other than a review of the Constating Documents, minutes of the meeting of the board of directors of the Borrower in respect of the Note Documents and the transactions contemplated thereby, certain corporate records of the Borrower that we deemed material, the Note Documents and such other documents that we deemed material, we have not undertaken any special or any independent investigation to determine the existence or absence of such facts or circumstances and no inference as to our knowledge of such facts or circumstances should be drawn merely from our representation of the Borrower.

Whenever our opinion refers to shares of the Borrower, whether issued or to be issued, as being "fully paid and non-assessable", such opinion indicates that the holder of such shares cannot be required to contribute any further amounts to the Borrower by virtue of its status as holder of such shares, either in order to complete payment for the shares, to satisfy claims of creditors or otherwise. No opinion is expressed as to actual receipt by the Borrower of the consideration for the issuance of such shares or as to the adequacy of any consideration received. Unless expressly stated, we give no opinion as to the extent to which shares have been "duly and validly" issued.

The opinions set forth in this letter are based on the above-noted documents being complete, true, accurate and current and, to the extent that the matters referred to herein are affected or diminished at law or in equity by any matter which has not been disclosed to us, our opinions are qualified accordingly.

IV. APPLICABLE LAW

We are qualified to practice law in the Province. The opinions expressed below relate solely to the laws of the Province and the federal laws of Canada applicable therein ("**Applicable Law**"). Our opinions do not otherwise anticipate or take into account any changes in law or in such administrative policies and assessing practices whether by legislative, governmental or other action. The opinions herein are given as of the date hereof. We disclaim any obligation to advise the addressees or any other person of any change in law or any fact which may come or be brought to our attention after the date of this letter.

For the purposes of this opinion, the term "**Applicable Securities Laws**" means the securities laws of the Provinces of British Columbia, including without limitation the *Securities Act* (British Columbia), as amended (the "**BC Act**") and the published rules, regulations and policy statements of each of the BCSC, and the national policies, multilateral instruments and national instruments adopted by the BCSC in effect as of the date of this opinion.

Other than as set out hereunder, we give no opinion as to the completeness or accuracy of information provided to the Purchasers or any prospective purchaser of Notes or Warrants in respect of the Borrower or the securities.

V. OPINIONS

Based upon the foregoing and subject to the qualifications set out below, we are of the opinion that:

1. The Borrower is a valid and existing corporation under the laws of the Province and is in good standing with the office of the Registrar with respect to the filing of annual reports.

2. The authorized share capital of the Borrower consists of an unlimited number of SVS and an unlimited number of PVS, of which, prior to the conversion or exercise of any Notes or Warrants, 75,526,443 SVS and 28,358,598 PVS are issued and outstanding as at the date hereof.

3. The Borrower is a "reporting issuer" under the BC Act, and not noted in default in either of the BC Issuers Lists.

4. The Borrower has the corporate power and capacity to enter into in the Note Documents and to execute and deliver each of the Note Documents and to perform its respective obligations thereunder.

5. All necessary corporate action has been taken by the Borrower to authorize the execution and delivery of each of the Note Documents and the performance of its obligations thereunder and, to the extent Applicable Law applies, the Note Documents have been duly authorized, executed and delivered by the Borrower.

6. The Notes have been duly and validly authorized, created and issued by the Borrower, and the Warrants have been duly and validly authorized, created, issued and executed by the Borrower, and the Warrants each constitutes a valid and legally binding obligation of the Borrower enforceable against it in accordance with its terms.

7. All necessary approvals by the directors have been obtained by the Borrower to duly authorize the issuance of the Warrant Shares issuable upon the exercise of the Warrants in accordance with its terms, and the Note Shares issuable upon the conversion of the Notes in accordance with the terms of the Notes Purchase Agreement.

8. Acquiom Agency Services LLC has been duly appointed by the Borrower as notes agent under the Note Purchase Agreement.

9. The Warrant Shares issuable upon exercise of the Warrants, and the Note Shares issuable upon conversion of the Notes have been reserved and allotted for issuance and, upon exercise of the Warrants and conversion of the Notes in each case in accordance with their own terms, including, as applicable, payment of any exercise price therefor, such Warrant Shares and Note Shares will be validly issued as fully paid and non-assessable SVS of the Borrower.

10. The offering, sale and issuance of the Notes and the Warrants to the Purchasers in accordance with the Note Documents are exempt from the prospectus and registration requirements of the Applicable Securities Laws and no prospectus is required, nor are any other documents required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of any regulatory authority required to be obtained by the Borrower under the Applicable Securities Laws to permit the offering, sale, issuance and delivery of the Warrants and the Notes, subject to the requirement that the Borrower, within ten days after closing of the Offering, file a report on Form 45-106F1 prepared and executed in accordance with National Instrument 45-106 – a *Prospectus Exemptions* of the Canadian Securities Administration with the BCSC accompanied by the prescribed fees, if any.

11. The execution and delivery of the Note Documents and the fulfillment of the respective terms thereof by the Borrower, and the performance of and compliance with the terms of the Notes Documents, as applicable, by the Borrower do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under:

    (a) any Applicable Laws of the Province or the federal laws of Canada applicable therein; or

(b) any term or provision of the Constating Documents.

12. The issuance of (i) the Note Shares on the conversion of the Notes; and (ii) the Warrant Shares upon the due exercise of the Warrants, will not be subject to the prospectus requirements of Applicable Securities Laws and no prospectus will be required, no other document will be required to be filed, no proceeding will be required to be taken and no approval, permit, consent, order or authorization of a regulatory authority will be required to be obtained by the Borrower under Applicable Securities Laws to permit such issuance and delivery.

13. No prospectus is required nor are other documents required to be filed, proceedings taken, or approvals, permits, consents or authorizations of regulatory authorities obtained under Applicable Securities Laws to permit a holder of Notes or Warrants, or Warrant Shares or Note Shares issuable thereunder (collectively, the "**Securities**") to trade the Securities through a dealer registered under Applicable Securities Laws who complies with those laws, or in circumstances in which there is an exemption from the registration requirements of the Applicable Securities Laws, provided that:

(a) the Borrower is and has been a reporting issuer (as such term is defined in Applicable Securities Laws) in a jurisdiction of Canada (as defined in National Instrument 14-101 – *Definitions* ("**NI 14-101**")) for the four months immediately preceding the trade;

(b) at least four months have elapsed from the distribution date (as such term is defined in National Instrument 45-102 – *Resale of Securities* ("**NI 45-102**"));

(c) the certificates representing the Securities were issued carrying the legend required by NI 45-102;

(d) if the Securities are entered into a direct registration or other electronic book-entry system, or if the holder thereof did not directly receive a certificate representing the Securities, the holder thereof received written notice containing the legend restriction notation set out in paragraph (c) above as required by NI 45-102;

(e) the trade is not a "control distribution" (as such term is defined in NI 45-102);

(f) no unusual effort is made to prepare the market or to create a demand for the security that is the subject of the trade;

(g) no extraordinary commission or consideration is paid to a person or Borrower in respect of the trade; and

(h) if the selling security holder is an insider or officer of the Borrower, the selling security holder has no reasonable grounds to believe that the Borrower is in default of "securities legislation" (as such term is defined in NI 14-101).

VI. QUALIFICATIONS

As to various questions of fact material to the opinions set out herein and which were not independently established or investigated by us, we have relied solely upon certificates of public officials, boards, commissions and authorities and officers of the Borrower, copies of which have been delivered to you. We have assumed that the parties delivering these certificates have been duly appointed to the positions indicated and have the power, capacity and authority to certify the information contained therein. To the extent that any certificates upon which we have relied are based on any assumption, are given in reliance

on any other certificate or other document or are made subject to any limitation, qualification or exception, our opinion given in reliance thereon is also based upon such assumption, is given in reliance on such other certificate or other document and is subject to such limitation, qualification or exception.

We express no opinion as to the enforceability of any Note Documents other than the Warrants.

With respect to our opinion in paragraph V.6 above concerning the enforceability of the Warrants and the rights and remedies set out therein and any judgment arising out of or in connection therewith, the same is subject to and may be limited by:

a. any applicable bankruptcy, insolvency, winding-up, reorganization, arrangement, moratorium or other similar laws affecting creditors' rights generally;

b. general principles of equity and the obligation to act in a reasonable manner, and no opinion is expressed regarding the availability of any equitable remedy (including those of specific performance and injunction) which remedies are only available in the discretion of a court of competent jurisdiction;

c. the awarding of costs is in the discretion of a court of competent jurisdiction;

d. pursuant to the *Currency Act* (Canada), a judgment by a court in any province in Canada may be awarded in Canadian currency only and such judgment may be based on a rate of exchange in existence on a day other than the day of payment of such judgment;

e. no opinion is expressed regarding the enforceability of any provision of such Warrants that purports to provide that any portion thereof which is unenforceable may be severed without affecting the enforceability of the remaining provisions;

f. no opinion is expressed or provided regarding the Warrants to the extent and in the event that the governing laws of such Warrants may change as a result of any subsequent transaction;

g. a provision in such Warrants that purports to restrict, or has the effect of restricting, access to a court may not be enforceable;

h. a court has statutory and inherent powers to grant relief from forfeiture, to stay execution of proceedings before it and to stay executions on judgments;

i. notwithstanding any provision in such Warrants that such agreement constitutes the entire agreement between the parties, a court may in certain circumstances give effect to other agreements or representations, whether written or oral, between the parties;

j. no opinion is expressed on the validity or effect of any service of process served in accordance with the provisions of such Warrants for the commencement of an action in a court in the Province of British Columbia, if such service is not made in compliance with the *Supreme Court Civil Rules* (British Columbia);

k. no opinion is expressed as to the enforceability of any provision of such Warrants that constitutes an agreement to agree;

l. no opinion is expressed with respect to the effectiveness of any covenant of any party not to institute bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or not to take any action to appoint a receiver or order the winding-up of another person;

m. a provision in such Warrants that purports to waive any statutory rights or defences which might be available to, or constitute a discharge of the liability of, any person may not be enforceable;

n. no opinion is expressed regarding the enforceability of any provision in such Warrants that purports to exculpate a party from liability in respect of acts or omissions which may be illegal, fraudulent or involve wilful misconduct;

o. the effectiveness of provisions which purport to relieve a person from a liability or duty otherwise owed may be limited by law, and provisions requiring indemnification or reimbursement are not required to be enforced by a court, to the extent that they relate to the failure of such person to have performed such liability or duty;

p. no opinion is expressed regarding the enforceability of any provisions in such Warrants to the effect that modifications, amendments or waivers of or with respect to such agreement that are not in writing will be ineffective;

q. the enforceability of such Warrants will be subject to the limitations contained in the *Limitation Act* (British Columbia), and we express no opinion as to whether a court may find any provision in such Warrants to be unenforceable on the basis that any such provision is an attempt to vary or exclude the ultimate limitation period under such act;

r. no opinion is given on the ranking of Warrants as among each other or other securities or security interests issued or granted, as applicable, by the Borrower;

s. we express no opinion with respect to the provisions of the *Personal Information Protection and Electronic Documents Act* (Canada) or any other privacy laws applicable in the Province of British Columbia;

t. no opinion is expressed on provisions of such Warrants which:

(i) purport to bind or affect, or confer a benefit upon, persons who are not parties to such Warrants;

(ii) purport to establish evidentiary standards, such as provisions stating that certain determinations, calculations, requests or certificates will be conclusive or binding; or

(iii) purport to waive or affect any rights to notices;

u. determinations or demands made pursuant to such Warrants in the exercise of discretion purported to be given to any person in, under or by such Warrants may be unenforceable if made in an unreasonable or arbitrary fashion;

v. we have not made any investigations as to the accuracy or completeness of any representation, warranty, date, fact or other information, written or oral, made or furnished by the Borrower or any other party, whether in such Warrants or otherwise;

w. any forum selection clauses in contracts are not necessarily binding on the courts in the forum selected, and that, without limiting the generality of the foregoing, a court may decline jurisdiction in any action relating to such Warrants on the basis that the action is being brought in an inconvenient forum, or that the authorities of any jurisdiction are in a better position to decide, or that concurrent proceedings have been brought elsewhere, or that a decision has already been rendered in respect of the subject matter of such action by a foreign authority, notwithstanding any agreement or consent as to such court;

x. we express no opinion with respect to the application of the *Competition Act* (Canada) or to the regulations thereunder or to the *Investment Canada Act*, or to the regulations thereunder;

y. no opinion is herein expressed as to the enforceability of any irrevocable power of attorney or mandate in such Warrants;

z. we express no opinion as to the enforceability of any provision in such Warrants purporting to give a person a right to acquire property without compensation or without further compensation; or

aa. we express no opinion regarding the validity, binding nature or enforceability of any provisions of such Warrants purporting to waive the application or effect of provisions of law which are mandatory or of public order.

VII. RELIANCE LIMITATION

This opinion is given solely for the benefit of the addressees, and their respective successors and assigns, in connection with the matters stated herein and may not be relied upon by any other person or for any other purpose without our prior written consent. The opinions expressed herein are given as of the date of this letter and we undertake no responsibility to advise you of any change in any laws or facts which may hereafter occur and which may affect our opinions.

Yours truly,

"MLT Aikins LLP"

SCHEDULE "A"

PURCHASERS

Purchaser	**Principal Amount of Notes**
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
[redacted]	[redacted]
Total:	**$33,500,000**

Schedule 5.10

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "**Agreement**") is made and entered into as of October 28, 2021 (the "**Effective Date**"), by and among (i) XS Financial Inc., a corporation existing under the *Business Corporations Act* (British Columbia) (together with any successor entity thereto, the "**Company**"), (ii) the entities controlled by [redacted], [redacted] (together with its Affiliates, "[redacted]") and each of the other purchasers of the Company's 9.50% / 8.00% Senior Unsecured Convertible Notes due 2023 (the "**Notes**"), which are convertible in certain circumstances into shares of the Common Stock, set forth on Exhibit A hereto (each such holder, a "**Noteholder**" and, collectively, the "**Noteholders**"), and (iii) each holder of a Warrant set forth on Exhibit B hereto (each such holder, a "Warrant Holder and, collectively, the "**Warrant Holders**").

The parties hereto hereby agree as follows:

1 **Definitions**. As used in this Agreement, the following terms shall have the following meanings:

Adverse Effect: As defined in Section 2(f)(v) hereof.

Affiliate: With respect to any Person, any other Person which, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, "control" (together with the correlative meanings of "controlled by" and "under common control with") means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities or other beneficial interests, by contract, or otherwise.

Agreement: As defined in the preamble.

Board of Directors: As defined in Section 7(a) hereof.

Business Day: With respect to any act to be performed hereunder, any day other than a Saturday, a Sunday or a day on which banking institutions in New York, New York, or Toronto, Ontario, are authorized or obligated by law, regulation or executive order to close.

Canadian Control Person: A "control person" as defined under applicable Canadian Securities Laws, which generally means a Person, or combination of Persons, who holds a sufficient number of the outstanding voting securities of an issuer to materially affect control of the issuer. In the absence of evidence to the contrary, a Person, or combination of Persons, holding more than twenty percent (20%) of such voting securities is deemed to be a control person under applicable Canadian Securities Laws.

Canadian Prospectus: A preliminary prospectus and a final prospectus (including the short forms or base shelf forms thereof) prepared in accordance with applicable Canadian Securities Laws for the purposes of qualifying securities for distribution or distribution to the public, or to allow the Company to become eligible for listing on a stock exchange in Canada, as

the case may be, in any province or territory of Canada, including all amendments and supplements thereto.

Canadian Securities Laws: The applicable securities laws in any province or territory of Canada including applicable rules, regulations, instruments, rulings, policy statements, notices, blanket rulings, orders, communiqués and interpretation notes issued thereunder or in relation thereto, promulgated by the Commissions in Canada, as the same may hereinafter be amended from time to time or replaced.

Commissions: (i) The SEC, and (ii) any securities commission or securities regulatory authority in each applicable province and territory of Canada, or, in each case, any successor regulatory authorities having similar powers in the United States or Canada, as the case may be.

Common Stock: means the Company's Subordinate Voting Shares.

Company: As defined in the preamble.

Company Controlling Person: As defined in Section 8(b) hereof.

Capital Stock: Any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, and any and all equivalent ownership interests in a Person (other than a corporation).

Controlling Person: As defined in Section 8(a) hereof.

Demand Holder: As defined in Section 2(f)(i) hereof.

Dollars or **$**: Lawful money of the United States of America.

End of Suspension Notice: As defined in Section 7(b) hereof.

Exchange Act: The U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated by the SEC thereunder.

FINRA: The Financial Industry Regulatory Authority, Inc., formerly the National Association of Securities Dealers, Inc.

GAAP: United States generally accepted accounting principles.

Holder: Each record owner of any Registrable Shares from time to time.

Holder Indemnitee: As defined in Section 8(a) hereof.

Indemnified Party: As defined in Section 8(c) hereof.

Indemnifying Party: As defined in Section 8(c) hereof.

Initial Issuance Date: The date on which a Note is first issued and sold by the Company.

Issuer Free Writing Prospectus: As defined in Section 2(c) hereof.

JOBS Act: The Jumpstart Our Business Startups Act of 2012, as amended, and the rules and regulations promulgated by the Commission thereunder.

Law: Any and all laws, including all federal, state, provincial, territorial and local statutes, codes, ordinances, guidelines, decrees, rules, regulations and municipal by-laws and all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, directives, decisions, rulings or awards or other requirements of any Person binding on or affecting the Person referred to in the context in which the term is used.

Liabilities: As defined in Section 8(a) hereof.

Mandatory Shelf Registration Statement: A Registration Statement filed by the Company pursuant to Section 2(a) hereof.

NI 44-101: means National Instrument 44-101 of the Canadian Securities Administrators entitled "Short Form Prospectus Distributions", and any successor policy, rule, regulation or similar instrument.

No Objections Letter: As defined in Section 5(s) hereof.

Noteholder: As defined in the Preamble.

Notes: As defined in the Preamble.

Person: An individual, corporation, limited liability company, partnership, trust, unincorporated organization, government or agency or political subdivision thereof, or any other legal entity.

Proceeding: An action (including a class action), claim, suit or proceeding (including without limitation, an investigation or partial proceeding, such as a deposition), whether commenced or, to the knowledge of the Person subject thereto, threatened.

Prospectus: The prospectus included in any Registration Statement, including any preliminary prospectus at the applicable "time of sale" within the meaning of Rule 159 under the Securities Act, and all other amendments and supplements to any such prospectus, including post-effective amendments to the applicable Registration Statement, and all material incorporated by reference or deemed to be incorporated by reference, if any, in such prospectus, and where the context so requires includes a Canadian Prospectus and all other amendments and supplements thereto.

Pro Rata Portion: With respect to each Noteholder or Warrant Holder, as applicable, requesting that its shares be registered or sold in an Underwritten Offering, a number of such shares equal to the aggregate number of Registrable Shares to be registered or sold in such Underwritten Offering (excluding any shares to be registered or sold for the account of the Company) multiplied by a fraction, the numerator of which is the aggregate number of Registrable Shares held by such Noteholder or Warrant Holder, as applicable, and the denominator of which is the aggregate

number of Registrable Shares held by all Noteholders or Warrant Holders requesting that their Registrable Shares be registered or sold in such Underwritten Offering.

Public Offering: A public offering and sale of Common Stock for cash pursuant to an effective registration statement under the Securities Act (other than a Registration Statement on Form S-3, Form F-4 or Form S-8 or any successor form) or by way of a Canadian Prospectus under Canadian Securities Laws.

Register, registered and registration: A registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such registration statement. In addition, unless inconsistent with the context: (i) the term "registration" and any references to the act of "registering" or being "registered", including the provisions in Section 5, include (a) the qualification under applicable Canadian Securities Laws of a Canadian Prospectus in respect of a distribution or distribution to the public, as the case may be, of securities, (b) enabling Holders (other than Canadian Control Persons under applicable Canadian Securities Laws) to freely trade the Registrable Shares in Canada, and (c) the elimination of restrictions as to resale of securities in a jurisdiction of Canada (other than any restrictions imposed on Canadian Control Persons under applicable Canadian Securities Laws); (ii) the term "registration statement" or "Registration Statement" includes a Canadian Prospectus; and (iii) any references to a registration statement or Registration Statement having become effective, or similar references, shall include a Canadian Prospectus for which a final receipt has been obtained from the relevant Canadian Commissions. Any registration of securities that occurs concurrently in Canada and the United States shall be counted as a single registration for the purposes of this Agreement.

Registrable Shares: (a) The shares of Common Stock issuable upon conversion of the Notes or exercise of the Warrant, including upon the transfer thereof by the original holder or any subsequent holder, and (b) any shares or other securities of the Company issued in respect of any shares described in subsection (a) above by reason of or in connection with any stock dividend, stock distribution, stock split, purchase in any rights offering, or in connection with any exchange for or replacement of such shares by reason of or in connection with any recapitalization, merger or consolidation, or any combination of shares or any other equity securities of the Company issued pursuant to any other pro rata distribution with respect to such shares, until, in the case of any such share, the earliest to occur of (i) the date on which the resale of such share has been registered and it has been disposed of in accordance with the Registration Statement relating to the resale of such share, (ii) the date on which such share is freely saleable or tradeable, without condition and without any volume limitation, pursuant to Rule 144, or applicable Canadian Securities Laws (and other than any conditions imposed on Canadian Control Persons under applicable Canadian Securities Laws) or (iii) the date on which such share is sold to the Company.

Registration Expenses: Any and all fees and expenses incident to the Company's performance of or compliance with this Agreement, including, without limitation: (a) all Commission, FINRA or other registration and filing fees; (b) all fees and expenses incurred in connection with compliance with the Securities Laws and any other international, federal or state securities or blue sky Laws (including, without limitation, any registration, listing and filing fees, and reasonable fees and disbursements of counsel in connection with qualification of any of the Registrable Shares under blue sky Laws, the preparation of a blue sky memorandum, and

compliance with the rules of FINRA); (c) all expenses in preparing or assisting in preparing, word processing, duplicating, printing, delivering and distributing any Registration Statement, any Prospectus, any amendments or supplements thereto, any certificates, and any other documents relating to the performance under and compliance with this Agreement; (d) all fees and expenses incurred in connection with the listing or inclusion of any of the Registrable Shares on any Securities Exchange pursuant to Section 5(m) hereof; (e) the fees and disbursements of counsel for the Company and of the independent registered public accounting firm of the Company (including, without limitation, the expenses of any special audit and "comfort" letters required by or incident to the performance of this Agreement); (f) the reasonable fees and disbursements of one law firm acting as Selling Noteholders' Counsel (acting as counsel for all selling Noteholders in connection with such registration or offering) in the United States of America and, if applicable, Canada and one law firm acting as Selling Warrant Holders' Counsel (acting as counsel for all selling Warrant Holders in connection with such registration or offering) in the United States of America and, if applicable, Canada, which legal fees shall not exceed $100,000 in the aggregate without the prior approval of the Company (not to be unreasonably withheld), plus reasonable and documented expenses; (g) if applicable all fees and disbursements in connection with the translation of any Registration Statements into French and the provision of customary translation opinions; and (h) any other fees and disbursements customarily paid by issuers in connection with the registration of sales of securities (including the fees and expenses of any experts retained by the Company in connection with any Registration Statement); provided, however, that Registration Expenses shall exclude (a) any and all brokers' or underwriters' discounts and commissions, transfer taxes, and transfer fees relating to the sale or disposition of Registrable Shares by a Holder, and (b) the fees and expenses of any counsel to the Holders, except as provided for in clause (f) above.

Registration Statement: Any registration statement of the Company that covers the resale, or enables the free trading, of Registrable Shares pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such registration statement or Prospectus, including pre- and post-effective amendments, all exhibits thereto and all material incorporated by reference or deemed to be incorporated by reference, if any, in such registration statement. The term "Registration Statement" shall be interpreted to include a Canadian Prospectus, and any references herein to a Registration Statement having become effective, or similar references, shall include a Canadian Prospectus for which a final receipt has been obtained from the relevant Canadian Commission(s).

Requesting Holders: As defined in Section 2(f)(i) hereof.

Rule 144: Rule 144 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

Rule 144A: Rule 144A promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

Rule 158: Rule 158 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

Rule 159: Rule 159 promulgated by the Commission pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission as a replacement thereto having substantially the same effect as such rule.

Rule 405: Rule 405 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

Rule 415: Rule 415 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

Rule 424: Rule 424 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

Rule 429: Rule 429 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

Rule 433: Rule 433 promulgated by the SEC pursuant to the Securities Act, as such rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the SEC as a replacement thereto having substantially the same effect as such rule.

SEC: The U.S. Securities and Exchange Commission.

Securities Act: The U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated by the SEC thereunder.

Securities Exchange: The NYSE American, the New York Stock Exchange, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, the Toronto Stock Exchange, the TSX Venture Exchange or the Canadian Securities Exchange (or any successors to any of the foregoing).

Securities Laws: Unless inconsistent with the context, the Canadian Securities Laws and the U.S. Securities Laws.

Selling Noteholders' Counsel: One nationally-recognized U.S. securities law counsel and, if relevant, one nationally-recognized Canadian securities law counsel, in each case reasonably acceptable to the Company and Noteholders holding a majority of the Registrable Shares exercising the applicable rights hereunder.

Selling Warrant Holders' Counsel: One nationally-recognized U.S. securities law counsel and, if relevant, one nationally-recognized Canadian securities law counsel, in each case

reasonably acceptable to the Company and Warrant Holders holding a majority of the Registrable Shares exercising the applicable rights hereunder (a "Warrantholder Majority"). Selling Warrant Holders' Counsel shall be the same as Selling Noteholders' Counsel where practicable, as determined by a Warrantholder Majority in their sole and reasonable discretion.

Short Form Registration: A registration effected using (i) Form S-3, Form F-3 or Form F-10 (or any comparable or successor form or forms under the applicable U.S. Securities Laws), if the Public Offering was completed in the United States, or (ii) a short form Canadian Prospectus in the form of Form 44-101F1 pursuant to NI 44-101 (or any comparable or successor form or forms under the Canadian Securities Laws).

Suspension Event: As defined in Section 7(b) hereof.

Suspension Notice: As defined in Section 7(b) hereof.

Underwritten Offering: A sale of securities of the Company to an underwriter or underwriters for re-offering to the public, or a sale of securities of the Company to the public pursuant to a solicitation of purchasers by an underwriter or underwriters on an agency basis.

Underwritten Shelf Takedown: As defined in Section 2(f)(i) hereof.

Underwritten Shelf Takedown Request: As defined in Section 2(f)(i) hereof.

Underwritten Suspension Notice: As defined in Section 2(f)(ii) hereof.

U.S. Securities Exchange: The NYSE American, the New York Stock Exchange, the Nasdaq Capital Market, the Nasdaq Global Market, or the Nasdaq Global Select Market.

U.S. Securities Laws: All federal and state securities Laws of the United States and regulations promulgated thereunder, including, without limitation, the Securities Act and the Exchange Act.

Venture Issuer: A "venture issuer" as defined under applicable Canadian Securities Laws, which generally means an issuer that does not have any of its securities listed or quoted on any of the Toronto Stock Exchange, a U.S. Securities Exchange or a marketplace outside of Canada and the United States of America.

Warrant: That certain warrant issued to each Noteholder for every US$2.00 of principal amount of Notes purchased by such Noteholder as part of the Notes offering.

Warrant Holder: As defined in the Preamble.

2 **Registration Rights**

(a) Mandatory Shelf Registration.

(i) *Mandatory Shelf Registration Statement in the United States.* As set forth in Section 5 hereof, the Company agrees to file a Mandatory Shelf Registration Statement as

soon as reasonably practicable following the Public Offering with respect to the Registrable Shares (and in no event later than sixty (60) days following such Public Offering), and take such other steps as may be necessary under the U.S. Securities Laws to register the resales of the Registrable Shares held by the Holders pursuant to Rule 415 in order to facilitate distribution (including an initial Public Offering) of such Registrable Shares from time to time in the United States. The Company shall use its commercially reasonable efforts to (A) effect the registration, qualification or compliance (including, without limitation, filing post-effective amendments, appropriate qualifications under applicable blue sky or other state securities Laws and appropriate compliance with applicable Securities Laws and any other governmental requirements or regulations) as would permit or facilitate the sale and distribution of all of the Registrable Shares as soon as practicable after the initial filing of the Mandatory Shelf Registration Statement, and (B) cause the Mandatory Shelf Registration to remain effective until the date on which all shares of Common Stock included in the Mandatory Shelf Registration Statement cease to be Registrable Shares. If the Company has an effective Mandatory Shelf Registration Statement providing for the resale of the Registrable Shares by the Holders and becomes eligible to use a Short Form Registration, the Company shall promptly give notice of such eligibility to the Holders and may, in its sole discretion, convert such Mandatory Shelf Registration Statement to a Short Form Registration by means of a post-effective amendment or otherwise, unless the Holders notify the Company within ten (10) Business Days of receipt of the Company's notice that such conversion would interfere with its distribution of Registrable Shares already in progress and provide a reasonable explanation therefor, in which case the Company will delay the conversion of the Mandatory Shelf Registration Statement for a reasonable time after receipt of the first such notice, not to exceed thirty (30) days. The Mandatory Shelf Registration Statement shall provide for the resale from time to time, and pursuant to any method or combination of methods legally available (including an Underwritten Offering, a direct sale to purchasers, a sale through brokers or agents, or a sale over the internet), by the Holders of any and all Registrable Shares.

(ii) *Mandatory Prospectus in Canada*. Subject to Section 2(a)(i), the Company shall provide each Noteholder and Warrant Holder resident in Canada with equivalent registration rights with respect to the Registrable Shares under Canadian Securities Law, including filing a Canadian Prospectus as soon as reasonably practicable following the Public Offering, and taking such other steps as may be necessary under the Canadian Securities Laws to permit Holders (other than Canadian Control Persons under applicable Canadian Securities Laws) to freely trade such Registrable Shares in a jurisdiction of Canada under applicable Canadian Securities Laws, including filing a Canadian Prospectus.

(b) Follow-Up Registration. If the Company proposes to file a, or amend a previously filed, Registration Statement with a Commission in connection with a Public Offering, in each case following the Effective Date of this Agreement (the "**Follow-up Registration Statement**"), the Company will notify in writing each Holder of the filing before (but not earlier than ten (10) Business Days before) or within five Business Days after the initial filing of or initial amendment to, as the case may be, the Follow-Up Registration Statement and afford each Holder an opportunity to include in the Follow-up Registration Statement all or any part of the Registrable Shares then held by such Holder. Each Holder desiring to include in the Follow-Up Registration Statement all or part of the Registrable Shares held by such Holder shall, within twenty (20) days after receipt of the above-described notice from the Company, so notify the Company in writing, and in such notice shall inform the Company of the number of Registrable Shares such Holder

wishes to include in the Follow-Up Registration Statement. Any election by any Holder to include any Registrable Shares in the Follow-Up Registration Statement will not affect the inclusion of such Registrable Shares in the Mandatory Shelf Registration Statement until such Registrable Shares have been sold under the Follow-Up Registration Statement.

(i) *Right to Terminate Follow-Up Registration*. The Company shall have the right to terminate or withdraw the Follow-Up Registration Statement prior to the effectiveness of the Follow-Up Registration Statement whether or not any Holder has elected to include Registrable Shares in the Registration Statement; provided, however, the Company must provide each Holder that elected to include any Registrable Shares in such Follow-Up Registration Statement prompt written notice of such termination or withdrawal. Furthermore, in the event the Follow-Up Registration Statement is not declared effective within one hundred fifty (150) days following the initial filing of or initial amendment to, as the case may be, the Follow-Up Registration Statement, unless a road show for the Underwritten Offering pursuant to the Follow-Up Registration Statement is actually in progress at such time, the Company shall promptly provide a new written notice to all Holders giving them another opportunity to elect to include Registrable Shares in the pending Follow-Up Registration Statement. Each Holder receiving such notice shall have the same election rights afforded such Holder as described in clause (b) of this Section 2 above.

(ii) *Shelf Registration not Impacted by Follow-Up Registration Statement*. (A) The Company's obligation to file the Mandatory Shelf Registration Statement pursuant to Section (a) hereof shall not be affected by the filing or effectiveness of the Follow-Up Registration Statement, and (B) the Company's obligation to file and use its commercially reasonable efforts to cause to become and keep effective the Mandatory Shelf Registration Statement pursuant to Section (a) hereof shall not be affected by the filing or effectiveness of an Follow-Up Registration Statement.

(iii) *Underwriting*. The Company shall advise all Holders of the lead managing underwriter for the Underwritten Offering proposed under the Follow-Up Registration Statement. The right of any such Holder to include Registrable Shares in the Follow-Up Registration Statement pursuant to Section 2(b) hereof shall be conditioned upon such Holder's participation in such Underwritten Offering and the inclusion of such Holder's Registrable Shares in such Underwritten Offering to the extent provided herein. All Holders proposing to distribute their Registrable Shares through such Underwritten Offering shall enter into an underwriting agreement in customary form with the managing underwriter(s) selected for such underwritten offering and complete, execute and deliver any questionnaires, powers of attorney, indemnities, custody agreements, securities escrow agreements and other documents, including opinions of counsel, reasonably required under the terms of such Underwritten Offering, and furnish to the Company such information in writing as the Company may reasonably request in writing for inclusion in the Registration Statement; provided, however, that no Holder shall be required to make any representations or warranties to or agreements with the Company or the underwriters other than representations, warranties or agreements regarding such Holder and such Holder's intended method of distribution and any other representation required by Law or reasonably requested by the underwriters. Notwithstanding any other provision of this Agreement, if the managing underwriter(s) determine(s) in good faith that marketing factors require a limitation on the number of shares to be included, then the managing underwriter(s) may exclude shares

(including Registrable Shares) from the Follow-Up Registration Statement and Underwritten Offering, and any shares included in such Follow-Up Registration Statement and Underwritten Offering shall be allocated first, to the Company, and second, to each of the Holders requesting inclusion of their Registrable Shares in such Follow-Up Registration Statement (on a pro rata basis based on the total number of Registrable Shares then held by each such Holder who is requesting inclusion); provided, however, that the number of Registrable Shares to be included in the Follow-Up Registration Statement shall not be reduced unless all other securities of the Company held by (i) officers, directors, other employees of the Company and consultants and (ii) other holders of the Company's capital stock with registration rights that are inferior (with respect to such reduction) to the registration rights of the Holders set forth herein, are first entirely excluded from the underwriting and registration.

(iv) By electing to include the Registrable Shares in the Follow-Up Registration Statement, the Holder of such Registrable Shares shall be deemed to have agreed not to effect any public sale or distribution of securities of the Company of the same or similar class or classes of the securities included in the Follow-Up Registration Statement or any securities convertible into or exchangeable or exercisable for such securities, including a sale pursuant to Rule 144 or Rule 144A under the Securities Act, during such periods as reasonably requested (but in no event for a period longer than thirty (30) days prior to and one hundred eighty (180) days following the effective date of the Follow-Up Registration Statement) by the representatives of the underwriters, in an Underwritten Offering, or by the Company in any other registration.

(v) If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the managing underwriter(s), delivered by the later of (i) two Business Days after the price range in the Underwritten Offering is communicated by the Company to such Holder, and (ii) ten (10) Business Days prior to the effective date of the Follow-Up Registration Statement. Any Registrable Shares excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration.

(c) Issuer Free Writing Prospectus. The Company represents and agrees that, unless it obtains the prior consent of Holders of a majority of the Registrable Shares that are registered under a Registration Statement at such time or the consent of the managing underwriter in connection with any Underwritten Offering of Registrable Shares, and each Holder represents and agrees that, unless it obtains the prior consent of the Company and any such underwriter, it will not make any offer relating to the Registrable Shares that would constitute an "issuer free writing prospectus," as defined in Rule 433 (an "**Issuer Free Writing Prospectus**"), or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. The Company represents that any Issuer Free Writing Prospectus will not include any information that conflicts with the information contained in any Registration Statement or the related Prospectus, and any Issuer Free Writing Prospectus, when taken together with the information in such Registration Statement and the related Prospectus, will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(d) [Reserved].

(e) Expenses. The Company shall pay all Registration Expenses in connection with the registration of the Registrable Shares pursuant to this Agreement. Each Holder participating in a registration pursuant to this Section 2 shall bear such Holder's proportionate share (based on the total number of Registrable Shares sold in such registration) of all discounts and commissions payable to underwriters or brokers and all transfer taxes and transfer fees in connection with a registration of Registrable Shares pursuant to this Agreement.

(f) Underwritten Shelf Takedowns.

(i) Subject to Section 2(f)(ii) and Section 7, at any time and from time to time after Registrable Shares have become eligible for resale pursuant to an effective Registration Statement on Form S-3 or a Canadian Prospectus, [redacted] (the "**Demand Holder**") may request (an "**Underwritten Shelf Takedown Request**" and the Demand Holder making such request, the "**Requesting Holder**") that the Company effect an underwritten public offering (each, an "**Underwritten Shelf Takedown**") of all or any portion of the Registrable Shares held by the Requesting Holder that is registered for resale pursuant to an effective Registration Statement on Form S-3, and specifying the number of Registrable Shares to be sold in such Underwritten Shelf Takedown and the expected aggregate gross proceeds from such Underwritten Shelf Takedown; provided, however, that (A) the Company shall not be obligated to effect, or take any action to effect, an Underwritten Shelf Takedown unless the aggregate proceeds expected to be received from the sale of the Registrable Shares requested to be included in such Underwritten Shelf Takedown (before deduction of any underwriting discounts and commissions) equals or exceeds $15 million, (B) the Company will not be required to effect more than two (2) Underwritten Shelf Takedowns for the Demand Holder. The Company shall use its commercially reasonable efforts to cause any such registration statement to be declared effective by the SEC as promptly as practicable after such filing.

(ii) Restrictions on Underwritten Shelf Takedowns. Except as set forth in this Section 2(f)(ii), the Company shall not be obligated to effect an Underwritten Shelf Takedown (A) after the date that is three (3) years following the effectiveness of the Company's Mandatory Shelf Registration Statement, (B) during the lock-up period specified in any applicable lock-up agreement entered into with underwriters in connection with the consummation of a previous Underwritten Shelf Takedown or consummation of a Public Offering initiated by the Company for its own account (a "**Company Underwritten Offering**"), which lock-up period shall not exceed one hundred and eighty (180) days, or (C) if, within five (5) days after receipt by the Company of an Underwritten Shelf Takedown Request, the Company provides notice to the Requesting Holder of the Company's intention to commence a Company Underwritten Offering within thirty (30) days of its receipt of such Underwritten Shelf Takedown Request (an "**Underwritten Suspension Notice**"); provided, that any suspension period under this Section 2(f)(ii) shall not exceed thirty (30) days prior to the commencement of a Company Underwritten Offering and thirty (30) days after the pricing of such Company Underwritten Offering. Notwithstanding the foregoing, (i) subject to Section 2(f)(i), the Company agrees that in the event of an Underwritten Suspension Notice, the Demand Holder shall be entitled to provide an Underwritten Shelf Takedown Request commencing on the date that is three (3) years after the effectiveness of the Company's Mandatory Shelf Registration Statement and ending on the date that is four (4) years after the effectiveness of the Company's Mandatory Shelf Registration

Statement, and (ii) the Company only shall be permitted to provide an Underwritten Suspension Notice once in any rolling 12-month period.

(iii) Effective Registration. A registration will not count as an Underwritten Shelf Takedown for purposes of the limit on the number of Underwritten Shelf Takedown Requests set forth in Section 2(f)(i) unless the related registration statement has been declared effective and has remained effective until the earlier of (x) such time as all of the Registrable Shares proposed to be sold in such Underwritten Shelf Offering have been sold and (y) the expiration of the time when a prospectus relating to such registration is required to be delivered under the Securities Act; provided, however, that if, after a Registration Statement has become effective, an offering of Registrable Shares pursuant to such registration statement is terminated by any stop order, injunction, or other order of the SEC or other governmental authority, such registration pursuant thereto will be deemed not to have been effected and will not count as an Underwritten Shelf Takedown for purposes of the limit on the number of Underwritten Shelf Takedowns set forth in Section 2(f)(i). In addition, a registration will not count as an Underwritten Shelf Takedown for purposes of the limit on the number of Underwritten Shelf Takedown set forth in Section 2(f)(i) if, (A) more than twenty percent (20%) of the Registrable Shares requested by the Requesting Holders to be included in such Underwritten Shelf Takedown are not so included pursuant to Section 2(f)(iv), or (B) the conditions to closing specified in the underwriting agreement or purchase agreement entered into in connection with the registration relating to such Underwritten Shelf Takedown Request are not satisfied. Notwithstanding the foregoing, the Company will pay all Registration Expenses in connection with any Underwritten Shelf Takedown, regardless of whether or not such Underwritten Shelf Takedown counts as one of the permitted Underwritten Shelf Takedown Requests under Section 2(f)(i).

(iv) Selection of Underwriters. With respect to any Underwritten Shelf Takedown, the Requesting Holder shall have the right to select an investment banking firm of national standing, with the consent of the Company not to be unreasonably withheld, to be the managing underwriter for the offering; provided, that such selection shall not conflict with any right of first refusal, right of first offer, fee tail or similar contractual obligation of the Company to an underwriter, placement agent or financial advisor.

(v) Priority on Underwritten Shelf Takedowns. With respect to any offering pursuant to an Underwritten Shelf Takedown, no securities to be sold for the account of any Person (including the Company) other than the Requesting Holder shall be included in an Underwritten Shelf Takedown unless the managing underwriter advises the Requesting Holder in writing that the inclusion of such securities will not have a material adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, or jeopardizing in any respect the success of any such offering (an "**Adverse Effect**"). Subject to Section 2(f)(iii), in the event that the managing underwriter advises the Requesting Holder in writing that the amount of Registrable Shares proposed to be included in an Underwritten Shelf Takedown by the Requesting Holder and the Company is sufficiently large (even after exclusion of all securities of any other Person pursuant to the immediately preceding sentence) to cause an Adverse Effect, the number of Registrable Shares to be included in such Underwritten Shelf Takedown shall be reduced accordingly; provided, however, that if, as a result of such reduction, the Requesting Holder shall not be entitled to include in a registration all Registrable Shares of the class that such Holder had requested to be included, the Requesting Holder may elect to withdraw

its request to include such Registrable Shares in such Underwritten Shelf Takedown or may reduce the number requested to be included, whereupon only the Registrable Shares, if any, it desires to have included will be so included and the Holders not so reducing shall be entitled to a corresponding increase on a *pro rata* basis in the amount of Registrable Shares to be included in such Underwritten Shelf Takedown.

(g) Piggyback Registration.

(i) Participation. If the Company at any time following the effectiveness of its Mandatory Shelf Registration Statement proposes to file a Registration Statement with respect to any offering of its equity securities for its own account or for the account of any Holder under the Securities Act or Canadian Securities Laws or to otherwise conduct a Public Offering with respect to any offering of its equity securities for its own account or for the account of any other Person (other than (i) a Registration on Form S-4, Form F-4 or Form S-8 or any successor form to such forms, (ii) in connection with any "at-the-market" equity offering program, which for the avoidance of doubt, is not an underwritten offering, (iii) a Registration of securities solely relating to an offering and sale to employees or Directors of the Company or its subsidiaries pursuant to any Company stock plan or other Company benefit plan arrangement or (iv) a Registration in which the only equity securities being registered are equity securities issuable upon conversion or exchange of securities of the Company), then, as soon as practicable (but in no event less than ten (10) business days prior to the proposed date of filing of the Registration Statement in respect of such offering or, in the case of a Public Offering under a Short Form Registration, the anticipated pricing or trade date), the Company shall give written notice (a "Piggyback Notice") of such proposed filing or Public Offering to all Noteholders and Warrant Holders, and such Piggyback Notice shall offer the Noteholders and Warrant Holders the opportunity to register under any such Registration Statement, or to include in such Public Offering, such number of Registrable Shares as each such Noteholders and Warrant Holders may request in writing (a "Piggyback Registration"). The Company shall use commercially reasonable efforts to include in such Registration Statement or in such Public Offering, as applicable, all such Registrable Shares that are requested to be included therein within five (5) days after the receipt by such Noteholder or Warrant Holder of any such notice; provided, however, that if at any time after giving written notice of its intention to register or sell any securities and prior to the effective date of the Registration Statement filed in connection with such Registration or the pricing or trade date of a Public Offering under a Shelf Registration Statement, the Company determines for any reason not to register or sell or to delay the Registration or sale of such securities, the Company shall give written notice of such determination to each Noteholder and Warrant Holder and, thereupon, (a) in the case of a determination not to register or sell, shall be relieved of its obligation to register or sell any Registrable Shares in connection with such Registration or Public Offering (but not from its obligation to pay the Registration Expenses in connection therewith), without prejudice, however, to the rights of any Noteholders or Warrant Holders pursuant to this Agreement, and (b) in the case of a determination to delay Registration or sale, in the absence of a request for registration made under this Agreement, shall be permitted to delay registering or selling any Registrable Shares, for the same period as the delay in registering or selling such other securities. Any Noteholder or Warrant Holder shall thereafter have the right to withdraw all or part of its request for inclusion of its Registrable Shares in a Piggyback Registration by giving written notice to the Company of its request to withdraw.

(ii) Priority of Piggyback Registration. In connection with any Piggyback Registration, the Company shall not be required under Section 2(i)(i) to include any of the participating Noteholders' or Warrant Holders' securities in such Public Offering unless they accept the terms of the underwriting as agreed upon between the Company and the managing underwriter(s) selected by it, and then only in such quantity as the managing underwriter(s) determines in its or their sole discretion will not jeopardize the success of the offering by the Company. If such managing underwriters of any proposed Public Offering of Registrable Shares included in a Piggyback Registration informs the Company and the participating Noteholders and Warrant Holders that the number of securities that such Noteholders and Warrant Holders and any other Persons intend to include in such offering exceeds the number that can be sold in such offering without, in the sole discretion of the managing underwriter(s), being likely to have a material adverse effect on the price, timing or distribution of the securities offered or the market for the securities offered, or jeopardizing in any respect the success of any such offering, then the securities to be included in such Registration shall be (i) first, one hundred percent (100%) of the securities that the Company proposes to sell for its own account, (ii) second, the number of Registrable Shares that, in the sole discretion of such managing underwriter(s), can be sold without having such adverse effect or otherwise jeopardizing the success of any such offering in any respect, with such number to be allocated among the Noteholders and Warrant Holders that have requested to participate in such Registration based on an amount equal to the lesser of (x) the number of such Registrable Shares requested to be sold by such Noteholders or Warrant Holders, and (y) a number of such shares equal to such Noteholder's or Warrant Holder's Pro Rata Portion, and (iii) third, and only if all of the Registrable Shares referred to in clause (ii) have been included in such Registration, any other securities eligible for inclusion in such Registration. For purposes of the preceding sentence concerning apportionment, for any selling Noteholder or Warrant Holder which is a Holder of Registrable Shares and which is a limited liability company, partnership or corporation, the partners, retired partners, members, retired members and stockholders of such holder, or the estates and family members of any such partners, members and retired partners and retired members and any trusts for the benefit of any of the foregoing Persons shall be deemed to be a single "selling Noteholder" or "selling Warrant Holder", and any pro-rata reduction with respect to such "selling Noteholder" or "selling Warrant Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Noteholder" or "selling Warrant Holder", as defined in this sentence.

3 **[Reserved]**.

4 **Rules 144 and 144A Reporting**. With a view to making available the benefits of certain rules and regulations of the SEC that may at any time permit the resales of the Registrable Shares to the public without registration, so long as a Holder owns any Registrable Shares, the Company agrees to:

(a) make and keep "current public information" available, as those terms are understood and defined in Rule 144, at all times after the effective date of the first registration statement under the Securities Act filed by the Company for an offering of its securities to the general public;

(b) file with the applicable Commissions in a timely manner all reports and other documents required to be filed by the Company under the applicable Securities Laws (at any time after it has become subject to such reporting requirements);

(c) if the Company is not required to file reports and other documents under the Securities Act and the Exchange Act, make available other information as required by, and so long as necessary to permit sales of Registrable Shares pursuant to, Rule 144 or Rule 144A, and in any event make available (either by mailing a copy thereof, by posting on the Company's website, or by press release) to each Holder a copy of:

(i) the Company's annual consolidated financial statements (including at least balance sheets, statements of profit and loss, statements of stockholders' equity and statements of cash flows) prepared in accordance with International Financial Reporting Standards or GAAP (unless the rules and regulations of the applicable Commission requires GAAP, in which case such financial statements shall be prepared in accordance with GAAP), accompanied by an audit report of the Company's independent accountants, no later than (x) one hundred and twenty (120) days after the end of each fiscal year of the Company so long as the Company qualifies as a Venture Issuer, and (y) ninety (90) days after the end of each fiscal year of the Company otherwise; and

(ii) the Company's unaudited quarterly financial statements (including at least balance sheets, statements of profit and loss, statements of stockholders' equity and statements of cash flows) prepared in a manner consistent with the preparation of the Company's annual financial statements, no later than (x) sixty (60) days after the end of each of the first three (3) fiscal quarters of the Company so long as the Company qualifies as a Venture Issuer, and (y) forty-five (45) days after the end of each of the first three (3) fiscal quarters of the Company otherwise;

(d) hold, a reasonable time after the availability of such financial statements and upon reasonable notice to the Holders (either by mail, by posting on the Company's website, or by press release), a quarterly investor conference call to discuss such financial statements, which call will also include an opportunity for the Holders to ask questions of management with regard to such financial statements; and

(e) furnish to the Holder promptly upon request (i) a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time after ninety (90) days after the effective date of the first registration statement filed by the Company for an offering of its securities to the general public pursuant to the Securities Act), and with the Securities Act and the Exchange Act (at any time after it has become subject to the reporting requirements of the Exchange Act), and (ii) a copy of the most recent annual or quarterly report of the Company.

5 **Registration Procedures**. In connection with the obligations of the Company pursuant to Sections 2(a)(i), 2(a)(ii) or 2(f) with respect to the registration of the Registrable Shares under the Securities Act and Canadian Securities Laws to permit the public sale of such Registrable Shares by the Holder or Holders in accordance with the Holder's or Holders' intended method or methods of distribution, the Company shall:

(a) (i) notify the Holders, the Selling Noteholders' Counsel and the Selling Warrant Holders' Counsel, in writing, at least ten (10) Business Days prior to filing a Registration Statement, of its intention to file a Registration Statement with the Commissions and, at least five Business Days prior to filing, provide a copy of the Registration Statement to the Holders, the Selling Noteholders' Counsel and the Selling Warrant Holders' Counsel for review and comment; (ii) prepare and file with the Commissions, as specified in this Agreement, a Registration Statement(s), which Registration Statement(s) shall (x) comply as to form in all material respects with the requirements of the applicable form and include all financial statements required by the Commissions to be filed therewith and (y) be reasonably acceptable to the Selling Noteholders' Counsel and the Selling Warrant Holders' Counsel; (iii) notify the Holders and the Selling Noteholders' Counsel and the Selling Warrant Holders' Counsel in writing, at least five Business Days prior to filing of any amendment or supplement to such Registration Statement, and, at least three (3) Business Days prior to filing, provide a copy of such amendment or supplement to the Holders, the Selling Noteholders' Counsel and the Selling Warrant Holders' Counsel for review and comment; (iv) promptly following receipt from the Commissions, provide to the Selling Noteholders' Counsel and the Selling Warrant Holders' Counsel copies of any comments made by the staff of the Commissions relating to such Registration Statement and of the Company's responses thereto for review and comment; and (v) use its commercially reasonable efforts to cause such Registration Statement to become effective as soon as practicable after filing and to remain effective, subject to Section 7 hereof, until the earlier of (A) such time as all Registrable Shares covered thereby have been sold in accordance with the intended distribution of such Registrable Shares, (B) the date on which all Registrable Shares covered thereby are freely saleable, without condition, pursuant to Rule 144 and Canadian Securities Laws, but in no event, earlier than the one year anniversary of the Initial Issuance Date, (C) the date on which all Registrable Shares covered thereby have been sold to the Company, or (D) the date on which all Registrable Shares covered thereby cease to be outstanding.

(b) subject to Section 5(h) hereof, (i) prepare and file with the Commissions such amendments and post-effective amendments to each such Registration Statement as may be necessary to keep such Registration Statement effective for the period described in Section 5(a) hereof; (ii) cause each Prospectus contained therein to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 or any similar rule that may be adopted under the Securities Act; and (iii) comply with the applicable provisions of the Securities Laws with respect to the disposition of all securities covered by each Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the selling Holders thereof;

(c) furnish to the Holders, without charge, as many copies of each Prospectus, including each preliminary Prospectus, and any amendment or supplement thereto and such other documents as such Holder may reasonably request, in order to facilitate the public sale or other disposition of the Registrable Shares; the Company consents, subject to Section 7 hereof, to the use of such Prospectus, including each preliminary Prospectus, by the Holders, if any, in connection with the offering and sale of the Registrable Shares covered by any such Prospectus;

(d) use its commercially reasonable efforts to register or qualify, or obtain exemption from registration or qualification for, all Registrable Shares by the time the applicable Registration Statement is declared effective by the Commissions under all applicable Canadian

Securities Laws, state securities or "blue sky" Laws of such jurisdictions as any Holder of Registrable Shares covered by a Registration Statement shall reasonably request in writing, keep each such registration or qualification or exemption effective during the period such Registration Statement is required to be kept effective pursuant to Section 5(a) and do any and all other acts and things that may be reasonably necessary or advisable to enable such Holder to consummate the disposition in each such jurisdiction of such Registrable Shares owned by such Holder; provided, however, that the Company shall not be required to (i) qualify generally to do business in any jurisdiction or to register as a broker or dealer in such jurisdiction where it would not otherwise be required to qualify but for this Section 5(c) and except as may be required by the Securities Act, (ii) subject itself to taxation in any such jurisdiction, or (iii) submit to the general service of process in any such jurisdiction;

(e) (i) notify each Holder promptly and, if requested by any Holder, confirm such advice in writing (A) when a Registration Statement has become effective and when any post-effective amendments and supplements thereto become effective, (B) of the issuance by the Commissions or any state securities authority of any stop order suspending the effectiveness of a Registration Statement or the initiation of any Proceeding for that purpose, (C) of any request by the Commissions or any other federal, state or foreign governmental authority for (x) amendments or supplements to a Registration Statement or related Prospectus or (y) additional information, and (D) of the happening of any event during the period a Registration Statement is effective as a result of which such Registration Statement or the related Prospectus or any document incorporated by reference therein contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading (which information shall be accompanied by an instruction to suspend the use of the Prospectus until the requisite changes have been made); and (ii) at the request of any such Holder, promptly to furnish to such Holder a reasonable number of copies of a supplement to or an amendment of such Prospectus as may be necessary so that, as thereafter delivered to the purchaser of such securities, such Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(f) use its commercially reasonable efforts to avoid the issuance of, or if issued, to obtain the withdrawal of, any order enjoining or suspending the use or effectiveness of a Registration Statement or suspending the qualification of (or exemption from qualification of) any of the Registrable Shares for sale in any jurisdiction, as promptly as practicable;

(g) upon request, furnish to each requesting Holder of Registrable Shares covered by a Registration Statement, without charge, one conformed copy of such Registration Statement and any post- effective amendment or supplement thereto (without documents incorporated therein by reference or exhibits thereto, unless requested);

(h) except as provided in Section 7 hereof, upon the occurrence of any event contemplated by Section 5(e)(i)(D) hereof, use its commercially reasonable efforts to promptly prepare a supplement or post-effective amendment to a Registration Statement or the related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of the Registrable Shares, such Prospectus will not contain any untrue statement of a material fact or omit to state a material fact required to be

stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(i) if requested by the representative of the underwriters, if any, or any Holders of Registrable Shares being sold in connection with such offering, (i) promptly incorporate in a Prospectus supplement or post-effective amendment such information as the representative of the underwriters, if any, or such Holders indicate relates to them or that they reasonably request be included therein, and (ii) make all required filings of such Prospectus supplement or such post-effective amendment as soon as reasonably practicable after the Company has received notification of the matters to be incorporated in such Prospectus supplement or post-effective amendment;

(j) in the case of an Underwritten Offering, use its commercially reasonable efforts to furnish to each Holder of Registrable Shares covered by such Registration Statement and the underwriters a signed counterpart, addressed to each such Holder and the underwriters, of: (i) an opinion of counsel for the Company, dated the date of each closing under the underwriting agreement, reasonably satisfactory to such Holder and the underwriters; and (ii) a "comfort" letter, dated the effective date of such Registration Statement and the date of each closing under the underwriting agreement, signed by the independent public accountants who have certified the Company's financial statements included in such Registration Statement, covering substantially the same matters with respect to such Registration Statement (and the Prospectus included therein) and with respect to events subsequent to the date of such financial statements, as are customarily covered in accountants' letters delivered to underwriters in underwritten public offerings of securities and such other financial matters as such Holder and the underwriters may reasonably request;

(k) enter into customary agreements (including in the case of an Underwritten Offering, an underwriting agreement in customary form and reasonably satisfactory to the Company) and take all other reasonable action in connection therewith in order to expedite or facilitate the distribution of the Registrable Shares included in such Registration Statement and, in the case of an Underwritten Offering, make representations and warranties to the Holders covered by such Registration Statement and to the underwriters in such form and scope as are customarily made by issuers to underwriters in underwritten offerings and confirm the same, to the extent customary, if and when requested;

(l) in the case of an Underwritten Offering, make available for inspection by representatives of the Holders and the representative of any underwriters participating in any offering pursuant to a Registration Statement and any special counsel or accountants retained by such Holders or underwriters, all financial and other records, pertinent corporate documents and properties of the Company and cause the respective officers, directors and employees of the Company to supply all information reasonably requested by any such representatives, the representative of the underwriters, counsel thereto or accountants in connection with a Registration Statement; provided, however, that such records, documents or information that the Company determines, in good faith, to be confidential and notifies such representatives, representative of the underwriters, counsel thereto or accountants are confidential shall not be disclosed by such representatives, representative of the underwriters, counsel thereto or accountants unless (i) the disclosure of such records, documents or information is necessary to avoid or correct a misstatement or omission in a Registration Statement or Prospectus, (ii) the release of such records,

documents or information is ordered pursuant to a subpoena or other order from a court of competent jurisdiction, or (iii) such records, documents or information have been generally made available to the public; provided, further, that the representatives of the Holders and any underwriters will use reasonable best efforts, to the extent practicable, to coordinate the foregoing inspection and information gathering and not materially disrupt the Company's business operations;

(m) use its commercially reasonable efforts (including, without limitation, seeking to cure any deficiencies cited by the exchange or market in the Company's listing or inclusion application) to list or include all Registrable Shares on a Securities Exchange and thereafter maintain the listing on such exchange when such Registrable Shares are included in a Registration Statement;

(n) if applicable, prepare and file in a timely manner all documents and reports required by Canadian Securities Laws and the Exchange Act and, to the extent the Company's obligation to file such reports pursuant to Section 15(d) of the Exchange Act expires prior to the expiration of the effectiveness period of the Registration Statement as required by Section 5(a) hereof, the Company shall register the Registrable Shares under the Exchange Act and shall maintain such registration through the effectiveness period required by Section 5(a) hereof;

(o) provide a CUSIP number for all Registrable Shares, not later than the effective date of the Registration Statement;

(p) (i) otherwise use its commercially reasonable efforts to comply with all applicable rules and regulations of the Commissions, (ii) make generally available to its stockholders, as soon as reasonably practicable, earnings statements covering at least twelve (12) months beginning after the effective date of the Registration Statement that satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 (or any similar rule promulgated under the Securities Act), but in no event later than forty-five (45) days after the end of each fiscal year of the Company, and (iii) not file any Registration Statement or Prospectus or amendment or supplement to such Registration Statement or Prospectus to which any Holder of Registrable Shares covered by any Registration Statement shall have reasonably objected on the grounds that such Registration Statement or Prospectus or amendment or supplement does not comply in all material respects with the requirements of the Securities Laws, such Holder having been furnished with a copy thereof at least two (2) Business Days prior to the filing thereof;

(q) provide and cause to be maintained a registrar and transfer agent for all Registrable Shares covered by any Registration Statement from and after a date not later than the effective date of such Registration Statement;

(r) in connection with any sale or transfer of the Registrable Shares (whether or not pursuant to a Registration Statement) that will result in the securities being delivered no longer being Registrable Shares, cooperate with the Holders and the representative of the underwriters, if any, to facilitate the timely preparation and delivery of certificates or book-entry designations representing the Registrable Shares to be sold, which certificates or book-entry designations shall not bear any restrictive transfer legends (other than as required by the Company's articles and notice of articles, as amended) and to enable such Registrable Shares to

be in such denominations and registered in such names as the representative of the underwriters, if any, or the Holders may request at least three (3) Business Days prior to any sale of the Registrable Shares;

(s) in connection with the initial filing of a Mandatory Shelf Registration Statement and each amendment thereto with the Commissions pursuant to Section 2(a)(i) and Section 2(a)(ii) hereof, cooperate with the broker-dealer through which the Holder proposes to resell its Registrable Shares in connection with the filing with FINRA of all forms and information required or requested by FINRA in order to obtain written confirmation from FINRA that FINRA does not object to the fairness and reasonableness of the underwriting terms and arrangements (or any deemed underwriting terms and arrangements) (each such written confirmation, a "**No Objections Letter**") relating to the resale of Registrable Shares pursuant to the Mandatory Shelf Registration Statement, including, without limitation, information provided to FINRA through its public offering system, and pay all costs, fees and expenses incident to FINRA's review of the Mandatory Shelf Registration Statement and the related underwriting terms and arrangements, including, without limitation, all filing fees associated with any filings or submissions to FINRA and the legal expenses, filing fees and other disbursements of such broker-dealer and any other FINRA member that is the Holder of, or is affiliated or associated with an owner of, Registrable Shares included in the Mandatory Shelf Registration Statement (including in connection with any initial or subsequent member filing);

(t) in connection with the initial filing of a Mandatory Shelf Registration Statement and each amendment thereto with the Commissions pursuant to Section 2(a)(i) and Section 2(a)(ii) hereof, provide to the Holders, the Selling Noteholders' Counsel and the Selling Warrant Holders' Counsel, any underwriter participating in any disposition to be effected pursuant to such Mandatory Shelf Registration Statement, and counsel to any such underwriter, the opportunity to conduct due diligence, including, without limitation, an inquiry of the Company's financial and other records, and make available members of its management for questions regarding information which any such Person may request in order to fulfill any due diligence obligation on its part;

(u) if applicable, upon effectiveness of the first Registration Statement filed under this Agreement, take such actions and make such filings as are necessary to effect the registration of the Common Stock under the Exchange Act simultaneously with or immediately following the effectiveness of the Registration Statement; and

(v) in the case of an Underwritten Offering, use its commercially reasonable efforts to cooperate and assist in any filings required to be made with FINRA and in the performance of any due diligence investigation by any underwriter and its counsel (including any "qualified independent underwriter", if applicable) that is required to be retained in accordance with the rules and regulations of FINRA.

The Company may require the Holders to furnish (and each Holder shall furnish) to the Company such information regarding the proposed distribution by such Holder of such Registrable Shares as the Company may from time to time reasonably request in writing or as shall be required to effect the registration of the Registrable Shares, and no Holder shall be entitled to be named as a selling stockholder in any Registration Statement and no Holder shall be entitled to use the

Prospectus forming a part thereof if such Holder does not provide such information to the Company. Any Holder that sells Registrable Shares pursuant to a Registration Statement or as a selling security holder pursuant to an Underwritten Offering shall be required to be named as a selling stockholder in the related prospectus and to deliver a prospectus to purchasers. Each Holder further agrees to furnish promptly to the Company in writing all information required from time to time to make the information previously furnished by such Holder not misleading.

Each Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 5(e)(i)(B), Section 5(e)(i)(C), or Section 5(e)(i)(D) hereof, such Holder will immediately discontinue disposition of Registrable Shares pursuant to a Registration Statement until such Holder's receipt of the copies of the supplemented or amended Prospectus. If so directed by the Company, such Holder will deliver to the Company (at the expense of the Company) all copies in its possession, other than permanent file copies then in such Holder's possession, of the Prospectus covering such Registrable Shares current at the time of receipt of such notice.

6 **[Reserved]**.

7 **Black-Out Period.**

(a) Subject to the provisions of this Section 7 and a good faith determination by a majority of the independent members of the board of directors of the Company (the "**Board of Directors**") that it is in the best interests of the Company to postpone the filing of any Registration Statement or any amendment to such Registration Statement prior to its effectiveness or suspend the use of any Registration Statement following the effectiveness of such Registration Statement (and the filings with any international, federal, state or provincial securities commissions), the Company, by written notice to the applicable Holders, may direct the applicable Holders to suspend sales of the Registrable Shares pursuant to a Registration Statement for such times as the Company reasonably may determine is necessary and advisable (but in no event for (x) more than an aggregate of ninety (90) days in any rolling 12-month period commencing on the Initial Issuance Date, or (y) more than sixty (60) days in any rolling 90-day period commencing on the Initial Issuance Date (any such period in this clause (y) to count towards the period in clause (x) hereof)), if any of the following events shall occur: (i) the representative of the underwriters, if applicable, or the underwriters of an Underwritten Offering of primary shares by the Company has advised the Company that the sale of Registrable Shares pursuant to the Registration Statement would have a material adverse effect on the Company's primary Underwritten Offering; (ii) the majority of the independent members of the Board of Directors shall have determined in good faith that (A) the offer or sale of any Registrable Shares would materially impede, delay or interfere with any proposed financing, offer or sale of securities, acquisition, merger, tender offer, business combination, corporate reorganization or other significant transaction involving the Company, (B) after the advice of counsel, the sale of Registrable Shares pursuant to the Registration Statement would require disclosure of material non-public information not otherwise required to be disclosed under applicable Law, or (C) (x) the Company has a bona fide business purpose for preserving the confidentiality of such transaction, (y) disclosure would have a material adverse effect on the Company or the Company's ability to consummate such transaction, or (z) the proposed transaction renders the Company unable to comply with Commission requirements, in each case under circumstances that would make it impractical or inadvisable to cause the Registration

Statement (or such filings) to become effective or to promptly amend or supplement the Registration Statement on a post-effective basis, as applicable; or (iii) the majority of the independent members of the Board of Directors shall have determined in good faith, after the advice of counsel, that it is required by Law, rule or regulation or that it is in the best interests of the Company to supplement the Registration Statement or file a post-effective amendment to the Registration Statement in order to incorporate information into the Registration Statement for the purpose of (1) including in the Registration Statement any prospectus required under Section 10(a)(3) of the Securities Act; (2) reflecting in the Prospectus included in the Registration Statement any facts or events arising after the effective date of the Registration Statement or any misstatement or omission in the Prospectus (or of the most recent post- effective amendment) that, individually or in the aggregate, represent a fundamental change in the information set forth therein; or (3) including in the Prospectus included in the Registration Statement any material information with respect to the plan of distribution not disclosed in the Registration Statement or any material change to such information. Upon the occurrence of any such suspension, the Company shall use its commercially reasonable efforts to cause the Registration Statement to become effective or to promptly amend or supplement the Registration Statement on a post-effective basis or to take such action as is necessary to make resumed use of the Registration Statement compatible with the Company's best interests, as applicable, so as to permit the applicable Holders to resume sales of the Registrable Shares as soon as possible.

(b) In the case of an event that causes the Company to suspend the use of a Registration Statement (a "**Suspension Event**"), the Company shall give written notice (a "**Suspension Notice**") to the applicable Holders to suspend sales of the Registrable Shares and such notice shall state generally the basis for the notice and that such suspension shall continue only for so long as the Suspension Event or its effect is continuing and the Company is using its commercially reasonable efforts and taking all reasonable steps to terminate suspension of the use of the Registration Statement as promptly as possible. The applicable Holders shall not effect any sales of the Registrable Shares pursuant to such Registration Statement (or such filings) at any time after it has received a Suspension Notice from the Company and prior to receipt of an End of Suspension Notice (as defined below). If so directed by the Company, each applicable Holder will deliver to the Company (at the expense of the Company) all copies other than permanent file copies then in such applicable Holder's possession of the Prospectus covering the Registrable Shares at the time of receipt of the Suspension Notice. The applicable Holders may recommence effecting sales of the Registrable Shares pursuant to the Registration Statement (or such filings) following further notice to such effect (an "**End of Suspension Notice**") from the Company, which End of Suspension Notice shall be given by the Company to the applicable Holders in the manner described above promptly following the conclusion of any Suspension Event and its effect.

(c) Notwithstanding any provision herein to the contrary, if the Company shall give a Suspension Notice pursuant to this Section 7, the Company agrees that it shall extend the period of time during which the applicable Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from the date of receipt by the applicable Holders of the Suspension Notice to and including the date of receipt by the applicable Holders of the End of Suspension Notice and provide copies of the supplemented or amended Prospectus necessary to resume sales.

(d) For the avoidance of doubt, (i) the delivery of a Suspension Notice pursuant to Section 7(b) shall not preclude the Company from delivering an Underwritten Suspension Notice pursuant to Section 2(f)(ii) and the Company's delivery of an Underwritten Suspension Notice pursuant to Section 2(f)(ii) shall not preclude the Company from delivering a Suspension Notice pursuant to Section 7(b) and (ii) the periods of any suspension provided for in any Suspension Notice and/or any Underwritten Suspension notice shall not be aggregated for any purpose under this Agreement.

8 **Indemnification and Contribution**

(a) The Company agrees to indemnify and hold harmless (i) each Holder of Registrable Shares and any underwriter (as determined in the Securities Act) for such Holder, (ii) each Person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act) any such Person described in clause (i) above (any of the Persons referred to in this clause (ii) being hereinafter referred to as a "**Controlling Person**"), and (iii) the respective officers, directors, partners, members, employees, representatives and agents of any such Person or any Controlling Person (any Person referred to in clause (i) or clause (ii) above or this clause (iii) may hereinafter be referred to as a "**Holder Indemnitee**"), to the fullest extent lawful, from and against any and all losses (other than loss of profits), claims, damages, judgments, actions, out-of-pocket expenses, and other liabilities (the "**Liabilities**"), including without limitation and as incurred, reimbursement of all reasonable costs of investigating, preparing, pursuing or defending any claim or action, or any investigation or Proceeding by any governmental agency or body, commenced or threatened, including the reasonable fees and expenses of counsel to such Holder Indemnitee, joint or several, directly or indirectly related to, based upon, arising out of or in connection with any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement (or any amendment thereto), any Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus (or any amendment or supplement thereto), or any preliminary Prospectus, or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except insofar as such Liabilities arise out of or are based upon any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with information relating to any Holder Indemnitee furnished to the Company or any underwriter in writing by such Holder Indemnitee expressly for use therein. The Company shall notify the Holders promptly of the institution, threat or assertion of any claim, Proceeding (including any governmental investigation), or litigation of which it shall have become aware in connection with the matters addressed by this Agreement which involves the Company or a Holder Indemnitee. The indemnity provided for herein shall remain in full force and effect regardless of any investigation made by or on behalf of any Holder Indemnitee.

(b) In connection with any Registration Statement in which a Holder of Registrable Shares is participating, and as a condition to such participation, such Holder agrees, severally and not jointly, to indemnify and hold harmless the Company and each Person who controls the Company within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act (each a "**Company Controlling Person**") and each of their respective officers, directors, partners, members, employees, representatives and agents of such Person or Company Controlling Person to the same extent as the foregoing indemnity from the Company to each

Holder Indemnitee, but only with reference to untrue statements or omissions or alleged untrue statements or omissions made in reliance upon and in conformity with information relating to such Holder furnished to the Company in writing by such Holder expressly for use in such Registration Statement (or any amendment thereto), Prospectus (or any amendment or supplement thereto), Issuer Free Writing Prospectus (or any amendment or supplement thereto) or any preliminary Prospectus. The liability of any Holder pursuant to this paragraph shall in no event exceed the net proceeds received by such Holder from sales of Registrable Shares pursuant to such Registration Statement (or any amendment thereto), Prospectus (or any amendment or supplement thereto), Issuer Free Writing Prospectus (or any amendment or supplement thereto) or any preliminary Prospectus.

(c) If any suit, action, Proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any Person in respect of which indemnity may be sought pursuant to Section 8(a) or Section 8(b) hereof, such Person (the "**Indemnified Party**") shall promptly notify the Person against whom such indemnity may be sought (the "**Indemnifying Party**") in writing of the commencement thereof (but the failure to so notify an Indemnifying Party shall not relieve it from any liability which it may have under this Section 8, except to the extent the Indemnifying Party is materially prejudiced by the failure to give notice), and the Indemnifying Party, upon request of the Indemnified Party, shall retain counsel reasonably satisfactory to the Indemnified Party to represent the Indemnified Party and any others the Indemnifying Party may reasonably designate in such Proceeding and shall pay the reasonable fees and expenses actually incurred by such counsel related to such Proceeding. Notwithstanding the foregoing, in any such Proceeding, any Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party, unless (i) the Indemnifying Party and the Indemnified Party shall have mutually agreed in writing to the contrary, (ii) the Indemnifying Party failed within a reasonable time after notice of commencement of the action to assume the defense and employ counsel reasonably satisfactory to the Indemnified Party, (ii) the Indemnifying Party and its counsel do not actively and vigorously pursue the defense of such action, or (iv) the named parties to any such action (including any impleaded parties) include both such Indemnified Party and Indemnifying Party, or any Affiliate of the Indemnifying Party, and such Indemnified Party shall have been reasonably advised by counsel that, either (A) there may be one or more legal defenses available to it which are different from or additional to those available to the Indemnifying Party or such Affiliate of the Indemnifying Party, or (B) a conflict may exist between such Indemnified Party and the Indemnifying Party or such Affiliate of the Indemnifying Party (in which case the Indemnifying Party shall not have the right to assume nor direct the defense of such action on behalf of such Indemnified Party; it being understood, however, that the Indemnifying Party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) for all such Indemnified Parties, which firm shall be designated in writing by those Indemnified Parties who sold a majority of the Registrable Shares sold by all such Indemnified Parties and any such separate firm for the Company, the directors, the officers and such control Persons of the Company as shall be designated in writing by the Company). The Indemnifying Party shall not be liable for any settlement of any Proceeding effected without its written consent, which consent shall not be unreasonably withheld, but if settled with such consent or if there is a final judgment for the plaintiff, the Indemnifying Party agrees to indemnify any Indemnified Party from and

against any loss (other than loss of profits) or liability by reason of such settlement or judgment. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending or threatened Proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement (x) includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding, and (y) does not include a statement as to or an admission of, fault, culpability or a failure to act by or on behalf of the Indemnified Party.

(d) If the indemnification provided for in Section 8(a) or Section 8(b) hereof is for any reason held to be unavailable to an Indemnified Party in respect of any Liabilities referred to therein (other than by reason of the exceptions provided therein) or is insufficient to hold harmless a party indemnified thereunder, then each Indemnifying Party under such paragraphs, in lieu of indemnifying such Indemnified Party thereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Liabilities (i) in such proportion as is appropriate to reflect the relative benefits of the Indemnified Party, on the one hand, and the Indemnifying Party(ies), on the other hand, in connection with the statements or omissions that resulted in such Liabilities, or (ii) if the allocation provided by clause (i) above is not permitted by applicable Law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Indemnifying Party(ies) and the Indemnified Party, as well as any other relevant equitable considerations. The relative fault of the Company on the one hand and any Holder Indemnitees on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by such Holder Indemnitees and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 8 were determined by *pro rata* allocation (even if such Indemnified Parties were treated as one entity for such purpose), or by any other method of allocation that does not take account of the equitable considerations referred to in Section 8(d) above. The amount paid or payable by an Indemnified Party as a result of any Liabilities referred to in Section 8(d) above shall be deemed to include, subject to the limitations set forth above, any reasonable legal or other expenses actually incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8, in no event shall a Holder Indemnitee be required to contribute any amount in excess of the amount by which the net proceeds received by such Holder Indemnitee from sales of Registrable Shares exceeds the amount of any damages that such Holder Indemnitee has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. For purposes of this Section 8, each Person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act) a Holder of Registrable Shares shall have the same rights to contribution as such Holder, as the case may be, and each Person, if any, who controls (within the meaning of Section 15 of the Securities Act or Section 20(a) of the Exchange Act) the Company, and each officer, director, partner, employee, representative, agent or manager of the Company shall have the same rights to contribution as the Company. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or Proceeding against such party in respect of which a claim

for contribution may be made against another party or parties, notify each party or parties from whom contribution may be sought, but the omission to so notify such party or parties shall not relieve the party or parties from whom contribution may be sought from any obligation it or they may have under this Section 8 or otherwise, except to the extent that any party is materially prejudiced by the failure to give notice. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(f) The indemnity and contribution agreements contained in this Section 8 will be in addition to any liability which the Indemnifying Parties may otherwise have to the Indemnified Parties referred to above. The obligations of the Holder Indemnitees to contribute pursuant to this Section 8 are several in proportion to the respective number of Registrable Shares sold by each of the Holder Indemnitees hereunder and not joint.

9 **Market Stand-off Agreement**. Each Holder hereby agrees that it shall not, to the extent requested by the Company or an underwriter of securities of the Company, directly or indirectly sell, offer to sell (including without limitation any short sale), grant any option or otherwise transfer or dispose of any Registrable Shares or other shares of Common Stock, or any securities convertible into or exchangeable or exercisable for shares of Common Stock, then owned by such Holder (other than donees or partners of the Holder who agree to be similarly bound) for a period mutually and reasonably agreed upon between the Holders of a majority of the Registrable Shares, the Company and such underwriter; provided, however, that:

(a) the restrictions above shall not apply to shares of Common Stock purchased after the Public Offering;

(b) all executive officers and directors of the Company then holding shares of Common Stock or securities convertible into or exchangeable or exercisable for shares of Common Stock enter into agreements that are no less restrictive; and

(c) the Holders shall be allowed any concession or proportionate release allowed to any officer or director that entered into agreements that are no less restrictive (with such proportion being determined by dividing the number of shares being released with respect to such officer or director by the total number of issued and outstanding shares held by such officer or director); provided, that nothing in this Section 9(c) shall be construed as a right to proportionate release for the executive officers and directors of the Company upon the expiration of the period applicable to all Holders other than the executive officers and directors of the Company

In order to enforce the foregoing covenant, the Company shall have the right to place restrictive legends on the certificates or book-entry designations representing the securities subject to this Section 9 and to impose stop transfer instructions with respect to the Registrable Shares and such other securities of each Holder (and the securities of every other Person subject to the foregoing restriction) until the end of such period.

10 **Termination of the Company's Obligation**. The Company shall have no obligation pursuant to this Agreement upon such time as there are no longer any Registrable Shares outstanding hereunder or when all Registrable Shares may be sold pursuant to Rule 144 without

volume or manner of sale restrictions; provided, however, that the Company's and the Holders' obligations under Section 8 and Section 12 (and any related definitions) shall remain in full force and effect following such time.

11 **Limitations on Subsequent Registration Rights**. From and after the date of this Agreement, the Company shall not, without the prior written consent of Holders beneficially owning not less than a majority of the aggregate of the then outstanding Registrable Shares not to be unreasonably withheld, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder to (a) include such securities in any Registration Statement filed pursuant to the terms hereof, unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of its securities will not reduce the amount of Registrable Shares of the Holders that is included, or (b) have its securities registered on a registration statement that could be declared effective prior to, or within one hundred eighty (180) days of, the effective date of any registration statement filed pursuant to this Agreement.

12 **Miscellaneous**

(a) Remedies. In the event of a breach by the Company of any of its obligations under this Agreement, each Holder, in addition to being entitled to exercise all rights provided herein or granted by Law, including recovery of damages, will be entitled to specific performance of its rights under this Agreement. Subject to Section 8, the Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agrees that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at Law would be adequate.

(b) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to or departures from the provisions hereof may not be given, without the written consent of the Company and Holders beneficially owning not less than a majority of the then outstanding Registrable Shares; provided, however, that any amendments, modifications or supplements to, or any waivers or consents to departures from, the provisions of Section 9 hereof that would have the effect of extending the periods referenced therein shall be approved by, and shall only be applicable to, those Holders who provide written consent to such extension to the Company; provided, further, however, that any amendment, modification or supplement to, or any waiver or consent to departure from, the provisions of this Agreement that adversely affects any Holder(s) in a manner that is disproportionate to the effect on other Holders shall require the prior written consent of all such disproportionately affected Holder(s). No amendment shall be deemed effective unless it applies proportionately to all Holders. Notwithstanding the foregoing, a waiver or consent to or departure from the provisions hereof with respect to a matter that relates exclusively to the rights of a Holder whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect, impair, limit or compromise the rights of other Holders may be given by such Holder; provided, that the provisions of this sentence may not be amended, modified or supplemented except in accordance with the provisions of the first and second sentences of this paragraph.

(c) Notices. All notices and other communications, provided for or permitted hereunder, shall be made in writing and delivered by facsimile (with receipt confirmed), overnight courier or registered or certified mail, return receipt requested, or by telegram:

(i) if to a Holder, at the most current address given by the transfer agent and registrar of the Shares to the Company; and

(ii) if to the Company, at the offices of the Company at its principal office at 1901 Avenue of the Stars, Suite 120, Los Angeles, California 90067.

(d) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties hereto, including, without limitation and without the need for an express assignment or assumption, subsequent Holders.

(e) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The exchange of copies of this Agreement via email or other electronic transmission and of electronic signatures thereto shall constitute effective execution and delivery of this Agreement as to the parties hereto. Electronic signatures transmitted via email or such other means shall be deemed original signatures for all purposes.

(f) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(g) Governing Law. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, AS APPLIED TO CONTRACTS MADE AND PERFORMED WITHIN THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF ANY STATE COURT IN NEW YORK COUNTY IN THE STATE OF NEW YORK OR ANY FEDERAL COURT SITTING IN NEW YORK COUNTY IN NEW YORK STATE IN RESPECT OF ANY SUIT, ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND IRREVOCABLY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY EFFECTIVELY DO SO UNDER APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT AND ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. THE PARTIES WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT.**

(h) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable,

the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction.

It is hereby stipulated and declared to be the intention of the parties hereto that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(i) Entire Agreement. This Agreement is intended by the parties hereto as a final expression of their agreement, and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein and therein.

(j) Most Favored Nations. In the event the Company enters into any registration rights agreement or similar agreement (or amends, restates, supplements or modifies any existing registration rights agreement) with any party after the effective date of this Agreement that provides for more favorable rights than those included in this Agreement (including with respect to underwriting agreements applicable to any Holders of Registrable Shares), the terms and conditions of this Agreement shall be, without any further action by the Holders or the Company, automatically amended and modified in an economically and legally equivalent manner such that the Holders shall receive the benefit of the more favorable terms and/or conditions; provided, that upon written notice to the Company at any time, any Holder may elect not to accept the benefit of any such amended or modified term or condition, in which event the term or condition contained in this Agreement shall apply to such Holder as it was in effect immediately prior to such amendment or modification as if such amendment or modification never occurred with respect to such Holder.

(k) Registrable Shares Held by the Company or its Affiliates. Whenever the consent or approval of Holders of a specified percentage of Registrable Shares is required hereunder, Registrable Shares held by any Affiliate of the Company shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

(l) Adjustment for Stock Splits, etc. Wherever in this Agreement there is a reference to a specific number of shares, then upon the occurrence of any subdivision, combination, or stock dividend of such shares, the specific number of shares so referenced in this Agreement shall automatically be proportionally adjusted to reflect the effect on the outstanding shares of such class or series of stock by such subdivision, combination, or stock dividend.

(m) Survival. This Agreement is intended to survive the consummation of the transactions contemplated by the Note Purchase Agreement among the Company, the Noteholders, and others, dated as of the Effective Date. The indemnification and contribution obligations under Section 8 of this Agreement shall survive the termination of the Company's obligations under Section 2 of this Agreement.

(n) Attorneys' Fees. In any action or Proceeding brought to enforce any provision of this Agreement, or where any provision hereof is validly asserted as a defense, the prevailing party, as determined by the court, shall be entitled to recover its reasonable attorneys' fees in addition to any other available remedy.

(o) Transfer of Rights. This Agreement, and the rights and obligations of each Holder hereunder, may be assigned by such Holder to (a) any Person to which Registrable Shares (or securities that are exercisable or exchangeable for, or convertible into, Registrable Shares) are transferred by such Holder, so long as such Person, upon giving effect to such transfer, owns or controls, together with its Affiliates, Registrable Shares representing at least ten percent (10%) of all of the Registrable Shares or (b) to any Affiliate of such Holder, and, in each case, such transferee shall be deemed a Holder for purposes of this Agreement; provided that such assignment of rights shall be contingent upon the transferee executing and delivering to the Company a signature page to this Agreement.

(p) Construction. Defined terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Sections and Exhibits shall be construed to refer to Sections of, and Exhibits to, this Agreement, and (e) any reference to any law or regulation herein shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMPANY:

[redacted]

By: _____

Name:

Title:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NOTEHOLDER:

[●]

By: _____

Name:
Title:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

WARRANT HOLDER:

[●]

By: _____

Name:
Title:

EXHIBIT A

NOTEHOLDERS

1. [redacted]

EXHIBIT B

WARRANT HOLDERS

1. [redacted]

Schedule 6.10

SUBSIDIARIES OF THE TRANSACTION ENTITIES AND
OWNERSHIP OF SUBSIDIARY STOCK

(i) Material Subsidiaries of the Transaction Entities and Ownership of Subsidiary Stock

Name of Subsidiary	Jurisdiction	Description of Interests	Percentage of Shares Owned	Certificate No. (if certificated)
Xtraction Services Inc.	Delaware	Shares	100%	N/A
CSI Princesa Inc.	Ontario	Shares	100%	N/A
CA Licensed Lenders LLC	California	Membership interest	100%	N/A
XSF SPC LLC	Delaware	Membership interest	100%	N/A

(ii) The Company's Directors and Executive Officers

Name	Title
David Kivitz	Chief Executive Officer and Director
Nelson Lamb	Chief Financial Officer
Antony Radbod	Chief Operating Officer and Director
Stephen Christoffersen	Director
Gary Herman	Director

Schedule 8.2

OFFICER'S CERTIFICATE

OFFICER'S CERTIFICATE

[●], 202[●]

This Officer's Certificate is being delivered pursuant to Section 8.2 of that certain Note Purchase Agreement, dated as of October [28], 2021 (the "Note Purchase Agreement"), by and among XS Financial Inc., a corporation subsisting under the *Business Corporations Act* (British Columbia) (the "Company"), the guarantors party thereto from time to time (the "Guarantors" and together with the Company, the "Transaction Entities"), Acquiom Agency Services LLC (the "Notes Agent"), and the purchasers set forth on the signature pages thereto (the "Purchasers"). The undersigned, being the [●] of the Company, which is the sole owner of each of the Guarantors, does hereby certify to the Holders on behalf of the Transaction Entities as follows as of the date hereof:

1) The Transaction Entities are in compliance with the covenants of Section 9.9 and Section 11 of the Note Purchase Agreement.

2) Set forth on Exhibit A hereto is the information from such financial statements delivered to the Purchasers pursuant to Sections 8.1[(a) **or** (b)] of the Note Purchase Agreement that is required in order to establish whether the Transaction Entities were in compliance with the requirements of Section 11 of the Note Purchase Agreement during the [quarterly or annual] period covered by the financial statements then being furnished (including with respect to each such provision that involves mathematical calculations, the information from such financial statements that is required to perform such calculations).

3) To the extent that Section 11 of the Note Purchase Agreement sets forth any maximum or minimum amount, ratio or percentage applicable to the Transaction Entities, the calculation of the amount, ratio or percentage, is set forth on Exhibit B hereto.

The undersigned has reviewed the relevant terms of the Note Purchase Agreement and has made, or caused to be made, under his supervision, a review of the transactions and conditions of the Transaction Entities and their respective subsidiaries from the beginning of the [quarterly OR annual] period ended [●] to the date hereof and such review has not disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default] OR [The undersigned has reviewed the relevant terms of the Note Purchase Agreement and has made, or caused to be made, under his supervision, a review of the transactions and conditions of the Transaction Entities and their respective subsidiaries from the beginning of the [quarterly OR annual] period ended [●] to the date hereof and such review has revealed [description of event, specifying nature and period of existence thereof and what action the Transaction Entities shall have taken or propose to take with respect thereto]].

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has executed and delivered this Officer's Certificate as of the date first written above.

[redacted]

By: _____
Name:
Title: Chief

[GUARANTORS]

By: _____
Name:
Title:

Exhibit A

(see attached)

Exhibit B

(see attached)

Schedule 11.5

PERMITTED LIENS

1. Loan and Security Agreement dated September 3, 2021, by and between NE SPC LP, as lender, and XSF SPC LLC, a Delaware limited liability company, as borrower.
2. General Security Agreement dated September 3, 2021, by and between the Company and NE SPC LP.
3. General Security Agreement dated September 3, 2021, by and between Xtraction Services Inc. and NE SPC LP.
4. General Continuing Security Agreement dated September 3, 2021, by and between Xtraction Services Inc. and NE SPC LP.
5. Amended and Restated Revolving Credit and Security Agreement dated July 1, 2021, by and between Xtraction Services Inc., as borrower, and Burling Bank, as lender.
6. Note issued by Xtraction Services Inc. dated April 30, 2020, evidencing a loan incurred by Xtraction Services Inc. under the Paycheck Protection Program from the U.S. Small Business Administration.
7. The rights of Account Debtors pursuant to the Financing Documents including each Accounts Debtor's rights in equipment, assets or other property leased or financed pursuant to the Financing Agreements and all replacements and substitutions thereof and any modifications and accessions thereto irrespective of whether such property constitutes "Goods", "Equipment", "Inventory" (as such terms are defined pursuant to Article 9 of the UCC) or some other type of collateral category thereunder.

8. Through the Closing Date, the Company has completed $5.3 million of fundraising through syndications of certain finance leases the Company has entered into with customers.

   Fundraising through these syndicated financings has been achieved in a series of promissory note agreements with lenders, some of whom are arms-length third parties and some who are related parties. The promissory notes have tenors of 3-4 years and bear interest rates of between 10.25-12% per annum, payable monthly in cash. The promissory notes are secured by the lease payment streams and the underlying equipment subject to the leases.

   Lenders' only recourse to the Company or its affiliates in these syndications is the lease payment stream and underlying equipment subject to such specifically identified and syndicated leases.

Exhibit A

Form of Guarantor Joinder

[See attached]

FORM OF GUARANTOR JOINDER

GUARANTOR JOINDER (this "Guarantor Joinder"), dated as of [_____], among [_____] (the "New Guarantor"), a [_____] [limited liability company/corporation] and direct or indirect subsidiary of XS Financial Inc., a corporation subsisting under the *Business Corporations Act* (British Columbia) (the "Company"), the Company and the Holders (as defined in the Note Purchase Agreement).

WITNESSETH

WHEREAS, the Company has heretofore executed and delivered to the Holders that certain Note Purchase Agreement, dated as of October [●], 2021, by and among the Company, the other Guarantors party thereto, Acquiom Agency Services, LLC and the Purchasers party thereto (the "Note Purchase Agreement"), providing for, among other things, the issuance of 9.50% / 8.00% Senior Unsecured Convertible Notes due 2023 (the "Notes");

WHEREAS, the undersigned may execute and deliver to the Holders a guarantor joinder pursuant to which the undersigned becomes a Guarantor under the Note Purchase Agreement and shall unconditionally guarantee all of the Company's obligations under the Note Purchase Agreement and the Notes pursuant to a Guarantee on the terms and conditions set forth herein; and

WHEREAS, Section 9.10 of the Note Purchase Agreement provides, among other things, that following creation or acquisition of any subsidiary that is not a Guarantor, as soon as reasonably practicable after such subsidiary is capitalized with, or acquires or holds assets in excess of, $1.0 million (and no later than fifteen (15) calendar days after such capitalization or acquisition), the Transaction Entities shall cause such subsidiary to become a Guarantor by executing a joinder and delivering such executed joinder to the Notes Agent and the Holders.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Guarantors, the Company and the Holders mutually covenant and agree for the equal and ratable benefit of the Holders as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Note Purchase Agreement.

2. AGREEMENT TO GUARANTEE. The New Guarantor hereby agrees to guarantee the Company's obligations under the Note Purchase Agreement and the Notes on the terms and subject to the conditions set forth in Section 12 of the Note Purchase Agreement and to be bound by all other applicable provisions of the Note Purchase Agreement.

3. EFFECTIVENESS. This Guarantor Joinder shall be effective upon execution by the parties hereto. Upon effectiveness of this Guarantor Joinder, the New Guarantor will be a Guarantor under the Note Purchase Agreement.

4. RECITALS. The recitals contained herein shall be taken as the statements of the Company and the Guarantors and the Holders assume no responsibility for their correctness. The Holders make no representations as to the validity of this Guarantor Joinder.

5. NEW YORK LAW TO GOVERN. THIS GUARANTOR JOINDER, AND ANY CLAIM, CONTROVERSY OR DISPUTE ARISING UNDER OR RELATED TO THIS GUARANTOR JOINDER, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

6. COUNTERPARTS. The parties hereto may sign any number of copies of this Guarantor Joinder (including by electronic transmission). Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Guarantor Joinder and of signature pages by facsimile or portable document format transmission shall constitute effective execution and delivery of this Guarantor Joinder as to the parties hereto and may be used in lieu of the original Guarantor Joinder for all purposes. Signatures of the parties hereto transmitted by facsimile or portable document format shall be deemed to be their original signatures for all purposes.

7. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

8. ACCEPTANCE BY THE HOLDERS: The Holders assume no responsibility for the correctness of the recitals contained herein, which shall be taken as the statements of the Company and the New Guarantor and the Holders shall not be responsible or accountable in any way whatsoever for or with respect to the validity, execution or sufficiency of this Guarantor Joinder and make no representation with respect thereto.

9. SEVERABILITY. In case any provision in this Guarantor Joinder shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and such provision shall be ineffective only to the extent of such invalidity, illegality or unenforceability.

10. RATIFICATION OF NOTE PURCHASE AGREEMENT; GUARANTOR JOINDER PART OF AGREEMENT. Except as expressly amended hereby, the Note Purchase Agreement is in all respects ratified and confirmed and all the terms, conditions and provisions thereof shall remain in full force and effect. This Guarantor Joinder shall form a part of the Note Purchase Agreement for all purposes, and every Holder of Notes heretofore or hereafter delivered shall be bound hereby.

(signature pages follow)

IN WITNESS WHEREOF, the parties hereto have caused this Guarantor Joinder to be duly executed as of the day and year first above written.

[redacted]

By: _____
Name:
Title:

[Insert Name of Guarantor]

By: _____
Name:
Title:

[redacted]

By: _____
Name:
Title:

Exhibit B

Form of Assignment and Assumption Agreement

[See attached]

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT ("Assignment Agreement") is entered into as of _____, 20__ between _____ ("Assignor") and _____ ("Assignee"). Reference is made to the agreement described in Item 2 of Annex I annexed hereto (as amended, restated, modified or otherwise supplemented from time to time, the "Note Purchase Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Note Purchase Agreement.

1. In accordance with the terms and conditions of Section 15.4 of the Note Purchase Agreement, the Assignor hereby irrevocably sells, transfers, conveys and assigns without recourse, representation or warranty (except as expressly set forth herein) to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, that interest in and to the Assignor's rights and obligations under the Note Purchase Agreement with respect to the Notes of the Assignor as specified on Annex I.

2. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim, and (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; (b) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Note Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Note Documents or any other instrument or document furnished pursuant thereto; and (c) makes no representation or warranty and assumes no responsibility with respect to the financial condition of any Transaction Entity or the performance or observance by any Transaction Entity of any of its obligations under the Note Documents or any other instrument or document furnished pursuant thereto.

3. The Assignee (a) confirms that it has received copies of the Note Purchase Agreement and the other Note Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment Agreement; (b) agrees that it will, independently and without reliance upon the Notes Agent, the Assignor, or any other Holder, based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Note Documents; (c) confirms that it is eligible as an assignee under the terms of the Note Purchase Agreement; (d) appoints and authorizes the Notes Agent to take such action as the Notes Agent on its behalf and to exercise such powers under the Note Documents as are delegated to the Notes Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (e) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Note Documents are required to be performed by it as a Holder; (f) attaches the forms prescribed by the Internal Revenue Service of the United States certifying as to the Assignee's status for purposes of determining exemption from United States withholding taxes with respect to all payments to be made to the Assignee under the Note Purchase Agreement or such other documents as are necessary to indicate that all such payments are subject to such rates at a rate reduced by an applicable tax treaty and (g) makes each of the representations of a Purchaser set forth in Section 7 of the Notes Purchase Agreement.

4. Following the execution of this Assignment Agreement by the Assignor and the Assignee, it will be delivered by the Assignor to the Agents for recording by the Notes Agent. The effective date of this Assignment Agreement (the "Settlement Date") shall be the latest of (a) the date of the execution hereof by the Assignor and the Assignee, (b) the date this Assignment Agreement has been accepted by the Notes Agent and recorded in the Note Register by the Notes Agent, (c) the date of receipt by the Notes Agent of a processing and recordation fee in the amount of $3,500, (d) the settlement date specified on Annex I, and (e) the receipt by Assignor of the Purchase Price specified in Annex I.

5. As of the Settlement Date (a) the Assignee shall be a party to the Note Purchase Agreement and, to the extent of the interest assigned pursuant to this Assignment Agreement, have the rights and obligations of a Holder thereunder and under the other Note Documents, and (b) the Assignor shall, to the extent of the interest assigned pursuant to this Assignment Agreement, relinquish its rights and be released from its obligations under the Note Purchase Agreement and the other Note Documents.

6. Upon recording by the Notes Agent, from and after the Settlement Date, the Notes Agent shall make all payments under the Note Purchase Agreement and the other Note Documents in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees (if applicable) with respect thereto) to the Assignee. The Assignor and the Assignee shall make all appropriate adjustments in payments under the Note Purchase Agreement and the other Note Documents for periods prior to the Settlement Date directly between themselves on the Settlement Date.

7. THIS ASSIGNMENT AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

8. EACH PARTY HERETO HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BASED UPON OR ARISING OUT OF THIS ASSIGNMENT AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, AND AGREES THAT ANY SUCH ACTION, PROCEEDING OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

9. This Assignment Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Assignment Agreement by facsimile or electronic mail shall be equally effective as delivery of an original executed counterpart. The Company is an intended third party beneficiary of the representations, warranties and covenants of the Assignor and the Assignee hereunder.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized, as of the date first above written.

[ASSIGNOR]

By: _____

Name:
Title:
Date:

[ASSIGNEE]

By: _____

Name:
Title:
Date:

ACCEPTED AND CONSENTED TO this ____ day of _____, 20__

[redacted],
as Notes Agent

By: _____
Name:
Title:

ANNEX FOR ASSIGNMENT AND ACCEPTANCE

ANNEX I

1. Company: Aventine Property Group, Inc., a Maryland corporation

2. Name and Date of Financing Agreement:

Note Purchase Agreement (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Note Purchase Agreement"), by and among XS Financial Inc., a corporation subsisting under the *Business Corporations Act* (British Columbia) (the "Company"), the guarantors party thereto from time to time (the "Guarantors" and together with the Company, the "Transaction Entities"), Acquiom Agency Services LLC (the "Notes Agent") and the purchasers set forth on the signature pages thereto (the "Purchasers").

3. Date of Assignment Agreement: _____

4. Amount of Notes Assigned: $ _____

5. Purchase Price: $_____

6. Settlement Date: _____

7. Notice and Payment Instructions, etc.

Assignee:	Assignor:
_____	_____
_____	_____
_____	_____
Assignee:	Assignor:
Attn: _____	Attn: _____
Fax No.: _____	Fax No.: _____
Bank Name:	Bank Name:
ABA Number:	ABA Number:
Account Name:	Account Name:
Account Number:	Account Number:
Sub-Account Name:	Sub-Account Name:

Sub-Account Number:
Reference:
Attn:

Sub-Account Number:
Reference:
Attn:

Exhibit C

Authorized Transaction Criteria

The following are the criteria applicable to each Authorized Transaction in respect of which the Transaction Entities may use Note issuance proceeds:

1. The Company's counterparty is a lessee or borrower from the Company, and such counterparty: (i) is a Person resident in a state of the United States of America, (ii) conducts its cannabis operations in a state of the United States of America where the cultivation, distribution, sale and/or possession (in each case to the extent applicable) of cannabis and related products is permitted under US State Cannabis Laws and (iii) is dealing at arm's length with the Company or any Guarantor Affiliate or any officer, director, manager, shareholder, member or associate thereof;

2. If the counterparty is a Person guarantying the obligations under the Financing Agreement, counterparty: (i) is located within the United States or Canada (in each case unless pre-approved by the Purchasers in their reasonable discretion in writing, or backed by a letter of credit satisfactory to the Required Holders); and (ii) is dealing at arm's length with the Company and all Guarantor Affiliates or any officer, director, manager, shareholder, member or associate thereof;

3. the borrower/lessee relating thereto is not (i) an Affiliate of the Company, or an employee thereof, or (ii) a Governmental Authority, or (iii) engaged in any Restricted Cannabis Activities;

4. the payments in respect of such Authorized Transaction are only payable in the United States of America and are denominated in the lawful currency of the United States of America;

5. the Authorized Transaction arises from bona fide Financing Documents entered into between the Company and a counterparty;

6. the Company's counterparty and other parties thereto, and, at the time of entering into such Financing Documents and at all times thereafter, such counterparty and all other parties to such documents, were dealing and continue to deal at arm's length with the Company, any Guarantor Affiliate thereof or any officer, director, manager, shareholder, member or associate thereof or, if the Company is not the original lender, such Authorized Transaction was purchased by the Company from such original lender in the Ordinary Course of Business of the Company and such original lender, and, at the time of such purchase, such original lender was dealing at arm's length with the Company, any Guarantor Affiliate thereof or any officer, director, manager, shareholder, member or associate thereof;

7. the Authorized Transaction and the rights of the Company in the collateral with respect thereto are validly owned by the Company, free and clear of all Liens other than Permitted Liens;

8. the Financing Documents relating to such Authorized Transaction (i) have been duly authorized, executed and delivered by the parties thereto, without any fraud or misrepresentation on the part of the Company, the original lender thereof or the related counterparty thereto, (ii) are in full force and effect, and (iii) constitute genuine, legal, valid and binding obligations of such counterparty and the other parties thereto, enforceable against such counterparty and the other parties thereto in accordance with their terms, subject to bankruptcy, insolvency and similar laws affecting the enforceability of creditors' rights generally and to general principles of equity;

9. the Authorized Transaction is subject to customary and enforceable provisions which are adequate and sufficient to permit realization against the related collateral upon a default thereunder;

10. no right of rescission, cancellation, set-off, counter-claim or defense has been asserted or threatened with respect to, and no Person shall have asserted or contested the validity of, the Financing Documents or obligations payable to the Company relating to such Authorized Transaction, and there are no facts which, with the giving of notice or lapse of time or both, would entitle the counterparty or the other parties thereto in respect thereof to any right of rescission, cancellation, set-off, counter- claim, or defense under such Financing Documents or obligations payable to the Company;

11. if the Company is not the original lender with respect to an Authorized Transaction, at the time of the Company's acquisition of such Authorized Transaction or rights therein (A) there exists no event of default under such Authorized Transaction and no event has occurred which, with the giving of notice or lapse of time or both, would constitute an event of default thereunder, and (B) neither the Company nor the original lender thereunder has given any consents, approvals or waivers under or in respect of such Authorized Transaction with respect to the matters described in clause (A) immediately above;

12. the terms of the Authorized Transaction, the origination thereof and the execution and delivery of the Financing Documents relating thereto by each of the parties thereto do not contravene any Applicable Regulatory Laws, including the US Federal Controlled Substances Act (subject, however, to Section 3.9 of the Agreement), applicable US State Cannabis Laws or would otherwise restrict the ability of the Purchasers from exercising any of their rights in respect of such Authorized Transaction;

13. all taxes, other governmental fees and charges and any other payment that, if unpaid, may give rise to a priority claim, then due and payable against, on or in respect of the counterparty are paid in full up to date, other than such taxes, fees and charges that are being contested in good faith by adequate proceedings and for which adequate reserves have been taken;

14. the Financing Documents to which such Authorized Transaction is subject have not been amended, cancelled or modified, except where such amendment or modification is material and has been previously disclosed to Notes Agent on behalf of the Purchasers;

15. the Company has made all appropriate filings and registrations, meeting the requirements of Applicable Regulatory Law, in such manner and in such jurisdictions as are necessary to protect, perfect and maintain the protection and perfection of its Lien in the related collateral securing the obligations under each Authorized Transaction; and

16. the counterparty or any other party to any Financing Documents relating to such Authorized Transaction is not subject to any Enforcement Action, or any bankruptcy, insolvency or Insolvency Event pending by or against such counterparty or such other party, and the counterparty and each such other party has not ceased business operations or requested a meeting with its creditors.

Exhibit D

Purchaser Information Sheet

Present Ownership of Securities

The Subscriber either [check appropriate box]:

□ does not own directly or indirectly, or exercises control or direction over, any subordinate voting shares of the Company or securities convertible into subordinate shares of the Company; or

□ (i) owns directly or indirectly, or exercises control or direction over _____ outstanding subordinate voting shares of the Company; and

(ii) owns directly or indirectly, or exercises control or direction over convertible securities entitling the Subscriber to acquire an additional _____ subordinate voting shares of the Company.

Insider Status

The Subscriber either [check appropriate box]:

□ is an "Insider" of the Company as defined in the policies of the Canadian Securities Exchange:

(a) a director or senior officer of the Company;

(b) a director or senior officer of a company that is itself an insider or subsidiary of the Company;

(c) a person that beneficially owns or controls, directly or indirectly voting shares of the Company carrying more than 10% of the voting rights attached to all the Company's outstanding voting shares; or

(d) the Company itself if it holds any of its own securities of its own.

□ is not an Insider of the Company.

Registrant

The Subscriber either [check appropriate box]:

□ is a registrant under applicable securities laws; or

□ is not a registrant under applicable securities laws.

CSE Acknowledgement

In connection with the purchase by the Subscriber of securities of the Company, the Subscriber hereby certifies to the Company (and acknowledges that the Company is relying thereon) that the Subscriber acknowledges and consents to:

(a) the fact that the Company is collecting its information for, among other purposes, disclosure to the Canadian Securities Exchange (the "CSE") pursuant to CSE Form 9 or otherwise in connection with the filing thereof; and

(b) the collection, use and disclosure of its information by the CSE in the manner and for the purposes described in Appendix A to CSE Form 9 or as otherwise identified by the CSE, from time to time.

Dated: _____ Signed: _____

_____
Print the name of Subscriber

_____
If Subscriber is a corporation,
print name and title of Authorized Signing Officer

Exhibit E

Form of Warrant

US_Active\119559098\V-10
US_Active\119559098\V-14
US_Active\119559098\V-16

FINAL FORM

WARRANT

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE MARCH 1, 2022.

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR UNDER ANY STATE SECURITIES LAWS, AND THE SECURITIES REPRESENTED HEREBY MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY, ONLY (A) TO XS FINANCIAL INC. (THE "CORPORATION"), (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS AND REGULATIONS, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY (i) RULE 144, IF AVAILABLE, OR (ii) 144A UNDER THE U.S. SECURITIES ACT, IF AVAILABLE, AND IN COMPLIANCE WITH APPLICABLE U.S. STATE SECURITIES LAWS, (D) IN COMPLIANCE WITH ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, OR (E) UNDER AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT PROVIDED THAT IN THE CASE OF TRANSFERS PURSUANT TO (C)(i) OR (D) ABOVE, A LEGAL OPINION IN FORM AND SUBSTANCE OR SUCH OTHER EVIDENCE REASONABLY SATISFACTORY TO THE CORPORATION MUST FIRST BE PROVIDED TO ODYSSEY TRUST COMPANY TO THE EFFECT THAT SUCH TRANSFER IS EXEMPT FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. DELIVERY OF THIS WARRANT MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

2021-II WARRANTS TO PURCHASE SUBORDINATE VOTING SHARES OF XS FINANCIAL INC.

(subsisting under the laws of British Columbia)

Warrant Number 2021-II-[●]

Number of warrants represented – [●]

THIS CERTIFIES THAT, for value received, [●] (the "**Holder**") is entitled, at any time prior to the Expiration Time, to purchase for CAD$0.45 (the "**Exercise Price**") one (1) Share (as defined below) of XS Financial Inc. (the "**Company**"), for each Warrant (as defined below) evidenced hereby, on and subject to the terms and conditions set forth below.

Nothing contained herein shall confer any right upon the Holder to subscribe for or purchase any Shares at any time after the Expiration Time (as defined below), and from and after the Expiration Time these Warrants and all rights hereunder shall be void and of no value.

1. Definitions

In this Warrant, including the preamble, unless there is something in the subject matter or context inconsistent therewith, the following expressions shall have the following meanings, namely:

(a) "**Business Day**" means any day other than a Saturday, a Sunday or a day on which banking institutions in New York, New York, are authorized or obligated by law, regulation or executive order to close;

(b) "**Company**" means XS Financial Inc., a corporation formed under the laws of the Province of British Columbia, and its successors and assigns;

(c) "**Current Market Price**" at any date, means the weighted average of the sale prices per Share at which the Shares have traded on the Canadian Securities Exchange or, if the Shares are not listed on any such stock exchange, then on any other stock exchange, including the NASDAQ, or the over-the-counter market on which the Shares are then listed or posted for trading during the 10 consecutive trading days ending on (and including) the trading day immediately preceding the Exercise Date. In the event that at any date the Shares are not listed on any exchange or on an over-the-counter market, the current market price shall be as determined by the directors or such firm of independent chartered accountants as may be selected by the directors acting reasonably and in good faith in their sole discretion; for these purposes, the weighted average price for any period shall be determined by dividing the aggregate sale prices during such period by the total number of Shares sold during such period;

(d) "**Equity Shares**" means the Shares and any shares of any other class or series of the Company which may from time to time be authorized for issue if by their terms such shares confer on the holders hereof the right to participate in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of the Company beyond a fixed sum or a fixed sum plus accrued dividends;

(e) "**Exercise Date**" means, for any given exercise of this Warrant, the date on which the conditions to such exercise as set forth in this Warrant have been satisfied.

(f) "**Exercise Price**" means CAD$0.45 per Share, unless such price shall have been adjusted in accordance with the provisions of Section 13, in which case it shall mean the adjusted price in effect at such time;

(g) "**Expiration Date**" means October 28, 2024;

(h) "**Expiration Time**" means 5:00 p.m. (Toronto time) on the Expiration Date;

(i) "**Form of Transfer**" means the form of transfer annexed hereto as Schedule "B";

(j) "**Holder**" means the registered holder of this Warrant;

(k) "**person**" means an individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator, or other legal representative, or any group or combination thereof;

(l) "**principal office**" means 1901 Avenue of the Stars, Suite 120, Los Angeles, California 90067;

(m) "**Shares**" means the Subordinate Voting Shares of the Company as such shares were constituted on the date hereof, as the same may be reorganized, reclassified or redesignated pursuant to any of the events set out in Section 13 hereof;

(n) "**Subscription Form**" means the form of subscription annexed hereto as Schedule "A"; and

(o) "**this Warrant**", "**2021-II warrants**", "**Warrant**", "**herein**", "**hereby**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean or refer to the warrants represented by this Warrant and any deed or instrument supplemental or ancillary thereto and any schedules hereto or thereto and not to any particular article, section, subsection, clause, subclause or other portion hereof.

2. Expiration Time

After the Expiration Time, all rights under any Warrants evidenced hereby, in respect of which the right of subscription and purchase herein provided for shall not theretofore have been exercised, shall wholly cease and terminate and such Warrants shall be void and of no value or effect.

3. Exercise Procedure

(a) The Holder may exercise the right of purchase herein provided for by surrendering or delivering to the Company prior to the Expiration Time at its principal office: (i) this Warrant (or an affidavit of loss and indemnity, reasonably acceptable to the Company, if such Holder does not have possession of this Warrant at the time of exercise), with the Subscription Form duly completed and executed by the Holder or its legal representative or attorney; and (ii) payment to the Company of the aggregate Exercise Price in accordance with Section 3(b).

(b) Payment of the aggregate Exercise Price shall be made, at the option of the Holder as expressed in the Exercise Agreement, by the following methods:

(i) by delivery to the Company of a certified or official bank check payable to the order of the Company or by wire transfer of immediately available funds to an account designated in writing by the Company, in the amount of such aggregate Exercise Price;

(ii) by electing to receive Shares then issuable upon exercise of this Warrant equal in value to the difference between the Exercise Price and the Current Market Price on the Exercise Date (any such exercise a "Cashless Exercise") computed by using the following formula, with either a partial or full deduction of the number of Shares

then issuable upon exercise of this Warrant:

$$X = Y (A-B) / A$$

Where:

X = the number of Shares to be issued to the Holder upon such Cashless Exercise;
Y = the number of Shares issuable upon exercise of this Warrant (at the date of such calculation);
A = Current Market Price of one Share of the Company (at the date of such calculation, if greater than the Exercise Price); and
B = Exercise Price (as adjusted to the date of such calculation); or

(iii) by making such other arrangements to satisfy the payment of the aggregate Exercise Price as may be mutually agreed by the Company and the Holder.

Any Warrant and payment referred to in the foregoing clauses (a) and (b) shall be deemed to be surrendered only upon delivery thereof to the Company at its principal office in the manner provided in Section 27 hereof.

This Warrant is exchangeable, upon the surrender hereof by the Holder, for new Warrants of like tenor representing, in the aggregate, warrants entailing the right to subscribe for the same number of Shares which may be subscribed for hereunder.

4. Transfer.

Subject to the transfer conditions referred to in the legend on this Warrant, this Warrant and all rights hereunder are transferable, in whole or in part, by the Holder without charge to the Holder, in accordance with the terms of this Warrant. The transferee of a Warrant shall, after a Form of Transfer is duly completed and the Warrant is registered with the Company, be entitled to have its name entered on the register as the owner of such Warrant pursuant to Section 6, free from all equities or rights of set-off or counterclaim between the Company and the transferor or any previous holder of such Warrant, except with respect to equities of which the Company is required to take notice by statute or by a final, unappealable order of a court of competent jurisdiction. Upon compliance with the foregoing, the Company shall execute and deliver a new Warrant or Warrants in the name of the transferee or transferees and in the denominations specified in the Form of Transfer, and shall issue to the transferor a new Warrant evidencing the portion of this Warrant, if any, not so transferred and this Warrant shall promptly be cancelled.

5. Entitlement to Certificate

Upon such delivery and payment as aforesaid, the Company shall cause to be issued to the Holder hereof the Shares subscribed for not exceeding those which such Holder is entitled to purchase pursuant to this Warrant and the Holder hereof shall become a shareholder of the

Company in respect of such Shares with effect from the date of such delivery and payment and shall be entitled to delivery of a certificate or certificates evidencing such Shares and the Company shall cause such certificate or certificates to be mailed to the Holder hereof at the address or addresses specified in such subscription within three (3) Business Days of such delivery and payment.

6. Register of Warrantholders

The Company shall cause a register of this Warrant (and any transfers thereof) to be kept and properly maintained at its principal executive office. Such register shall include the names and addresses of all holders of 2021-II warrants of the Company and the number of 2021-II warrants so held by them. No transfer of Warrants shall be valid unless made by the Holder (or its executors, administrators or other legal representatives or its attorney) in accordance with the provisions of this Warrant. The Company may treat the registered holder of any Warrant as the absolute owner of the Warrants represented thereby for all purposes, and the Company shall not be affected by any notice or knowledge to the contrary except either (i) pursuant to any assignment, division, combination or other transfer of the Warrant effected in accordance with the provisions of this Warrant; or (ii) where the Company is required to take notice by statute or by order of court of competent jurisdiction.

7. Partial Exercise

The Holder may subscribe for and purchase a number of Shares less than the number the Holder is entitled to purchase pursuant to this Warrant. In the event of any such subscription and purchase prior to the Expiration Time, the Holder shall in addition be entitled to receive, without charge, a new agreement in respect of the balance of the Warrants represented by this agreement and which were then not exercised.

8. No Fractional Shares

Notwithstanding any adjustments provided for in Section 13 hereof or otherwise, the Company shall not be required upon the exercise of any Warrants, to issue fractional Shares in satisfaction of its obligations hereunder. Where a fractional Share would, but for this Section 8, have been issued upon exercise of a Warrant, the Company shall pay to such Holder an amount in cash (by delivery of a certified or official bank check or by wire transfer of immediately available funds) equal to the product of (a) such fractional Share multiplied by (b) the Current Market Price of one Share on the Exercise Date.

9. Not a Shareholder

Nothing in this Warrant or in the holding of the Warrants evidenced hereby shall be construed as conferring upon the Holder any right or interest whatsoever as a direct shareholder of the Company; provided, however that these Warrants may be included in the calculation of any Holder's beneficial ownership (as such term is defined in Section 13d-3 of the Securities Exchange Act of 1934) interest in the Company where so permitted by applicable law.

10. No Obligation to Purchase

Nothing herein contained or done pursuant hereto shall obligate the Holder to purchase or pay for or the Company to issue any securities except those Shares in respect of which the Holder shall have exercised its right to purchase hereunder in the manner provided herein.

11. Ranking of Warrants

All 2021-II warrants of the Company shall rank *pari passu*, notwithstanding the actual date of the issue thereof.

12. Covenants

The Company covenants and agrees that:

(a) This Warrant is, and any Warrant issued in substitution for or replacement of this Warrant shall be, upon issuance, duly authorized and validly issued.

(b) So long as any Warrants evidenced hereby remain outstanding, it shall reserve and there shall remain unissued out of its authorized capital a sufficient number of Shares to satisfy the right of purchase herein provided for should the Holder determine to exercise its rights in respect of all the Shares for the time being called for by such outstanding Warrants.

(c) All Shares which shall be issued upon the exercise of the right to purchase herein provided for, upon payment therefor of the amount at which such Shares may at the time be purchased pursuant to the provisions hereof, shall be duly authorized, validly issued, fully paid and non-assessable, and be free from preemptive rights, liens, encumbrances and charges, other than (i) liens, encumbrances and charges arising solely from the actions of the Holder or holder of such Shares and (ii) restrictions on transfer provided for herein or under applicable federal, provincial and state securities laws, and the holders thereof shall not be liable to the Company or to its creditors in respect thereof.

(d) The Company shall take all such actions as may be necessary to ensure that all such Shares are issued without violation by the Company of any applicable law or governmental regulation or any requirements of any securities exchange upon which shares of Subordinate Voting Shares or other securities constituting Shares may be listed at the time of such exercise, including all requisite filings under applicable securities laws and the regulations made thereunder including those necessary to remain a reporting issuer not in default of any requirement of such act and regulations.

(e) The Company shall use all reasonable efforts to preserve and maintain its corporate

existence.

(f) The Company shall pay all expenses in connection with, and all taxes and other governmental charges that may be imposed with respect to, the issuance or delivery of Shares upon exercise of this Warrant; provided, that the Company shall not be required to pay any tax or governmental charge that may be imposed with respect to any applicable withholding or the issuance or delivery of the Shares upon exercise of this Warrant to any person other than the Holder, and no such issuance or delivery shall be made unless and until the person requesting such issuance has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company that such tax has been paid.

13. Adjustment to Exercise Price

The Exercise Price in effect at any time is subject to adjustment from time to time in the events and in the manner provided on Schedule C hereto.

14. Rules Regarding Calculation of Adjustment of Exercise Price

(a) If at any time a dispute arises with respect to adjustments provided for in Section 13, subject to an alternative resolution set forth on Schedule C, such dispute will be conclusively determined by the auditors of the Company or if they are unable or unwilling to act, by such other firm of independent chartered accountants as may be selected by action by the directors of the Company and any such determination, where required, will be binding upon the Company, the Holder and shareholders of the Company. The Company will provide such auditors or accountants with access to all necessary records of the Company.

(b) If the Company sets a record date to determine the holders of the Shares for the purpose of entitling them to receive any dividend or distribution or sets a record date to take any other action and, thereafter and before the distribution to such shareholders of any such dividend or distribution or the taking of any other action, decides not to implement its plan to pay or deliver such dividend or distribution or take such other action, then no adjustment in the Exercise Price will be required by reason of the setting of such record date.

(c) As a condition precedent to the taking of any action which would require any adjustment to this Warrant, including the Exercise Price, the Company must take any corporate action which may be necessary in order that the Company have unissued and reserved in its authorized capital and may validly and legally issue as fully paid and non-assessable all the shares or other securities which the Holder is entitled to receive on the full exercise thereof in accordance with the provisions hereof.

15. Consolidation and Amalgamation

(a) The Company shall not enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other corporation (herein called a "**successor corporation**") whether by way of plan of arrangement, business combination, reorganization, reconstruction, consolidation, amalgamation, merger, transfer, sale, disposition or otherwise, unless prior to or contemporaneously with the consummation of such transaction the Company and the successor corporation shall have executed such instruments and done such things as, in the opinion of counsel to the Holder, are necessary or advisable to establish that upon the consummation of such transaction:

(i) the successor corporation will have assumed all the covenants and obligations of the Company under this Warrant, and

(ii) the Warrant will be a valid and binding obligation of the successor corporation entitling the Holder, as against the successor corporation, to all the rights of the Holder under this Warrant, *mutatis mutandis*.

(b) Whenever the conditions of subsection 15(a) shall have been duly observed and performed the successor corporation shall possess, and from time to time may exercise, each and every right and power of the Company under this Warrant in the name of the Company or otherwise and any act or proceeding by any provision hereof required to be done or performed by any director or officer of the Company may be done and performed with like force and effect by the like directors or officers of the successor corporation.

16. Representation and Warranty

The Company hereby represents and warrants with and to the Holder that the Company is duly authorized and has the corporate and lawful power and authority to create and issue this Warrant and the Shares issuable upon the exercise hereof, which Shares will be duly authorized, validly issued, fully paid and non-assessable upon issuance to the Holder, and perform its obligations hereunder and that this Warrant represents a valid, legal and binding obligation of the Company enforceable in accordance with its terms.

17. Central Securities Register

The Company hereby covenants and agrees that, unless required in accordance with applicable laws or the terms hereof, it will not, at any time, prohibit the issuance and recording of the Shares issuable upon exercise of the Warrants.

18. Lost Warrant

If this Warrant becomes stolen, lost, mutilated or destroyed, the Company may, on such terms as it may in its discretion impose, issue and countersign a new Warrant of like denomination, tenor and date as the Warrant so stolen, lost mutilated or destroyed.

19. Governing Law

This Warrant is governed by and shall be construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. For the purpose of all legal proceedings, this Warrant shall be deemed to have been performed in the Province of British Columbia and the courts of the Province of British Columbia shall have jurisdiction to entertain any action arising under this Warrant. Each party hereto irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia.

20. Severability

If any one or more of the provisions or parts thereof contained in this Warrant should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

(a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and

(b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Warrant in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Warrant in any other jurisdiction.

21. Headings

The headings of the sections, subsections and clauses of this Warrant have been inserted for convenience and reference only and do not define, limit, alter or enlarge the meaning of any provision of this Warrant.

22. Numbering of Sections, etc.

Unless otherwise stated, a reference herein to a numbered or lettered section, subsection, clause, subclause or schedule refers to the section, subsection, clause, subclause or schedule bearing that number or letter in this Warrant.

23. Gender

Whenever used in this Warrant, words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender.

24. Day not a Business Day

In the event that any day on or before which any action is required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day.

25. Rules of Construction

Except to the extent otherwise provided herein, in the computation of a period of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding". Defined terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." As used in this Warrant, "Dollars" or "$" refers to lawful money of Canada.

26. Binding Effect

This Warrant and all of its provisions shall enure to the benefit of the Holder and his heirs, executors, administrators, legal personal representatives, permitted assigns and successors and shall be binding upon the Company and its successors and permitted assigns.

27. Notice

(a) Any notice, document or communication required or permitted by this Warrant to be given by a party hereto shall be in writing to such party addressed as follows:

If to the Holder, in the register to be maintained pursuant to Section 6 hereof.

If to the Company at:

1901 Avenue of the Stars, Suite 120
Los Angeles, California 90067
Attention: Chief Executive Officer
Email: dkivitz@xsfinancial.com

(b) Unless otherwise specified herein, such notices or other communications will be deemed given (i) on the date delivered, if delivered personally, (ii) one Business Day after being sent by a nationally recognized overnight courier guaranteeing overnight delivery and (iii) on the date delivered, if delivered by email during business hours (or one Business Day after the date of delivery if delivered after 5:00 p.m. in the place of receipt). Each of the parties hereto will be entitled to specify a different address by delivering notice as aforesaid to each of the other parties hereto.

28. Time of Essence

Time shall be of the essence hereof.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the Company has caused this Warrant to be signed by its duly authorized officer as of this 28 day of October, 2021.

[redacted]

Per: _____
Authorized Signatory

SCHEDULE "A"

SUBSCRIPTION FORM

TO: XS FINANCIAL INC.
1901 Avenue of the Stars
Suite 120
Los Angeles, California
90067

The undersigned holder of the within Warrant hereby irrevocably subscribes for Shares of XS Financial Inc. (the "**Company**") pursuant to the within Warrant at the Exercise Price per share specified in the said Warrant and encloses herewith a certified cheque, money order, bank draft or other form of payment acceptable to the Company, payable to or to the order of the Company in payment of the subscription price therefor.

Capitalized terms used herein have the meanings set forth in the within Warrant.

The undersigned hereby acknowledges that the following legends will be placed on the certificates representing the Shares being acquired:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE MARCH 1, 2022.

The undersigned represents, warrants and certifies as follows (one (only) of the following must be checked):

☐ (A) the undersigned holder at the time of exercise of the Warrants (i) is not in the United States, (ii) is not a U.S. Person, (iii) is not exercising the Warrants on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States, (iv) did not acquire the Warrants in the United States or on behalf of, or for the account or benefit of, a U.S. Person or a person in the United States; (v) did not receive an offer to exercise the Warrants in the United States; (vi) did not execute or deliver this subscription form in the United States; and (vii) delivery of the Shares will not be to an address in the United States;

☐ (B) the undersigned holder (i) is the original purchaser of the Warrants as part of the non-brokered private placement of units of which the Warrants comprised a part; and (ii) confirms, as of the date hereof, each of the representations, warranties, certifications and agreements made by it in the subscription agreement executed and delivered to the Company in connection with its acquisition of such units are true and correct as though such representations, warranties, certifications and agreements were made on the date hereof; or

☐ (C) the undersigned holder is (i)(a) in the United States, (b) a U.S. Person, (c) a person exercising for the account or benefit of a U.S. Person or a person in the United

States, (d) executing or delivering this exercise form in the United States, or (e) requesting delivery of the Shares in the United States, and (ii) the undersigned holder has an exemption from the registration requirements of the U.S. Securities Act and all applicable state securities laws available for the exercise of the Warrants and the issuance of the Shares, and has delivered to the Company a written opinion of U.S. counsel in form and substance reasonably satisfactory to the Company or such other evidence reasonably satisfactory to the Company to that effect.

It is understood that the Company may require evidence to verify the foregoing representations.

Notes: (1) Certificates representing Shares will not be registered or delivered to an address in the United States unless Box B or C above is checked.

(2) If Box C above is checked, holders are encouraged to consult with the Company in advance to determine that the legal opinion or other evidence tendered in connection with the exercise will be satisfactory in form and substance to the Company.

"**United States**" and "**U.S. Person**" are as defined in Rule 902 of Regulation S under the U.S. Securities Act of 1933, as amended.

DATED this __day of _____, 20__.

NAME: _____
Signature: _____
Address:

☐ Please check box if the Share certificate(s) are to be delivered at the office where this Warrant is surrendered, failing which the Share certificate(s) will be mailed to the subscriber at the address set out above.

If any Warrants are not being exercised, a new Warrant representing the number of Warrants which are not exercised hereby will be issued and delivered with the Share certificate(s).

SCHEDULE "B"

FORM OF TRANSFER

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (*name*) _____(the "**Transferee**"), _____ _____ (*residential address*) _____Warrants of XS Financial Inc. (the "**Company**") registered in the name of the undersigned on the records of the Company represented by the within Warrant, and irrevocably appoints the Secretary of the Company as the attorney of the undersigned to transfer the said securities on the books or register of transfer, with full power of substitution.

In the case of a Warrant that contains a U.S. restrictive legend, the undersigned hereby represents, warrants and certifies that (one (only) of the following must be checked):

☐ (A) the transfer is being made only to the Company;

☐ (B) the transfer is being made outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and in compliance with any applicable local laws and regulations and the holder has provided herewith the Declaration for Removal of Legend in form and substance reasonably satisfactory to the Company; or

☐ (C) the transfer is being made pursuant to Rule 144 under the U.S. Securities Act or in accordance with another transaction that does not require registration under the U.S. Securities Act or any applicable state securities laws and the undersigned has furnished to the Company an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect.

In the case of a Warrant that does not contain a U.S. restrictive legend, if the proposed transfer is to, or for the account or benefit of, a U.S. Person or a person in the United States, the undersigned hereby represents, warrants and certifies that the transfer of the Warrants is being completed pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable state securities laws, in which case the undersigned has furnished to the Company an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Company to such effect.

"**United States**" and "**U.S. Person**" are as defined in Rule 902 of Regulation S under the U.S. Securities Act.

☐ If transfer is to a U.S. Person, check this box.

DATED the __day of _____, 20__.

Signature Guaranteed	(Signature of Warrantholder, to be the same as appears on the face of this Warrant)

SCHEDULE "C"

Adjustments to Exercise Price

The Exercise Price shall be adjusted from time to time by the Company if any of the following events occur, except that the Company shall not make any adjustments to the Exercise Price if Holders of the Warrant participate (other than in the case of a share split or share combination), at the same time and upon the same terms as holders of the Common Stock and solely as a result of holding the Warrant, in any of the transactions described in this Schedule C, without having to exercise their Warrant, as if they held a number of Shares then issuable upon exercise of their Warrant at the then applicable Exercise Price.

Unless context requires otherwise, references to clauses or sections in this Schedule C are to clauses or section of this Schedule C. Capitalized terms used in this Schedule C and not otherwise defined shall have the meaning set forth in clause (j).

(a) If the Company issues Shares as a dividend or distribution on shares of the Common Stock or if the Company effects a share split or share combination, the Exercise Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{OS0}{OS'}$$

where,

CP0 = the Exercise Price in effect immediately prior to the open of business on the Ex-Dividend Date of such dividend or distribution, or immediately prior to the open of business on the effective date of such share split or share combination, as applicable;

CP' = the Exercise Price in effect immediately after the open of business on such Ex-Dividend Date or effective date;

OS0 = the number of Shares outstanding immediately prior to the open of business on such Ex-Dividend Date or effective date (before giving effect to any such dividend, distribution, share split or share combination); and

OS' = the number of Shares outstanding immediately after giving effect to such dividend, distribution, share split or share combination.

Any adjustment made under this clause (a) shall become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution, or immediately after the open of business on the effective date for such share split or share combination, as applicable. If any dividend or distribution of the type described in this clause (a) is declared but not so paid or made, the Exercise Price shall be immediately readjusted, effective as of the date the Board of Directors of the Company determines not to pay such dividend or distribution, to the Exercise Price that would then be in effect if such dividend or distribution had not been declared.

(b) Subject to the prior receipt of all applicable regulatory approvals that are required (if any) and compliance with all applicable securities laws and the regulations of all stock exchanges upon which the Shares are listed from time to time, including the Canadian Securities Exchange, if the Company issues to (i) any new investors any new Shares at a price per share that is less than the average Last Reported Sale Price on each applicable Trading Day of one Share (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) for the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the date of announcement of such issuance or (ii) all or substantially all holders of the Shares, any rights, options or warrants entitling them to subscribe for or purchase Shares at a price per share that is less than the average Last Reported Sale Price on each applicable Trading Day of one Share (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) for the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the date of announcement of such issuance, in each case, then the Exercise Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{OS0 + Y}{OS0 + X}$$

Where,

CP0 = the Exercise Price in effect immediately prior, in the case of clause (b)(ii) above, to the open of business on the Ex-Dividend Date for such issuance or, in the case of clause (b)(i) above, immediately prior to the open of business on the date of such issuance;

CP' = the Exercise Price in effect immediately after the open of business on, in the case of clause (b)(ii) above, such Ex-Dividend Date or, in the case of clause (b)(i) above, such date of issuance;

OS0 = the number of Shares outstanding immediately prior to the open of business on, in the case of clause (b)(ii) above, such Ex-Dividend Date or, in the case of clause (b)(i) above, such date of issuance;

X = the total number of Shares, in the case of clause (b)(ii) above, issuable pursuant to such rights, options or warrants or, in the case of clause (b)(i) above, sold in such equity issuance; and

Y = the number of Shares equal to the aggregate price payable, in the case of clause (b)(ii) above, to exercise such rights, options or warrants or, in the case of clause (b)(i) above, paid for such equity, divided by the average Last Reported Sale Price on each applicable Trading Day of one Share (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of the issuance of such rights, options or warrants or equity.

Any increase made under this clause (b) shall be made successively whenever any such rights, options or warrants are issued and shall become effective immediately after the open of business

on the Ex-Dividend Date for such issuance, in each case subject to the prior receipt of all applicable regulatory approvals that are required (if any) and compliance with all applicable securities laws and the regulations of all stock exchanges upon which the Shares are listed from time to time. To the extent that Shares are not delivered after the expiration of such rights, options or warrants, the Exercise Price shall be decreased to the Exercise Price that would then be in effect had the increase with respect to the issuance of such rights, options or warrants been made on the basis of delivery of only the number of Shares actually delivered. If such rights, options or warrants are not so issued, or if no such rights, options or warrants are exercised prior to their expiration, the Exercise Price shall be decreased to the Exercise Price that would then be in effect if such Ex-Dividend Date for such issuance had not occurred.

For purposes of this clause (b), in determining whether any rights, options or warrants entitle the holders of Shares to subscribe for or purchase Shares at a price per share that is less than such average of the Last Reported Sale Prices for the Shares over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the date of announcement of such issuance or such average of the fair market value on each applicable Trading Day of one Share over the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the date of announcement for such issuance, as the case may be, and in determining the aggregate offering price of such Shares, there shall be taken into account any consideration received by the Company for such rights, options or warrants and any amount payable on exercise or conversion thereof, the value of such consideration, if other than cash, to be determined by the Board of Directors of the Company.

(c) If the Company distributes its Equity Shares, evidences of its indebtedness, other assets or property of the Company or rights, options or warrants to acquire its Equity Shares or other securities, to all or substantially all holders of the Shares, excluding (i) dividends, distributions or issuances as to which an adjustment was effected pursuant to clause (a) or clause (b), (ii) dividends or distributions paid exclusively in cash as to which the provisions set forth in clause (d) shall apply and (iii) except as otherwise provided in Section 2.9 of the Note Purchase Agreement, rights issued pursuant to a shareholder rights plan adopted by the Company and (any of such Equity Shares, evidences of indebtedness, other assets or property or rights, options or warrants to acquire Equity Shares or other securities, the "**Distributed Property**"), then the Exercise Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{SP0 - FMV}{SP0}$$

where,

CP0 = the Exercise Price in effect immediately prior to the open of business on the Ex-Dividend Date for such distribution;

CP' = the Exercise Price in effect immediately after the open of business on such Ex-Dividend Date;

SP0 = the average of the Last Reported Sale Price each applicable Trading Day of one Share (as determined in good faith by the Board of Directors of the Company after consultation with an

investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company, except that to the extent Holders holding at least 50% of the Warrant dispute such fair market values in writing to the Company on or before the 20th Business Day after receipt of such good faith determination of the Board of Directors of the Company) over the 10 consecutive Trading Day period ending on, and including the Trading Day immediately preceding the Ex-Dividend Date for such distribution; and

FMV = the fair market value (as determined in good faith by the Board of Directors of the Company) of the Distributed Property distributed with respect to each outstanding share of Common Stock on the Ex-Dividend Date for such distribution.

Any increase made under the portion of this clause (c) above shall become effective immediately after the open of business on the Ex- Dividend Date for such distribution. If such distribution is not so paid or made, the Exercise Price shall be decreased to be the Exercise Price that would then be in effect if such distribution had not been declared.

Notwithstanding the foregoing, if "**FMV"** (as defined above) is equal to or greater than "**SP0**" (as defined above), in lieu of the foregoing increase, each Holder of a Warrant shall receive, in respect of such Warrant, at the same time and upon the same terms as holders of the Common Stock receive the Distributed Property, the amount and kind of Distributed Property such Holder would have received if such Holder owned a number of Shares issuable upon exercise of such Warrant at the Exercise Price in effect on the Ex-Dividend Date for the distribution. If the Board of Directors of the Company determines the "**FMV**" (as defined above) of any distribution for purposes of this clause (c) by reference to the actual or when-issued trading market for any securities, it shall in doing so consider the prices in such market over the same period used in computing the Last Reported Sale Prices of the Common Stock over the 10 consecutive Trading Day period ending on, and including, the Trading Day immediately preceding the Ex-Dividend Date for such distribution.

For purposes of this clause (c) (and subject in all respects to Section 2.9 of the Note Purchase Agreement), rights, options or warrants distributed by the Company to all holders of the Common Stock entitling them to subscribe for or purchase shares of the Company's Equity Shares, including Common Stock (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (i) are deemed to be transferred with such shares of the Common Stock; (ii) are not exercisable; and (iii) are also issued in respect of future issuances of the Common Stock, shall be deemed not to have been distributed for purposes of this clause (c) (and no adjustment to the Exercise Price under this clause (c) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options or warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Exercise Price shall be made under this clause (c). If any such right, option or warrant, including any such existing rights, options or warrants distributed prior to the Closing Date, are subject to events, upon the occurrence of which such rights, options or warrants become exercisable to purchase different securities, evidences of Indebtedness or other assets, then the date of the occurrence of any and each such event shall be deemed to be the date of distribution and Ex-Dividend Date with respect to new rights, options or warrants with such rights (in which case the existing rights, options or warrants shall be deemed to terminate and expire on such date without exercise by any of the holders thereof). In addition, in the event of any distribution (or

deemed distribution) of rights, options or warrants, or any Trigger Event or other event (of the type described in the immediately preceding sentence) with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to the Exercise Price under this clause (c) was made, (1) in the case of any such rights, options or warrants that shall all have been redeemed or purchased without exercise by any holders thereof, upon such final redemption or purchase (x) the Exercise Price shall be readjusted as if such rights, options or warrants had not been issued and (y) the Exercise Price shall then again be readjusted to give effect to such distribution, deemed distribution or Trigger Event, as the case may be, as though it were a cash distribution, equal to the per share redemption or purchase price received by a holder or holders of Common Stock with respect to such rights, options or warrants (assuming such holder had retained such rights, options or warrants), made to all holders of Common Stock as of the date of such redemption or purchase, and (2) in the case of such rights, options or warrants that shall have expired or been terminated (or deemed to have expired or been terminated pursuant to the immediately preceding sentence) without exercise by any holders thereof, the Exercise Price shall be readjusted as if such rights, options and warrants had not been issued (to the extent any adjustment to the Exercise Price was made in connection with such issuance).

For purposes of clauses (a), (b) and (c), if any dividend or distribution to which this clause (c) is applicable also includes one or both of:

(A) a dividend or distribution of Shares to which clause (a) is applicable (the "**Clause A Distribution**"); or

(B) a dividend or distribution of rights, options or warrants to which clause (b) is applicable (the "**Clause B Distribution**"),

then, in either case, (1) such dividend or distribution, other than the Clause A Distribution and the Clause B Distribution, shall be deemed to be a dividend or distribution to which this clause (c) is applicable (the "**Clause C Distribution**") and any Exercise Price adjustment required by this clause (c) with respect to such Clause C Distribution shall then be made, and (2) the Clause A Distribution and Clause B Distribution shall be deemed to immediately follow the Clause C Distribution and any Exercise Price adjustment required by clause (a) and clause (b) with respect thereto shall then be made, except that, if determined by the Company (I) the "**Ex-Dividend Date**" of the Clause A Distribution and the Clause B Distribution shall be deemed to be the Ex-Dividend Date of the Clause C Distribution and (II) any Shares included in the Clause A Distribution or Clause B Distribution shall be deemed not to be "outstanding immediately prior to the close of business on such record date or open of business on such Ex-Dividend Date or effective date" within the meaning of clause (a) or "outstanding immediately prior to the close of business on such Ex-Dividend Date" within the meaning of clause (b).

(d) If the Company pays any dividend or distribution in cash to all or substantially all holders of the Common Stock, the Exercise Price shall be adjusted based on the following formula:

$$CP' = CP0 \times \frac{SP0 - C}{SP0}$$

where,

CP0 = the Exercise Price in effect immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution;

CP' = the Exercise Price in effect immediately after the open of business on the Ex-Dividend Date for such dividend or distribution;

SP0 = the Last Reported Sale Price of one Share (as determined in good faith by the Board of Directors of the Company after consultation with an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized, selected by the Company) on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution; and

C = the amount in cash per share the Company distributes to all or substantially all holders of the Common Stock as a dividend or distribution.

Any adjustment made under this clause (d) shall become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution. If such dividend or distribution is not so paid, the Exercise Price shall be decreased, effective as of the date the Board of Directors of the Company determines not to make or pay such dividend or distribution, to be the Exercise Price that would then be in effect if such dividend or distribution had not been declared. Notwithstanding the foregoing, if "**C**" (as defined above) is equal to or greater than "**SP0**" (as defined above), in lieu of the foregoing increase, each Holder of a Warrant shall receive, in respect of such Warrant, at the same time and upon the same terms as holders of shares of the Common Stock, the amount of cash that such Holder would have received if such Holder owned a number of Shares issuable upon exercise of such Warrant at the Exercise Price on the Ex-Dividend Date for such cash dividend or distribution.

(e) Notwithstanding anything to the contrary in this Schedule, the Exercise Price shall not be adjusted pursuant to this Schedule C: (i) upon the issuance of any Shares pursuant to any present or future plan approved by the Board and specifically providing for the reinvestment of dividends or interest payable on the Company's securities and the investment of additional optional amounts in Shares under any plan; (ii) upon the issuance of any Shares or options or rights to purchase or acquire those shares pursuant to any present or future employee, officer director or consultant benefit plan or program of or assumed by the Company or any of the Company's subsidiaries and, in each case, approved by the Board; or (iii) solely for a change in the par value (or lack of par value) of the Shares.

(f) All calculations and other determinations under this Schedule C shall be made by the Company and shall be made to the nearest one-ten thousandth (1/10,000th) of a dollar.

(g) Notwithstanding anything in this Schedule C to the contrary, the Company shall not be required to adjust the Exercise Price unless the adjustment would result in a change of at least $0.01 in the then effective Exercise Price. However, the Company shall carry forward any adjustments to the Exercise Price that are less than $0.01 of the Exercise Price and make all such carried-forward adjustments (i) when the cumulative net effect of all adjustments not yet made will result in a change of at least $0.01 of the Exercise Price or (ii) regardless of whether the

adjustment (or such cumulative net effect) is less than $0.01 on the Conversion Date for any Warrant.

(h) Whenever the Exercise Price is adjusted as herein provided, the Company shall promptly (and in any event within 3 Business Days) send a notice to each Holder detailing the facts requiring such adjustment, the adjusted Exercise Price and the date on which each adjustment becomes effective ("**Adjustment Notice**").

(i) Whenever any provision of this Agreement requires the Company to calculate the Last Reported Sale Prices over a span of multiple days, the Board of Directors of the Company shall make appropriate adjustments (to the extent no corresponding adjustment is otherwise made pursuant to this Schedule C) to each to account for any adjustment to the Conversion Price that becomes effective, or any event requiring an adjustment to the Conversion Price where the Ex-Dividend Date of the event occurs, at any time during the period when the Last Reported Sale Prices are to be calculated.

(j) The following capitalized terms used on this Schedule C shall have the meaning provided in this clause (j):

"**Ex-Dividend Date**" means the first date on which outstanding Shares are not entitled to the right to receive the issuance, dividend or distribution in question, from the Company.

"**Last Reported Sale Price**" of the Common Stock or any other security on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on that date as reported in composite transactions for the Relevant Stock Exchange on which the Common Stock (or such other security) is then listed or admitted for trading; provided, however, if:

(i) (i) the Common Stock or such other security is not listed for trading on a Relevant Stock Exchange on the relevant date, the "**Last Reported Sale Price**" shall be the average of the last quoted bid and ask prices for the Common Stock or such other security in the over-the-counter market on the relevant date as reported by OTC Markets Group Inc. (the "**OTC**") or a similar organization;

(ii) (ii) bid and ask prices for the Common Stock or such other security are not available, then the "**Last Reported Sale Price**" shall be determined in good faith by an investment bank or valuation firm, which in either case shall be reputable, independent and nationally-recognized.

The "**Last Reported Sale Price**" shall be determined without regard to after-hours trading or any other trading outside of regular trading session hours.

"**Trading Day**" means a day on which (i) trading in the Shares (or any other security for which a closing sale price must be determined) generally occurs on a Relevant Stock Exchange and (ii) a Last Reported Sale Price for the Common Stock (or closing sale price for such other security) is

available on such securities exchange or market; provided that if the Common Stock (or such other security) is not so listed or traded, "**Trading Day**" means a Business Day.

"**Relevant Stock Exchange**" with respect to the Common Stock (or any other security for which a closing sale price must be determined) means The New York Stock Exchange, The Nasdaq Global Select Market, The Nasdaq Global Market or The Nasdaq Capital Market, or if the Common Stock (or such other security) is not then listed or admitted for trading on any of The New York Stock Exchange, The Nasdaq Global Select Market, The Nasdaq Global Market or The Nasdaq Capital Market, the principal other U.S. national or regional securities exchange on which the Common Stock (or such other security) is then listed or admitted for trading, which, for the avoidance of doubt, may include the OTC.