

## AGENCY AGREEMENT

March 11, 2021

PlantX Life Inc.  
Suite 504 - 100 Park Royal Street  
West Vancouver, British Columbia V7T 3N6

**Attention: Mr. Lorne Rapkin, Chief Financial Officer**

Dear Sir:

The undersigned, Mackie Research Capital Corporation (the "**Agent**"), as sole agent and bookrunner, understands that PlantX Life Inc. (the "**Company**") proposes to issue and sell a minimum of 9,523,810 units and up to a maximum of 19,047,619 units of the Company (the "**Offered Units**") at a price of \$1.05 per Offered Unit (the "**Offering Price**") for minimum aggregate gross proceeds of \$10 million and up to a maximum of \$20 million (the "**Offering**"). Each Offered Unit shall consist of one Common Share (as defined herein) (a "**Unit Share**") and one transferable common share purchase warrant (a "**Warrant**"), with each Warrant entitling the holder to acquire an additional Common Share (a "**Warrant Share**") at a price of \$1.25 per Warrant Share at any time up to 24 months from the date of issuance, provided that if, at any time, the daily volume weighted average trading price (or closing price on trading days when there are no trades) of the Common Shares on the CSE (or if the Common Shares are not listed on the CSE, then on such other recognized Canadian stock exchange on which the Common Shares are then listed) equals or exceeds \$2.00 per Common Share over any 10 consecutive trading days, the Company shall be entitled, at its option, within 10 Business Days following such 10-day period, to accelerate the exercise period of the Warrants through the issuance of a press release specifying the new expiry date (the "**Acceleration Notice**") and, in such case, the new time of expiry shall be deemed to be 4:00 p.m. (Vancouver time) on the 30<sup>th</sup> day following the issuance of the Acceleration Notice. From and after the new time of expiry specified in such Acceleration Notice, no Warrants may be issued or exercised, and all unexercised Warrants shall be void and of no effect following the new expiry date. The Warrants will be issued subject to, and will be governed by, the Warrant Indenture (as defined herein).

The Company also hereby grants the Agent a non-assignable option (the "**Over-Allotment Option**") for the purposes of covering the Agent's "over-allocation position" (as that term is defined in NI 41-101 (as defined herein) and for market stabilization purposes. The Over-Allotment Option may be exercised in whole or in part at the Agent's sole discretion, to acquire up to an additional 2,857,142 units of the Company with the same terms as the Offered Units (the "**Over-Allotment Units**") at the Offering Price for additional gross proceeds of up to \$3 million. The Over-Allotment Option may be exercised by the Agent to acquire: (i) Over- Allotment Units at the Offering Price; (ii) additional Common Shares (the "**Over-Allotment Shares**", which term includes the Common Shares partially comprising the Over-Allotment Units) at a price of \$1.04 per Over-Allotment Share; (iii) additional Warrants (the "**Over-Allotment Warrants**", which term includes the Warrants partially comprising the Over-Allotment Units) (the Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants are referred to collectively as the "**Over-Allotment Securities**") at a price of \$0.01 per Over-Allotment Warrant; or (iv) any combination of Over-Allotment Units, Over-Allotment Shares and Over-Allotment Warrants, so long as the aggregate number of Over-Allotment Shares that may be issued under such Over-Allotment Option does not exceed 2,857,142 Over-Allotment Shares and the Over-Allotment Warrants that may be issued under such Over-Allotment Option does not exceed 2,857,142 Over-Allotment Warrants. Each Over-Allotment Warrant shall have the same terms as the Warrants and will be issued pursuant to the Warrant Indenture. The Over-Allotment Option may be exercised at any time up to 5:00 p.m. (Vancouver time) on the date that is 30 days following the Closing Date. If the Agent elects to exercise the Over-Allotment Option, the Agent shall notify the Company in writing not later than 30 days from the Closing Date, which notice shall specify the number of Over-Allotment Securities to be

purchased and the date (the "**Over-Allotment Option Closing Date**") on which such Over-Allotment Securities are to be purchased. Such Over-Allotment Option Closing Date may be the same as the Closing Date but not earlier than the later of (i) the Closing Date, and (ii) five Business Days (as defined herein) after the date of such notice. Over-Allotment Securities may be purchased solely for the purpose of covering over-allotments made in connection with the offering of the Offered Units.

Unless otherwise required by the context, references to the "**Offering**" shall include the offering of Over-Allotment Securities pursuant to the Over-Allotment Option and references to the "**Unit Shares**", "**Warrants**" and "**Warrant Shares**" shall assume the exercise of the Over-Allotment Option and include all Over-Allotment Securities issuable thereunder.

Upon and subject to the terms and conditions set forth herein, the Agent hereby agrees to act, and upon acceptance hereof, the Company hereby appoints the Agent, as the Company's exclusive agent and bookrunner, to offer for sale on a best efforts agency basis, without underwriter liability, the Offered Units to be issued and sold pursuant to the Offering and the Agent agrees to arrange for purchasers of the Offered Units in the Selling Jurisdictions (as defined herein) pursuant to the terms and conditions hereof.

The Offered Units will be distributed in the Qualifying Jurisdictions (as defined herein) pursuant to the Final Prospectus (as defined herein). The Offered Units may be offered and sold in the United States (as defined herein) or to, or for the account or benefit of, U.S. Persons (as defined herein) only to U.S. Accredited Investors (as defined herein), including Qualified Institutional Buyers (as defined herein) who are also U.S. Accredited Investors, on a private placement basis pursuant to the exemption from the registration requirements of the U.S. Securities Act (as defined herein) provided by Rule 506(b) of Regulation D (as defined herein) and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws, and in compliance with Schedule A hereto.

The parties hereto each acknowledge and agree that the Agent shall be entitled to appoint a soliciting dealer group consisting of other registered dealers acceptable to the Company for the purposes of arranging for purchasers of the Offered Units at no additional cost to the Company.

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

- Schedule A – Compliance with United States Securities Laws
- Schedule B – List of Convertible Securities
- Schedule C – List of Subsidiaries

## **DEFINITIONS**

In this Agreement, the following terms have the meanings ascribed thereto:

"**Agent**" has the meaning ascribed thereto in the first paragraph hereof;

"**Agent's Commission**" means the commission, payable in cash to the Agent as part of the Agent's Fee, as set out in Section 20;

"**Agent's Fee**" means the fee which is set out in Section 20 and which is payable by the Company to the Agent in consideration of the services performed by the Agent under this Agreement;

"**Agent's Warrant Shares**" means any previously unissued Common Shares that will be issued on exercise of the Agent's Warrants;

**"Agent's Warrants"** means the transferable common share purchase warrants of the Company which will be issued to the Agent and which have the terms set out in Section 20 and the certificates representing such common share purchase warrants;

**"Agreement"** means this agency agreement and includes the Schedules hereto;

**"Annual Information Form"** means the Company's annual information form dated February 12, 2021, in respect of the fiscal year ended July 31, 2020;

**"Applicable Laws"** means all applicable laws, rules, regulations, policies, statutes, ordinances, codes, orders, consents, decrees, judgments, decisions, rulings, awards, or guidelines, the terms and conditions of any Authorizations, including any judicial or administrative interpretation thereof, of any Governmental Authority;

**"Authorizations"** means any regulatory licences, approvals, permits, consents, certificates, registrations, filings or other authorizations of or issued by any Governmental Authority, including under Applicable Laws;

**"Bought Deal Right"** has the meaning ascribed thereto in Section 13;

**"Business Day"** means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Vancouver;

**"Canadian Securities Regulators"** means the applicable securities commission or securities regulatory authority in each of the Qualifying Jurisdictions;

**"Closing"** means the completion of the issue and sale by the Company on the Closing Date of the Offered Units as contemplated by this Agreement;

**"Closing Date"** means March 18, 2021 or such other date as the Company and the Agent may agree;

**"Closing Time"** means 5:00 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Company and Agent may agree;

**"Common Shares"** means the common shares without par value of the Company which the Company is authorized to issue, as constituted on the date hereof;

**"Company"** has the meaning ascribed thereto in the first paragraph hereof;

**"Company's Auditors"** means the auditors of the Company, Dale Matheson Carr-Hilton Labonte LLP;

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

**"Disclosure Documents"** means, collectively, all of the documentation which has been filed by or on behalf of the Company with the relevant Canadian Securities Regulators pursuant to the requirements of applicable Securities Laws, including all press releases filed on SEDAR;

**"Documents Incorporated by Reference"** means all financial statements, management information circulars, material change reports, marketing materials or other documents issued or filed by the Company, whether before or after the date of this Agreement, that are required to be incorporated by reference into the Offering Documents, including the Annual Information Form and the Financial Statements;

**"Eligible Issuer"** means an issuer which meets the criteria and has complied with the requirements of NI 44-101 so as to allow it to offer its securities using a short form prospectus;

**"Final Prospectus"** means the final short form prospectus of the Company, including all of the Documents Incorporated by Reference, to be prepared and filed by the Company in the Qualifying Jurisdictions and relating to the distribution of the Qualified Securities and the grant of the Over-Allotment Option, and for which a receipt will be issued in accordance with the Passport System by the British Columbia Securities Commission on its own behalf and, as principal regulator, on behalf of each of the other Canadian Securities Regulators, and any amendments thereto;

**"Financial Statements"** has the meaning ascribed thereto in Section 7(x);

**"Governmental Authority"** means any (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, bureau or agency, domestic or foreign, (b) any subdivision, agent, commission, board, or authority of any of the foregoing, or (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and any stock exchange or self-regulatory authority and, for greater certainty, includes the Securities Regulators;

**"Indemnified Parties"** has the meaning ascribed thereto in Section 19;

**"Marketing Documents"** means, collectively, all Standard Term Sheets, if any, and Marketing Materials (including any template version, revised template version or limited use version thereof) provided to a potential investor in connection with the Offering;

**"Marketing Materials"** has the meaning ascribed to "marketing materials" in NI 41-101;

**"Material Adverse Effect"** or **"Material Adverse Change"** means any effect or change on the Company or the Subsidiaries or their respective businesses that is or is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of the Company and the Subsidiaries and their respective businesses, taken as a whole, after giving effect to this Agreement and the transactions contemplated hereby or that is or is reasonably likely to be materially adverse to the completion of the transactions contemplated by this Agreement;

**"misrepresentation"**, **"material fact"**, **"material change"**, **"affiliate"**, **"associate"**, and **"distribution"** have the respective meanings ascribed thereto in the *Securities Act* (British Columbia);

**"MI 11-102"** means Multilateral Instrument 11-102 – *Passport System* and its companion policy;

**"Named Executive Officers"** means, in respect of the Company, its Chief Executive Officer, Chief Financial Officer and each of the three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000 as well as any additional individuals who would qualify as a Named Executive Officer, except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year end;

**"NI 41-101"** means National Instrument 41-101 – *General Prospectus Requirements*;

**"NI 44-101"** means National Instrument 44-101 – *Short Form Prospectus Distributions*;

**"NI 51-102"** means National Instrument 51-102 – *Continuous Disclosure Obligations*;

**"Notice"** has the meaning ascribed thereto in Section 13;

"**NP 11-202**" means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

"**Offered Units**" has the meaning ascribed thereto in the first paragraph hereof;

"**Offering**" has the meaning ascribed thereto in the first paragraph hereof;

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

"**Offering Price**" has the meaning ascribed thereto in the first paragraph hereof;

"**Over-Allotment Securities**" has the meaning ascribed thereto in the second paragraph hereof;

"**Over-Allotment Share**" has the meaning ascribed thereto in the second paragraph hereof;

"**Over-Allotment Warrant**" has the meaning ascribed thereto in the second paragraph hereof;

"**Over-Allotment Option**" has the meaning ascribed thereto in the second paragraph hereof;

"**Over-Allotment Option Closing**" means the closing of the purchase and sale of Over-Allotment Securities pursuant to the exercise of the Over-Allotment Option;

"**Over-Allotment Option Closing Date**" has the meaning ascribed thereto in the third paragraph hereof;

"**Over-Allotment Option Closing Time**" means 5:00 a.m. (Vancouver time) on the Over-Allotment Option Closing Date, or such other time as the Company and the Agent may agree;

"**Passport System**" means the system and process for prospectus reviews provided for under MI 11-102 and NP 11-202;

"**person**" shall be broadly interpreted and shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust or other legal entity;

"**Permitted Bought-deal Offer**" has the meaning ascribed thereto in Section 13;

"**Personally Identifiable Information**" means any information that alone or in combination with other information held by a person or entity can be used to specifically identify a person including but not limited to a natural person's name, street address, telephone number, e-mail address, photograph, social insurance number, driver's license number, passport number, credit or debit card number or customer or financial account number or any similar information that is treated as "Personally Identifiable Information" under Applicable Laws;

"**Preliminary Prospectus**" means, collectively, the preliminary short form prospectus of the Company dated February 16, 2021, and the amended and restated preliminary short form prospectus of the Company dated February 17, 2021, including all of the Documents Incorporated by Reference, prepared and filed by the Company in the Qualifying Jurisdictions and relating to the distribution of the Qualified Securities and the grant of the Over-Allotment Option, and for which a receipt has been issued in accordance with the Passport System by the British Columbia Securities Commission on its own behalf and, as principal regulator, on behalf of each of the other Canadian Securities Regulators, and any amendments thereto;

"**Qualified Securities**" means the Offered Units and Agent's Warrants, and includes any Over-Allotment Securities;

"**Qualified Institutional Buyer**" means a "qualified institutional buyer" within the meaning of Rule 144A under the U.S. Securities Act;

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

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

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

"**Right to Match**" has the meaning ascribed thereto in Section 13;

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

"**Securities Laws**" means, unless the context otherwise requires, collectively, all applicable securities laws in each of the Selling Jurisdictions, the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, multilateral and national instruments, orders, blanket rulings, notices and other regulatory instruments of the securities regulatory authorities in such jurisdictions;

"**Securities Regulators**" means, collectively, the CSE and the Canadian Securities Regulators;

"**Selling Firm**" has the meaning ascribed thereto in Section 3(a);

"**Selling Jurisdictions**" means, collectively, each of the Qualifying Jurisdictions and may also include as the context requires, the United States and any other jurisdictions outside of Canada and the United States as mutually agreed to by the Company and the Agent;

"**Standard Listing Conditions**" has the meaning ascribed thereto in Section 4(a)(ii);

"**Standard Term Sheet**" has the meaning ascribed to "standard term sheet" in NI 41-101;

"**subsidiary**" has the meaning ascribed thereto in the *Business Corporations Act* (British Columbia);

"**Subsidiaries**" means the subsidiaries of the Company listed in Schedule C hereto and "**Subsidiary**" means any one of them, as the case may be;

"**Supplementary Material**" means, collectively, any amendment to the Preliminary Prospectus or the Final Prospectus and any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Company under Securities Laws relating to the distribution of the Qualified Securities and the grant of the Over-Allotment Option thereunder;

"**to the knowledge of the Company**" means the actual knowledge of the current directors and officers of the Company, after reasonable enquiry;

"**Transfer Agent**" means Odyssey Transfer Inc., in its capacity as the registrar and transfer agent of the Common Shares;

"**Unit Share**" has the meaning ascribed thereto in the first paragraph hereof;

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

"**U.S. Accredited Investor**" means an "accredited investor" within the meaning of Rule 501(a) of Regulation D;

**"U.S. Affiliate"** means the duly registered United States broker-dealer affiliate of the Agent;

**"U.S. Person"** means a "U.S. person", as such term is defined in Rule 902(k) of Regulation S;

**"U.S. Private Placement Memorandum"** has the meaning ascribed thereto in Schedule A;

**"U.S. Securities Act"** means the United States Securities Act of 1933, as amended.

**"Warrant"** has the meaning ascribed thereto in the first paragraph hereof;

**"Warrant Agent"** means Odyssey Trust Company, in its capacity as Warrant Agent under the Warrant Indenture;

**"Warrant Share"** has the meaning ascribed thereto in the first paragraph hereof; and

**"Warrant Indenture"** means an indenture in respect of the Warrants to be entered into between the Company and the Warrant Agent on or before the Closing Date.

Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and *vice versa* and words importing gender include all genders. References to Sections and Schedules are to the appropriate sections and schedules of this Agreement.

All funds referred to in this Agreement will be in Canadian dollars.

The division of this Agreement into sections, subsections, paragraphs and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

Any action or payment required or permitted to be taken or made hereunder on a day which is not a Business Day shall or may be, as the case may be, taken or made on the next succeeding Business Day, except when otherwise prescribed by Securities Laws, with the same force and effect as if taken or made within the period for the taking or making of such action.

## **TERMS AND CONDITIONS**

### **1. Compliance With Securities Laws.**

- (a) The sale of the Offered Units to the Purchasers shall be effected in a manner that is in compliance with Securities Laws and upon the terms set out in the Final Prospectus and in this Agreement. The Agent will use commercially reasonable efforts to arrange for Purchasers for the Offered Securities in the Qualifying Provinces and in those jurisdictions outside of Canada as may be agreed upon by the Company and the Agent, each acting reasonably, in connection with the Offering.
- (b) The Company represents and warrants to the Agent that the Company has prepared and filed the Preliminary Prospectus and other related documents (including, without limitation, any Marketing Materials) and has obtained pursuant to the Passport System a receipt or deemed receipt therefor in each of the Qualifying Provinces in order to qualify the grant of the Over-Allotment Option and the distribution of the Qualified Securities in each of the Qualifying Jurisdictions and until the day on which the distribution of the Qualified Securities is completed, the Company will promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required under Securities Laws to qualify the distribution of the Qualified Securities and the grant of the Over-Allotment Option in the Qualifying Jurisdictions.
- (c) The distribution of the Qualified Securities and the grant of the Over-Allotment Option shall be qualified by the Offering Documents under Securities Laws in the Qualifying

Jurisdictions and in such other jurisdictions as the Company and the Agent may agree. The Company will file with the CSE all required documents and pay all required fees, and do all things required by the rules and policies of the CSE, in order to obtain the conditional acceptance of the Offering and the listing of the Unit Shares, Warrant Shares and Agent's Warrant Shares prior to the Closing Date.

**2. Due Diligence.** Prior to the filing of the Preliminary Prospectus and the Final Prospectus and continuing until the Closing, the Company shall have permitted the Agent to review each of the Preliminary Prospectus and the Final Prospectus and shall allow the Agent to conduct any due diligence investigations which it reasonably requires in order to fulfill its obligations as an agent under Securities Laws and in order to enable it to responsibly execute the certificate in the Preliminary Prospectus and the Final Prospectus required to be executed by it.

**3. Distribution and Certain Obligations of the Agent.**

- (a) The Agent shall, and shall require any investment dealer or broker (other than the Agent) with which the Agent has a contractual relationship in respect of the distribution of the Offered Units or who are otherwise offered selling group participation by the Agent (each, a "**Selling Firm**") to agree to comply with Securities Laws in connection with the distribution of the Offered Units and shall offer the Offered Units for sale to the public directly and through Selling Firms upon the terms and conditions set out in the Final Prospectus and this Agreement. The Agent shall, and shall require any Selling Firm to, offer for sale to the public and sell the Offered Units only in those jurisdictions where they may be lawfully offered for sale or sold. The Agent shall: (i) use all reasonable efforts to complete and cause each Selling Firm to complete the distribution of the Offered Units as soon as reasonably practicable; and (ii) promptly notify the Company when, in its opinion, the Agent and the Selling Firms have ceased distribution of the Offered Units and provide a breakdown of the number of Offered Units distributed in each of the Selling Jurisdictions where such breakdown is required for the purpose of calculating fees payable to the Securities Regulators.
- (b) The Agent shall, and shall require any Selling Firm to agree to, distribute the Offered Units in a manner which complies with and observes all Applicable Laws and regulations in each jurisdiction into and from which they may offer to sell the Offered Units or distribute the Offering Documents or any Supplementary Material in connection with the distribution of the Offered Units and will not, directly or indirectly, offer, sell or deliver any Offered Units or deliver the Offering Documents or any Supplementary Material to any person in any jurisdiction other than in the Qualifying Jurisdictions except in a manner which will not require the Company to comply with the registration, prospectus, filing, continuous disclosure or other similar requirements under the applicable securities laws of such other jurisdictions or pay any additional governmental filing fees which relate to such other jurisdictions. Subject to the foregoing, the Agent and any Selling Firm shall be entitled to offer and sell the Offered Units in such other jurisdictions in accordance with any applicable securities and other Applicable Laws in such jurisdictions in which the Agent and/or Selling Firms offer the Offered Units provided that the Company is not required to file a prospectus or other disclosure document or become subject to continuing obligations in such other jurisdictions, in accordance with the provisions of this Agreement.
- (c) For the purposes of this Section 3, the Agent shall be entitled to assume that the Offered Units are qualified for distribution in any Qualifying Jurisdiction where a receipt or similar document for the Final Prospectus shall have been obtained from the applicable Canadian Securities Regulators (including a receipt for the Final Prospectus issued under the Passport System) following the filing of the Final Prospectus unless otherwise notified in writing.



**4. Deliveries on Filing and Related Matters.**

- (a) The Company shall deliver to the Agent
- (i) prior to the filing of the Final Prospectus with the Canadian Securities Regulators, a "long form" comfort letter dated the date of the Final Prospectus, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent and the directors of the Company from the Company's Auditors with respect to financial and accounting information relating to the Company contained in the Final Prospectus, which letter shall be based on a review by the Company's Auditors within a cut-off date of not more than two Business Days prior to the date of the letter, which letter shall be in addition to any auditors' consent letter or comfort letter addressed to the Canadian Securities Regulators; and
  - (ii) prior to the filing of the Final Prospectus with the Canadian Securities Regulators, copies of correspondence indicating that the application for the listing and posting for trading on the CSE of the Unit Shares, Warrant Shares and Agent's Warrant Shares have been approved, subject only to satisfaction by the Company of customary post-closing conditions imposed by the CSE (the "**Standard Listing Conditions**").
- (b) During the distribution of the Offered Units:
- (i) the Company and the Agent shall approve in writing a template version of any Marketing Materials or Standard Term Sheets reasonably requested to be provided by the Agent to any potential investor of Offered Units, such Marketing Materials and Standard Term Sheets to comply with Securities Laws. The Company shall file a template version of any such Marketing Materials with the Canadian Securities Regulators as soon as reasonably practicable after such Marketing Materials are so approved in writing by the Company and the Agent, and in any event on or before the day such Marketing Materials are first provided to any potential investor of Offered Units, and such filing shall constitute the Agent's authority to use such Marketing Materials in connection with the Offering. Any comparables shall be redacted from the template version of any Marketing Materials in respect of the Offering, in accordance with NI 44-101 prior to filing such template version with the Canadian Securities Regulators and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Canadian Securities Regulators by the Company. The Company shall prepare and file with the Commissions a revised template version of any Marketing Materials provided to potential investors of Offered Units where required under Securities Laws; and
  - (ii) the Company and the Agent covenant and agree:
    - (A) not to provide any potential investor of Offered Units with any Marketing Materials unless a template version of such Marketing Materials has been filed by the Company with the Canadian Securities Regulators on or before the day such Marketing Materials are first provided to any potential investor of Offered Units; and
    - (B) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Units or the Company other than: (a) such Marketing Materials that have been approved and filed in accordance with this Section 4(b); (b) the Preliminary Prospectus and the Final Prospectus; and (c) any Standard Term Sheets approved in writing by the Company and the Agent.

- (c) The Company shall also prepare and deliver promptly to the Agent signed copies of all Supplementary Material required to be filed by the Company in compliance with Securities Laws.
- (d) Delivery of the Offering Documents by the Company shall constitute the representation and warranty of the Company to the Agent that, as at their respective dates of filing:
  - (i) all information and statements (except information and statements relating solely to the Agent and provided by the Agent in writing) contained in the Preliminary Prospectus or the Final Prospectus or any Supplementary Material, as the case may be, are true and correct, in all material respects, and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Company and the Offered Units;
  - (ii) no material fact or information has been omitted therefrom (except facts or information relating solely to the Agent) which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were made; and
  - (iii) except with respect to any information relating solely to the Agent and provided by the Agent in writing, such documents comply in all material respects with the requirements of Securities Laws.

Such deliveries shall also constitute the Company's consent to the Agent's use of the Offering Documents in connection with the distribution of the Offered Units in the Qualifying Jurisdictions.

- (e) The Company shall cause commercial copies of the Final Prospectus, the U.S. Private Placement Memorandum and any Supplementary Material to be delivered to the Agent without charge, in such numbers and in such cities as the Agent may reasonably request by written instructions. Such delivery shall be effected as soon as possible and, in any event, on or before a date which is two Business Days after the Canadian Securities Regulators have issued a receipt for the Final Prospectus, and on or before a date which is two Business Days after the Canadian Securities Regulators issue receipts for or accept for filing, as the case may be, any Supplementary Material.
- (f) Subject to compliance with Securities Laws in the Qualifying Jurisdictions, during the period commencing on the date hereof and until completion of the distribution of the Offered Units, the Company will promptly provide the Agent with drafts of any press releases of the Company for review prior to issuance and shall obtain the prior approval of the Agent as to the content and form of any press release relating to the Offering prior to issuance, such approval not to be unreasonably withheld or delayed. If required by Securities Laws or any applicable United States securities laws or regulation, any press release announcing or otherwise referring to the Offering disseminated outside the United States shall include an appropriate notation on the face page substantially as follows: "*Not for distribution to the United States news wire services, or dissemination in the United States*", and shall include substantially the following language: "This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the *United States Securities Act* of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act."

## 5. **Material Changes.**

- (a) During the period from the date of this Agreement to the completion of the distribution of the Offered Units, the Company shall promptly inform the Agent (and if requested by the Agent, confirm such notification in writing) of the full particulars of:
- (i) any material change (actual, anticipated, contemplated, threatened, financial or otherwise) in the assets, liabilities (contingent or otherwise), business, affairs, operations or capital of the Company and the Subsidiaries, taken as a whole, or any relevant third party;
  - (ii) any material fact which has arisen or has been discovered and would have been required to have been stated in the Preliminary Prospectus or the Final Prospectus had the fact arisen or been discovered on, or prior to, the date of such documents;
  - (iii) any change in any material fact contained in the Offering Documents or whether any event or state of facts has occurred after the date hereof, which, in any case, is, or may be, of such a nature as to render any of the Offering Documents untrue or misleading in any material respect or to result in any misrepresentation in any of the Offering Documents, or which would result in the Final Prospectus or any Supplementary Material not complying (to the extent that such compliance is required) with Securities Laws;
  - (iv) any notice by any governmental, judicial or regulatory authority requesting any information, meeting or hearing relating to the Company or the Offering;
  - (v) any actual or proposed inquiry, action, suit, proceeding or investigation (whether formal or informal) commenced, announced or threatened, or an order made, by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the CSE or any securities commission which operates to prevent or materially restrict the trading of the Common Shares or any other securities of the Company; and
  - (vi) other event or state of affairs that would reasonably be expected to be relevant to the Agent's due diligence investigations.
- (b) The Company will comply with Part 6 of NI 41-101 and with the comparable provisions of Securities Laws and the Company will prepare and file promptly any Supplementary Material which may be necessary and will otherwise comply with all legal requirements necessary to continue to qualify the Offered Units for distribution in each of the Qualifying Jurisdictions.
- (c) In addition to the provisions of Sections 5(a) and (b), the Company shall, in good faith, discuss with the Agent any change, event or fact contemplated in Sections 5(a) and (b) that is of such a nature that there is or could be reasonable doubt as to whether notice should be given to the Agent under Section 5(a) and shall consult with the Agent with respect to the form and content of any amendment or other Supplementary Material proposed to be filed by the Company, it being understood and agreed that no such amendment or other Supplementary Material shall be filed with any Securities Regulator prior to the review thereof by the Agent and its counsel, acting reasonably and without undue delay.
- (d) If during the period of distribution of the Offered Units there shall be any change in Securities Laws which, in the opinion of the Agent, acting reasonably, requires the filing of any Supplementary Material, upon written notice from the Agent, the Company shall, to the

satisfaction of the Agent, acting reasonably, promptly prepare and file any such Supplementary Material with the appropriate Securities Regulators where such filing is required.

**6. Covenants of the Company.** The Company hereby covenants to the Agent that the Company:

- (a) will advise the Agent, promptly after receiving notice thereof, of the time when the Offering Documents has been filed and receipts therefor have been obtained pursuant to the Passport System and will provide evidence reasonably satisfactory to the Agent of each such filing and copies of such receipts;
- (b) will advise the Agent, promptly after receiving notice or obtaining knowledge thereof, of:
  - (i) the issuance by any Canadian Securities Regulators of any order suspending or preventing the use of the Preliminary Prospectus, the Final Prospectus or any Supplementary Material;
  - (ii) the institution, threatening or contemplation of any proceeding for any such purposes;
  - (iii) any order, ruling, or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company (including the Common Shares and the Warrants) has been issued by any Securities Regulator or the institution, threatening or contemplation of any proceeding for any such purposes; or
  - (iv) any requests made by any Canadian Securities Regulators for amending or supplementing the Preliminary Prospectus or the Final Prospectus or for additional information, and will use its commercially reasonable efforts to prevent the issuance of any order referred to in Section 6(b)(i) and, if any such order is issued, to obtain the withdrawal thereof as quickly as possible;
- (c) from and including the date of this Agreement through to and including the Over-Allotment Option Closing Time, do all such acts and things necessary to ensure that the representations and warranties of the Company contained in this Agreement or any certificates or documents delivered by the Company pursuant to this Agreement remain materially true and correct and not do any such act or thing that would render any representation or warrant of the Company contained in this Agreement or any certificates or documents delivered by it pursuant to this Agreement materially untrue or incorrect;
- (d) will use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of Securities Laws of each of the Qualifying Jurisdictions until the date which is 24 months following the Closing Date;
- (e) will use its commercially reasonable efforts to maintain the listing of the Common Shares on the CSE or such other recognized stock exchange or quotation system as the Agent may approve, acting reasonably, to the date that is 24 months following the Closing Date so long as the Company meets the minimum listing requirements of the CSE or such other exchange or quotation system; and
- (f) will use the net proceeds of the offering of Offered Units contemplated herein in the manner and subject to the qualifications described in the Offering Documents under the heading "Use of Proceeds".

**7. Representations and Warranties of the Company.** The Company represents and warrants to the Agent that each of the following representations and warranties is true and correct on the date of this Agreement:

- (a) Incorporation and Organization: The Company and each of the Subsidiaries has been incorporated, is organized and is a valid and subsisting corporation, under the laws of its jurisdiction of existence and has all requisite corporate power and capacity to carry on its business as now conducted or proposed to be conducted and to own or lease and operate the property and assets thereof.
- (b) Extra-provincial Registration: The Company and each of the Subsidiaries is licensed, registered or qualified as an extra-provincial or foreign corporation, as the case may be, in all jurisdictions where the character of the property or assets thereof owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary and has conducted and is conducting its business in compliance in all material respects with all Applicable Laws of each jurisdiction in which it carries on business.
- (c) Authorized Capital: The Company is authorized to issue an unlimited number of Common Shares, of which, as of the date hereof, there are 91,878,972 Common Shares are issued and outstanding as fully paid and non-assessable Common Shares.
- (d) Subsidiaries: The Subsidiaries are the only subsidiaries of the Company. The Company does not beneficially own or exercise control or direction over 10% or more of the outstanding voting shares of any company that holds any assets or conducts any operations other than the Subsidiaries and the Company beneficially owns, directly or indirectly, the percentage indicated on Schedule C hereto of the issued and outstanding shares in the capital of the Subsidiaries which are free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands of any kind whatsoever, all of such shares have been duly authorized and are validly issued and are outstanding as fully paid and non-assessable shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Company of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of any Subsidiary or any other security convertible into or exchangeable for any such shares.
- (e) Listing: The Common Shares are listed and posted for trading on the CSE, OTCQX and the Frankfurt Stock Exchange and the Company, concurrently with the execution of this Agreement, is making application so that at the time of issue the Unit Shares, Warrant Shares and Agent's Warrant Shares will have been conditionally approved for listing on the CSE, subject only to the Standard Listing Conditions.
- (f) Certain Securities Law Matters: The Common Shares are listed on the CSE, the Company is a reporting issuer in British Columbia, Alberta and Ontario and is not in default of any material requirement of Securities Laws of any of such Provinces. The Company is not required to file reports with the SEC pursuant to Section 13(a) or Section 15(d) of the United States Securities Exchange Act of 1934, as amended.
- (g) Rights to Acquire Securities: Other than as disclosed in Schedule B, no person has any agreement, option, right or privilege (whether pre-emptive, contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription for or issue of any of the unissued common shares or other securities of the Company or any Subsidiary.
- (h) No Pre-emptive Rights: The issue of the Offered Units will not be subject to any pre-emptive right or other contractual right to purchase securities granted by the Company or to which the Company is subject.

- (i) Transfer Agent: Odyssey Transfer Inc. has been appointed by the Company as the registrar and transfer agent for the Common Shares.
- (j) Issue of Offered Securities: All necessary corporate action has been taken, or will be taken before Closing, to authorize the issue and sale of, and the delivery of certificates representing the Unit Shares, Warrants, Warrant Shares, Agent's Warrants and Agent's Warrant Shares and the execution and delivery of this Agreement and the Warrant Indenture, and, upon payment of the requisite consideration therefor, the Unit Shares, Warrant Shares and Agent's Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.
- (k) Consents, Approvals and Conflicts: None of the offering and sale of the Offered Units, the execution and delivery of this Agreement, the Warrant Indenture or the Offering Documents, the compliance by the Company with the provisions of this Agreement or the Warrant Indenture or the consummation of the transactions contemplated herein, in the Warrant Indenture or in the Offering Documents including, without limitation, the issue of the Offered Units upon the terms and conditions as set forth herein, do or will (i) subject to compliance by the Agent with the provisions of this Agreement, require the consent, approval, authorization, order or agreement of, or registration or qualification with, any governmental agency, body or authority, court, stock exchange, securities regulatory authority or other person, except (A) such as have been, or will by the Closing Date, be obtained, or (B) such as may be required under Securities Laws of any of the Qualifying Jurisdictions, or (C) such as may be required under the policies of the CSE and will be obtained by the Closing Date, or (ii) conflict with or result in any breach or violation of any of the provisions of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Company or any Subsidiary is a party or by which any of them or any of the properties or assets thereof is bound, or the articles or by-laws or any other constating document of the Company or any Subsidiary or any resolution passed by the directors (or any committee thereof) or shareholders of the Company or any Subsidiary, or any statute or any judgment, decree, order, rule, policy or regulation of any court, governmental authority, arbitrator, stock exchange or securities regulatory authority applicable to the Company or any Subsidiary or any of the properties or assets thereof.
- (l) Authority and Authorization: The Company has all requisite corporate power and capacity to enter into this Agreement and the Warrant Indenture and to do all acts and things and execute and deliver all documents as are required hereunder and thereunder to be done, observed, performed or executed and delivered by it in accordance with the terms hereof and thereof, and the Company has taken, or will have taken before Closing, all necessary corporate action to authorize the execution, and delivery of, and performance of its obligations under, this Agreement and the Warrant Indenture and to observe and perform its obligations under this Agreement and the Warrant Indenture in accordance with the provisions hereof and thereof including, without limitation, the issue of the Unit Shares, Warrants, Warrants Shares, Agent's Warrants and Agent's Warrant Shares upon the terms and conditions set forth herein.
- (m) No Material Adverse Change: Subsequent to July 31, 2020, there has not been any Material Adverse Change and there has been no event or occurrence that would reasonably be expected to result in a Material Adverse Change.
- (n) No Material Change: There is not presently any material change or change in any material fact relating to the Company or the Subsidiaries which has not been fully disclosed to the public.
- (o) Annual Information Form: The Company is an Eligible Issuer and has filed the required notice set forth in Section 2.8 of NI 44-101. The Annual Information Form is in the form

required by Form 51-102F2 as prescribed by NI 51-102 and does not contain a misrepresentation.

- (p) Prospectus: The Offering Documents, when filed, contain or will contain no untrue statement of a material fact and do not or will not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in the circumstances in which it is made and, together with all of the information incorporated by reference in the Offering Documents, will constitute full, true and plain disclosure of all material facts relating to the Company and the Qualified Securities and comply with Securities Laws.
- (q) Significant Acquisition: Other than as disclosed in the Disclosure Documents, the Company has not completed a "significant acquisition" (as such term is defined NI 51-102) requiring disclosure in the Offering Documents.
- (r) Forward-Looking Information: With respect to forward-looking statements in the Offering Documents, subject to the assumptions and risk factors disclosed in the Offering Documents, the Company has no reason to believe that the actual results forecast or projected by such statements will not be achieved in materially the manner disclosed and the Company does not expect to modify such forward-looking statements in any materially adverse manner during the period of distribution of the Offered Units.
- (s) Eligibility for Investment: The Unit Shares and Warrants will, on the Closing Date, be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder, as in effect on the date hereof, as disclosed in the Offering Documents.
- (t) Validity and Enforceability: This Agreement has been authorized, executed and delivered by the Company and constitutes a valid and legally binding obligation of the Company enforceable against the Company in accordance with the terms hereof and, prior to Closing, the Warrant Indenture will have been authorized, executed and delivered by the Company and will constitute a valid and legally binding obligation of the Company enforceable against the Company in accordance with its the terms, in each case, except in any case as enforcement hereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws relating to or affecting the rights of creditors generally and except as limited by the application of equitable principles when equitable remedies are sought, and by the fact that rights to indemnity, contribution and waiver, and the ability to sever unenforceable terms, may be limited by Applicable Law.
- (u) Public Disclosure: The Company is in compliance in all material respects with all its disclosure obligations under the Securities Laws of the Qualifying Jurisdictions (including, without limitation, all of its disclosure obligations pursuant to NI 51-102 and pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices*). Each of the Disclosure Documents is, as of the date thereof, in compliance in all material respects with the Securities Laws of the Qualifying Jurisdictions and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and such documents collectively constitute full, true and plain disclosure of all material facts relating to the Company and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, as of the date thereof. There is no fact known to the Company which the Company has not publicly disclosed which results in a Material Adverse Effect or materially adversely affect the ability of the Company to perform its obligations under this Agreement or the Warrant Indenture.

- (v) Material Contracts: All contracts and agreements material to the Company and the Subsidiaries, taken as a whole, other than those entered into in the ordinary course of business as presently conducted, have been disclosed in the Disclosure Documents.
- (w) No Cease Trade Order: No order preventing, ceasing or suspending trading in any securities of the Company or prohibiting the issue and sale of securities by the Company is issued and outstanding and no proceedings for either of such purposes have been instituted or, to the knowledge of the Company, are pending, contemplated or threatened.
- (x) Accounting Controls: The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance: (i) that transactions are completed in accordance with the general or a specific authorization of management or directors of the Company; (ii) that transactions are recorded as necessary to permit the preparation of consolidated financial statements for the Company in conformity with International Financial Reporting Standards and to maintain asset accountability; (iii) that access to assets of the Company and the Subsidiaries is permitted only in accordance with the general or a specific authorization of management or directors of the Company; (iv) that the recorded accountability for assets of the Company and the Subsidiaries is compared with the existing assets of the Company and the Subsidiaries at reasonable intervals and appropriate action is taken with respect to any differences therein; and (v) regarding the prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on its financial statements or interim financial statements.
- (y) Financial Statements: The Company's audited financial statements for the fiscal years ended July 31, 2020 and 2019, and the Company's condensed consolidated interim financial statements for the nine months ended December 31, 2020, and for the period from October 1, 2019 to December 31, 2019, and PlantX Living Inc.'s condensed consolidated interim financial statements for the three months ended June 30, 2020 and for the period from October 11, 2019 to March 31, 2020, (collectively, the "**Financial Statements**", which term includes the notes to such statements and the related auditors' report on such statements, if any) (i) comply as to form in all material respects with the requirements of the Securities Laws of the Qualifying Jurisdictions, (ii) present fairly, in all material respects, the financial position, the results of operations and cash flows and the shareholders' equity and other information purported to be shown therein at the respective dates and for the respective periods to which they apply, (iii) have been prepared in conformity with International Financial Reporting Standards, consistently applied throughout the period covered thereby, and all adjustments necessary for a fair presentation of the results for such periods have been made in all material respects, and (iv) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of the Company which are deemed material individually or in the aggregate, and there has been no change in accounting policies or practices of the Company since July 31, 2020.
- (z) Auditors: The Company's Auditors who audited or reviewed the Financial Statements and who provided their audit report thereon, as applicable, are independent public accountants as required under the Securities Laws of the Qualifying Jurisdictions and there has not been a reportable event (within the meaning of NI 51-102) between the Company and any such auditor.
- (aa) Audit Committee: The audit committee of the Company is comprised and operates in accordance with the requirements of National Instrument 52-110 – *Audit Committees*.
- (bb) Changes in Financial Position: Except as disclosed in the Offering Documents, since July 31, 2020, none of:



- (i) the Company or any Subsidiary has paid or declared any dividend or incurred any material capital expenditure or made any commitment therefor;
  - (ii) the Company or any Subsidiary has incurred any obligation or liability, direct or indirect, contingent or otherwise, except in the ordinary course of business; and
  - (iii) the Company or any Subsidiary has entered into any material transaction or made a significant acquisition.
- (cc) Insolvency: Neither the Company nor any Subsidiary has committed an act of bankruptcy or sought protection from the creditors thereof before any court or pursuant to any legislation, proposed a compromise or arrangement to the creditors thereof generally, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to be declared bankrupt or wound up, taken any proceeding to have a receiver appointed of any of the assets thereof, had any person holding any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement or other security interest or receiver take possession of any of the property thereof, had an execution or distress become enforceable or levied upon any portion of the property thereof or had any petition for a receiving order in bankruptcy filed against it.
- (dd) Title: The Company and each Subsidiary is the absolute legal and beneficial owner of, and has good and marketable title to, all of the material properties and assets thereof, free and clear of any Liens and no other property or assets are necessary for the conduct of the business of the Company and the Subsidiaries, as currently conducted. Any and all of the agreements and other documents and instruments pursuant to which the Company and the Subsidiaries hold the property and assets thereof are valid and subsisting agreements, documents and instruments in full force and effect, enforceable in accordance with the terms thereof, and such properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, and all material leases, licenses and other agreements pursuant to which the Company or a Subsidiary derives the interests thereof in such property are in good standing. The Company does not know of any claim or the basis for any claim that might or could materially and adversely affect the right of the Company or any Subsidiary to use, transfer or otherwise exploit their respective assets, and neither the Company nor any Subsidiary has any responsibility or obligation to pay any commission, royalty or similar payment to any person with respect to the property and assets thereof.
- (ee) Proceedings or Inquiries: No legal or governmental proceedings or inquiries are pending to which the Company or any Subsidiary is a party or to which the property thereof is subject that would result in the revocation or modification of any certificate, authority, permit or license necessary to conduct the business now owned or operated by the Company or any Subsidiary and, to the knowledge of the Company, no such legal or governmental proceedings or inquiries have been threatened against or are contemplated with respect to the Company or any Subsidiary or with respect to the properties or assets thereof.
- (ff) Privacy: The Company and each Subsidiary has security measures and safeguards in place to protect Personally Identifiable Information it collects from clients and customers, as applicable, and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties. The Company and each Subsidiary has complied in all material respects with all applicable privacy and consumer protection laws and neither has collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws, whether collected directly or from third parties, in an unlawful manner. The Company and each Subsidiary has taken all reasonable steps to protect Personally Identifiable Information against loss

or theft and against unauthorized access, copying, use, modification, disclosure or other misuse.

- (gg) No Contemplated Changes: Except as disclosed in the Offering Documents and in Disclosure Documents filed since July 31, 2020, neither the Company nor any Subsidiary has approved or has entered into any agreement in respect of, or has any knowledge of:
- (i) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Company or any Subsidiary whether by asset sale, transfer of shares or otherwise; or
  - (ii) the change of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of the Company or any Subsidiary or otherwise) of the Company or any Subsidiary.
- (hh) Taxes and Tax Returns: The Company and each Subsidiary has filed in a timely manner all necessary material tax returns and notices that are due and has paid all applicable material taxes of whatsoever nature for all tax years prior to the date hereof to the extent that such taxes have become due or have been alleged to be due and neither the Company nor any Subsidiary is aware of any material tax deficiencies or interest or penalties accrued or accruing, or to the knowledge of the Company alleged to be accrued or accruing, thereon where, in any of the above cases, it might reasonably be expected to have a Material Adverse Effect and there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return by any of them or the payment of any material tax, governmental charge, penalty, interest or fine against any of them. There are no material actions, suits, proceedings, investigations or claims now threatened or, to the knowledge of the Company, pending against the Company or any Subsidiary which could result in a material liability in respect of taxes, charges or levies of any governmental authority, penalties, interest, fines, assessments or reassessments or any matters under discussion with any governmental authority relating to taxes, governmental charges, penalties, interest, fines, assessments or reassessments asserted by any such authority and the Company and each Subsidiary has withheld (where applicable) from each payment to each of the present and former officers, directors, employees and consultants thereof the amount of all taxes and other amounts, including, but not limited to, income tax and other deductions, required to be withheld therefrom, and has paid the same or will pay the same when due to the proper tax or other receiving authority within the time required under applicable tax legislation.
- (ii) Licenses and Permits: The Company and each Subsidiary holds all requisite licences, registrations, qualifications, permits and consents necessary or appropriate for carrying on its business as currently carried on and all such licences, registrations, qualifications, permits and consents are valid and subsisting and in good standing in all respects, other than as could not result in a Material Adverse Effect. Without limiting the generality of the foregoing, neither the Company nor any Subsidiary has received a written notice of non-compliance, nor does it know of, nor have reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits.
- (jj) Compliance with Laws: The Company and the Subsidiaries and, to the knowledge of the Company, the Company' directors, officers and promoters have conducted and are conducting their business in compliance in all material respects with all Applicable Laws in the jurisdictions in which they carry on business and which would reasonably be expected not to result in a Material Adverse Effect. The Company has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such Applicable Laws, and is not aware of

any pending change or contemplated change to any Applicable Law or governmental position that would have a Material Adverse Effect.

- (kk) No Notice of Non-Compliance: No notice with respect to any of the matters referred to in Section 7(jj), including any alleged violations by the Company or any Subsidiary with respect thereto has been received by the Company or any Subsidiary, and to the knowledge of the Company, no writ, injunction, order or judgement is outstanding, and no legal proceeding under or pursuant to any environmental laws or relating to the ownership, use, maintenance or operation of the property and assets of the Company or any Subsidiary is in progress, pending or threatened, which could reasonably be expected to have a Material Adverse Effect and to the knowledge of the Company there are no grounds or conditions which exist, on or under any property now or previously owned, operated or leased by the Company or any Subsidiary, on which any such legal proceeding might be commenced with any reasonable likelihood of success or with the passage of time, or the giving of notice or both, would give rise.
- (ll) Agreements and Actions: Neither the Company nor any Subsidiary is in violation of any term of any constating document thereof. Neither the Company nor any Subsidiary is in violation of any term or provision of any agreement, indenture or other instrument applicable to it which would, or could reasonably be expected to, result in any Material Adverse Effect; neither the Company nor any Subsidiary is in default in the payment of any material obligation owed which is now due, if any; and there is no action, suit, proceeding or investigation commenced, threatened or, to the knowledge of the Company after due inquiry, pending which, either in any case or in the aggregate, might result in any Material Adverse Effect or which places, or could reasonably be expected to place, in question the validity or enforceability of this Agreement, the Warrant Indenture or any document or instrument delivered, or to be delivered, by the Company pursuant hereto.
- (mm) Insurance: The Company maintains insurance against loss of, or damage to, its material assets and all of the policies in respect of such insurance are in amounts and on terms that in the view of the Company's management are reasonable for companies of a similar size operating in its industry and are in good standing in all material respects and not in default in any material respect.
- (nn) Legislation: The Company is not aware of any proposed material changes to existing legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) of the Company.
- (oo) COVID. Except as mandated by or in conformity with the recommendations of a Governmental Authority, which government mandates have not materially affected the Company or any Subsidiary, there has been no closure or suspension of the operations or workforce productivity of the Company or any Subsidiary as a result of the novel coronavirus disease outbreak.
- (pp) No Defaults: Neither the Company nor any Subsidiary is in default of any material term, covenant or condition under or in respect of any judgement, order, agreement or instrument to which it is a party or to which it or any of the property or assets thereof are or may be subject, and no event has occurred and is continuing, and no circumstance exists which has not been waived, which constitutes a default in respect of any commitment, agreement, document or other instrument to which the Company or any Subsidiary is a party or by which it is otherwise bound entitling any other party thereto to accelerate the maturity of any material amount owing thereunder or which could have a Material Adverse Effect. To the knowledge of the Company, no counterparty to any obligation, agreement, covenant or condition contained in any contract, indenture, trust deed, mortgage, loan agreement, note, lease or other agreement or instrument to which the Company or any Subsidiary is a party

is in default in the performance or observance thereof, except where such violation or default in performance could not result in a Material Adverse Effect.

- (qq) Conduct of Business: Other than as disclosed in the Disclosure Documents, (i) the Company and each Subsidiary has conducted its business only in the usual, ordinary and regular course and consistent with past practice; (ii) no liability or obligation of any nature, whether absolute, accrued, contingent or otherwise that has had or is reasonably likely to have a Material Adverse Effect, has been incurred; (iii) no event that has had or is reasonably likely to have a Material Adverse Effect has occurred; (iv) there has been no change in the financial condition, operations, results of operations, or business of the Company or any Subsidiary that has had a Material Adverse Effect; (v) there has been no occurrence or circumstances which, with the passage of time, might reasonably be expected to have a Material Adverse Effect; and (vi) there has been no damage, destruction or loss, labour trouble, or other event, development or condition of any character (whether or not covered by insurance) suffered by the Company or any Subsidiary which has had, or may reasonably be expected to have a Material Adverse Effect.
- (rr) No Agreements. Other than as disclosed in the Disclosure Documents, neither the Company nor any Subsidiary has approved, or has entered into any agreement in respect of: (i) the purchase of any material property or assets or any interest therein or the sale, transfer or other disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by the Company whether by asset sale, transfer of shares or otherwise; (ii) the change in control (by sale, transfer or other disposition of shares or sale, transfer, lease or other disposition of all or substantially all of the property and assets of the Company or any Subsidiary) of the Company; or (iii) a proposed or planned disposition of shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding shares of the Company.
- (ss) Compliance with Employment Laws: The Company and each Subsidiary is in compliance with all material Applicable Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages. The Company and each Subsidiary has not and is not engaged in any unfair labour practice, there is no labour strike, dispute, slowdown, stoppage, material complaint or grievance pending or, to the knowledge of the Company after due inquiry, threatened against the Company or any Subsidiary, no union representation question exists respecting the employees of the Company or any Subsidiary and no collective bargaining agreement is in place or currently being negotiated by the Company or any Subsidiary, neither the Company nor any Subsidiary has received any notice of any material unresolved matter and there are no outstanding orders under any employment or human rights legislation in any jurisdiction in which the Company or any Subsidiary carries on business or has employees, no employee has any agreement as to the length of notice required to terminate his or her employment with the Company or any Subsidiary in excess of 24 months or equivalent compensation and all benefit and pension plans of the Company or any Subsidiary are funded in accordance with Applicable Laws and no past service funding liability exist thereunder.
- (tt) Employee Plans: Each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, pension, incentive or otherwise contributed to, or required to be contributed to, by the Company or any Subsidiary for the benefit of any current or former officer, director, employee or consultant of the Company has been maintained in material compliance with the terms thereof and with the requirements prescribed by any and all statutes, orders, rules, policies and regulations that are applicable to any such plan.

- (uu) Key Person Compensation: The directors, officers and key employees of the Company and the compensation arrangements with respect to the Named Executive Officers are as disclosed or consistent with the disclosure in the Disclosure Documents and there are no pensions, profit sharing, group insurance or similar plans or other deferred compensation plans of any kind whatsoever affecting the Company or any Subsidiary.
- (vv) Accruals: All material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or provincial pension plan premiums, accrued wages, salaries and commissions and payments for any plan for any officer, director, employee or consultant of the Company or any Subsidiary have been accurately reflected in the books and records of the Company.
- (ww) Work Stoppage: There has not been, and there is not currently, any labour trouble which is having a Material Adverse Effect or could reasonably be expected to have a Material Adverse Effect.
- (xx) No Litigation: There are no actions, suits, proceedings, inquiries or investigations existing, pending or, to the knowledge of the Company after due inquiry, threatened against any of the property or assets of the Company or any Subsidiary, at law or equity, or before or by any court, federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, which may result in a Material Adverse Effect or materially adversely affects the ability of any of them to perform the obligations thereof and neither the Company nor any Subsidiary is subject to any judgement, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Authority, which, either separately or in the aggregate, may result in a Material Adverse Effect or materially adversely affects the ability of the Company to perform its obligations under this Agreement or the Warrant Indenture.
- (yy) Proceedings: To the knowledge of the Company, none of the directors or officers of the Company is or has ever been subject to prior regulatory, criminal or bankruptcy proceedings in Canada or elsewhere.
- (zz) Unlawful Payments: Neither the Company nor any Subsidiary nor, to the knowledge of the Company, any director, officer, agent, employee or other person associated with or acting on behalf of the Company or any Subsidiary, has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds, (iii) violated or is in violation of any provision of the *Corruption of Foreign Officials Act (Canada)* or the *Foreign Corrupt Practices Act (United States)*, or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.
- (aaa) Sanctions: Neither the Company nor any Subsidiary nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person acting on behalf of the Company or the Subsidiary, (i) is currently subject to any sanctions administered or enforced by the United States (including any sanctions administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or the Bureau of Industry and Security of the U.S. Department of Commerce), Canada (including sanctions administered or enforced by the Office of the Superintendent of Financial Institutions or other relevant sanctions authority) (collectively, "**Sanctions**"), or (ii) is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory.
- (bbb) Anti-Money Laundering. The operations of the Company and the Subsidiaries are and have been conducted, at all times, in material compliance with all applicable financial

recordkeeping and reporting requirements of applicable anti-money laundering statutes of the jurisdictions in which the Company and the Subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of the Subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

- (ccc) Non-Arm's Length Transactions: Neither the Company nor any Subsidiary owes any amount to, nor has the Company or any Subsidiary any present loans to, or borrowed any amount from or is otherwise indebted to, any officer, director, employee or securityholder of any of them or any person not dealing at "arm's length" (as such term is defined in the *Income Tax Act* (Canada)) with any of them except for usual employee reimbursements and compensation paid or other advances of funds in the ordinary and normal course of the business of the Company or any Subsidiary. Except usual employee or consulting arrangements made in the ordinary and normal course of business, neither the Company nor any Subsidiary is a party to any contract, agreement or understanding with any officer, director, employee or securityholder of any of them or any other person not dealing at arm's length with the Company and the Subsidiaries. No officer, director or employee of the Company or any Subsidiary has any cause of action or other claim whatsoever against, or owes any amount to, the Company or any Subsidiary except for claims in the ordinary and normal course of the business of the Company or any Subsidiary such as for accrued vacation pay or other amounts or matters which would not be material to the Company.
- (ddd) Debt. Other than as disclosed in the Disclosure Documents, neither the Company nor any Subsidiary has any outstanding indebtedness or any liabilities or obligations (whether accrued, absolute, contingent or otherwise), including under any guarantee of any debt, and the Company has not made any loans to or guaranteed the obligations of any person.
- (eee) Minute Books: The minute books of the Company and the Subsidiaries, all of which have been or will be made available to the Agent and its counsel, are complete and accurate in all material respects, except for minutes of board meetings or resolutions of the board of directors that have not been formally approved by the board of directors or items in the minute book that are not current, but which are not material in the context of the Company and the Subsidiaries on a consolidated basis.
- (fff) Commission: Other than the Agent, there is no person acting or purporting to act at the request or on behalf of the Company that is entitled to any brokerage or finder's fee in connection with the transactions contemplated by this Agreement.

## **8. Representations, Warranties and Covenants of the Agent.**

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

- (a) Registration. The Agent is, and will remain so, until the completion of the Offering, appropriately registered under applicable Securities Laws so as to permit it to lawfully fulfill its obligations hereunder.
- (b) Authority. The Agent has good and sufficient right and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein.
- (c) Marketing Materials. Other than the Marketing Materials, the Agent has not provided any marketing materials to any potential investors in connection with the Offering.

- (d) Jurisdictions. During the period of distribution of the Offered Units by or through the Agent, the Agent will offer and sell the Offered Units to the public only in the Qualifying Jurisdictions where they may lawfully be offered for sale upon the terms and conditions set forth in the Prospectus and this Agreement, either directly or through its Selling Group. The Agent shall be entitled to assume that the Offered Units are qualified for distribution in any Qualifying Jurisdiction where the Final Receipt shall have been obtained following the filing of the Prospectus.
- (e) Compliance with Securities Laws. The Agent will comply with applicable Securities Laws in connection with the offer and sale and distribution of the Offered Units. The Agent will offer the Offered Units for sale by the Company in the United States or to, or for the account or benefit of, U.S. Persons through its duly-registered U.S. Affiliate pursuant to applicable exemptions from the registration requirements of U.S. Securities Laws, and in such other international Selling Jurisdictions on a private placement basis, in accordance with applicable Securities Laws in such other international Selling Jurisdictions. Any offer for sale or sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons will be made solely pursuant to the U.S. Placement Memorandum and in accordance with Schedule A to this Agreement.
- (f) Sales. The Agent will not, directly or indirectly, solicit offers to sell or sell the Offered Units or deliver any Offering Document to purchasers so as to require registration of the Offered Units or the filing of a prospectus or registration statement with respect to the Offered Units under the Securities Laws of any jurisdiction other than the Qualifying Jurisdictions.
- (g) Completion of Distribution. The Agent will use its commercially reasonable efforts to complete the distribution of the Offered Units as promptly as possible after the Closing Time. The Agent will notify the Company when the Agent has ceased the distribution of the Offered Units and, within thirty (30) days after the Closing Date, will provide the Company, in writing, with a breakdown of the number of Offered Units distributed (i) in each of the Qualifying Jurisdictions, and (ii) in any other Selling Jurisdictions.

**9. Closing Deliveries.** The purchase and sale of the Offered Units and, if applicable, the Over-Allotment Securities shall be completed at the Closing Time and the Over-Allotment Closing Time, respectively, at the offices of Gowling WLG (Canada) LLP in Vancouver, British Columbia, or at such other place as the Agent and the Company may agree. At the Closing Time or and the Over-Allotment Closing Time, as the case may be, the Company shall duly and validly deliver to the Agent confirmation of an electronic deposit of the Offered Units with CDS Clearing and Depository Services Inc. ("CDS") as directed by the Agent, through the non-certificated inventory system of CDS or as otherwise directed by the Agent in writing, against payment by the Agent to the Company, at the direction of the Company, in lawful money of Canada by wire transfer an amount equal to the aggregate purchase price for the Offered Units and/or the Over-Allotment Securities, as the case may be, being issued and sold hereunder less the Agent's Commission and all of the estimated out-of-pocket expenses of the Agent payable by the Company to the Agent in accordance with Section 20.

**10. Conditions to Closing.** The following are conditions precedent to the obligations of the Agent to complete the Closing and of the Purchasers to purchase the Offered Units at the Closing Time, it being understood that the Agent may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to its rights in respect of any other of the following terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing):

- (a) all actions required to be taken by or on behalf of the Company, including, without limitation the passing of all requisite resolutions of directors of the Company to approve the Offering Documents, to obtain the approval of the CSE to the Offering and to validly offer, sell and

distribute the Offered Units, grant the Over-Allotment Option, issue the Agent's Warrants and pay the Agent's Commission will have been taken;

- (b) the Company will have made all necessary filings with and obtained all necessary approvals, consents and acceptances of the Canadian Securities Regulators for the Offering Documents and to permit the Company to complete its obligations hereunder;
- (c) no order ceasing or suspending trading in any securities of the Company, or prohibiting the trade or distribution of any of the securities of the Company will have been issued and no proceedings for such purpose, to the knowledge of the Company, will be pending or threatened;
- (d) the Agent not having exercised any rights of termination set forth in this Agreement;
- (e) the Company will have, as of the Closing Time, complied with all of its covenants and agreements contained in this Agreement;
- (f) the Agent shall have received a favourable legal opinion, addressed to the Agent and its counsel and dated the Closing Date, and subject to customary qualifications, of Gowling WLG (Canada) LLP, the Company's legal counsel, as to all legal matters customarily and reasonably requested by the Agent relating to the Company and the creation, issuance and sale of the Offered Units;
- (g) the Agent shall have received favourable legal opinions, addressed to the Agent and its counsel and dated the Closing Date, from local counsel to the Company in Israel and Germany as to the sale of Offered Units in such jurisdictions and such other legal matters reasonably requested by the Agent, in form and content acceptable to the Agent, acting reasonably;
- (h) the Agent shall have received a favourable legal opinion, addressed to the Agent and its counsel and dated the Closing Date, from local counsel to the Company as to the incorporation, capacity, ownership, subsistence and authorized and issued capital of each Subsidiary other than with respect to PlantX Israel Ltd., and such other legal matters reasonably requested by the Agent;
- (i) if any Offered Units are sold in the United States or to, or for the account or benefit of, U.S. Persons, the Agent shall have received a favourable legal opinion, addressed to the Agent and dated the Closing Date, from Dorsey & Whitney LLP, special United States legal counsel to the Company, to the effect that the offer and sale in the United States or to, or for the account or benefit of, U.S. Persons of the Offered Units is not required to be registered under the U.S. Securities Act if made in the manner contemplated by this Agreement and in accordance with Schedule A to this Agreement, it being understood that no opinion is expressed as to any subsequent resale of any Offered Units;
- (j) the Agent shall have received a certificate, addressed to the Agent and its counsel and dated the Closing Date, of such officer of the Company as is acceptable to the Agent with respect to the constating documents of the Company, all resolutions of the Company's board of directors relating to the Offering Documents, the creation, offering, issuance, sale, delivery, allotment and reservation, as applicable, of the Offered Units, Unit Shares, Warrants, Warrant Shares, Agent's Warrants and Agent's Warrant Shares and the consummation of the transactions contemplated in the Offering Documents, and the incumbency and specimen signatures of signing officers and such other matters as the Agent may reasonably request;
- (k) the Agent shall have received a certificate, addressed to the Agent and its counsel and dated the Closing Date, of such two senior officers of the Company as are acceptable to



the Agent, certifying for and on behalf of the Company and without personal liability after having made due enquiries, that:

- (i) the representations and warranties of the Company in this Agreement are true and correct in all material respects as if made at and as of the Closing Time and the Company has performed all covenants and agreements and satisfied all conditions on its part to be performed or satisfied in all material respects at or prior to the Closing Time;
  - (ii) no order, ruling or determination having the effect of suspending the sale or ceasing, suspending or restricting the trading of Common Shares in the Qualifying Jurisdictions has been issued or made by any stock exchange, securities commission or regulatory authority and is continuing in effect and, to the knowledge of the officers, no proceedings, investigations or enquiries for that purpose have been instituted or are pending; and
  - (iii) subsequent to the respective dates as at which information is given in the Offering Documents, there has not been a Material Adverse Change other than as disclosed in any subsequent Offering Documents.
- (l) the Agent shall have received a letter dated as of the Closing Date, in form and substance satisfactory to the Agent, addressed to the Agent and the directors of the Company from the Company's auditors confirming the continued accuracy of the comfort letter to be delivered to the Agent pursuant to Section 4(a)(i) hereof with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date, which changes shall be acceptable to the Agent;
  - (m) the Unit Shares, the Warrant Shares and the Agent's Warrant Shares shall have been approved for listing on the CSE, subject only to the official notices of issuance and fulfilment of the Standard Listing Conditions;
  - (n) the Agent shall have received a certificate of good standing in respect of the Company and each Subsidiary;
  - (o) the Agent shall have received certificates or lists, issued under Securities Laws stating or evidencing that the Company is not in default under such Securities Laws;
  - (p) the Agent shall have received a certificate from the Warrant Agent as to its appointment as warrant agent pursuant to the Warrant Indenture; and
  - (q) the Agent shall have received a certificate from the Transfer Agent as to the number of Common Shares issued and outstanding as at the close of business on the last Business Day preceding the Closing Date.

**11. Purchase of Over-Allotment Securities.** In the event that the Over-Allotment Option is exercised, the Company shall deliver and sell the number of Over-Allotment Securities indicated in such notice, in accordance with the provisions of this Agreement and subject to the accuracy of the representations and warranties of the Company contained in this Agreement as of the Over-Allotment Option Closing Date and the performance by the Company of its obligations under this Agreement. The Company agrees to fulfill or cause to be fulfilled the following conditions (it being understood that the Agent may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to its rights in respect of any other of the following

terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing):

- (a) the Agent shall have received favourable legal opinions in substantially the same form as the opinions delivered pursuant to Sections 10(f) and 10(i), as applicable, and dated the Over-Allotment Option Closing Date;
- (b) the Agent shall have received certificates in substantially the same form as the certificates delivered pursuant to Sections 10(j), 10(k), 10(n) and 10(o) dated the Over-Allotment Option Closing Date; and
- (c) the Agent shall have received such other certificates, agreements, materials or documents as it may reasonably request.

**12. Restrictions on Further Issues or Sales.** The Company agrees that it will not, directly or indirectly, issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, or agree to or announce any intention to issue, sell, offer, grant an option or right in respect of, or otherwise dispose of, any additional common shares or any securities convertible into or exchangeable for Common Shares, other than issuances in connection with: (i) any issuance of securities pursuant to the exercise or conversion, as the case may be, of convertible securities of the Company outstanding on February 8, 2021; (ii) grants of rights and options under the Company's stock option plan; (iii) the occurrence of a bona fide take-over bid or similar transaction involving a change of control of the Company; and (iv) any issuance of securities in arm's length acquisitions, from the date hereof and continuing for a period of 30 days from the Closing Date without the prior written consent of the Agent.

**13. Right to Match.** In the event that prior to completion of the Offering, the Company receives an offer from another investment bank or broker to proceed with a bought-deal offering (on a public or private placement basis) (a "**Permitted Bought-deal Offer**"), the Agent shall have the right to match the terms of such Permitted Bought-deal Offer within 3 Business Days of receipt of notice (the "**Right to Match**") by advising the Company in writing and providing the Company with a replacement engagement letter in respect of such financing. The Company agrees that it shall provide the Agent with prompt written notice of any Permitted Bought-deal Offer with sufficient detail to enable the Agent to exercise the Right to Match (the "**Notice**"). In the event that the Agent does not exercise the Right to Match, the Company may, in its sole discretion, terminate this Agreement and proceed with the Permitted Bought-deal Offer on the terms as presented to the Agent, upon provision of written notice of termination to the Agent. Notwithstanding the foregoing, the Agent shall have the right and may elect, at its sole discretion, to participate in the Permitted Bought-deal Offering as part of the syndicate with a syndicate position that is up to and including 50% in the Permitted Bought-deal Offer (the "**Bought Deal Right**"). The Agent shall have 3 Business Days from receipt of the Notice to advise the Company of the exercise of the Bought Deal Right. For greater certainty, in the event that the Company terminates this Agreement and proceeds with a Permitted Bought-deal Offer, upon such termination the Company shall pay the expenses of the Agent in accordance with Section 20.

**14. Right of Participation.** Subject to completion of the Offering and subscriptions for no less than \$7 million being sourced by the Agent (as reflected in the book), the Company grants the Agent, within the 12 month period following the completion of the Offering, a right of participation with a minimum 25% syndicate position for any subsequent Canadian brokered offering of equity, quasi-equity or debt securities.

**15. All Terms to be Conditions.** The Company agrees that the conditions contained in Section 10 will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Company and that it will use its commercially reasonable efforts to cause all such conditions to be complied with. It is understood that the Agent may waive, in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to the rights

of the Agent in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing.

**16. Termination Events.** The Agent is entitled, at its option, to terminate and cancel, without liability, its obligations under this Agreement by providing written notice to the Company at any time prior to the Closing Time in each of the following circumstances:

- (a) any order, action or proceeding which cease trades, suspends or otherwise operates to prevent, prohibit or restrict the distribution or trading of the Common Shares or any other securities of the Company is made or proceedings are announced, commenced or threatened for the making of any such order, action or proceeding by a securities regulatory authority;
- (b) there should occur any material change, change of a material fact, occurrence, event, fact or circumstance or any development or a new material fact will arise which has or would be expected to result, in the sole opinion of the Agent, acting reasonably and in good faith, in a Material Adverse Effect, or on the market price, value or marketability of the Offered Units or Common Shares;
- (c) any inquiry, action, suit, investigation or other proceeding, whether formal or informal (including matters of regulatory transgression or unlawful conduct), is commenced, announced or threatened or any order made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality or any securities regulatory authority or any law or regulation is enacted or changed which would cease trading in the Common Shares or, in the opinion of the Agent, acting reasonably and in good faith, operates to prevent or restrict materially the trading or distribution of the Offered Units or materially adversely affects or will materially adversely affect the market price, value or marketability of the Offered Units or Common Shares;
- (d) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence (including any natural catastrophe) or any outbreak or escalation of national or international hostilities or any crisis or calamity or act of terrorism or similar event or any governmental action, change of applicable law or regulation (or the interpretation or administration thereof), inquiry or other occurrence of any nature whatsoever, including by a result of the novel coronavirus (COVID-19) pandemic only to the extent that there are material adverse impacts related thereto after February 8, 2021, which, in each case, in the opinion of the Agent, seriously adversely affects, or involves, or might reasonably be expected to seriously adversely affect, or involve, the financial markets in Canada or the United States or the business, operations or affairs of the Company and the Subsidiaries, taken as a whole;
- (e) the Company is in breach of any material term, condition or covenant of this letter or this Agreement or any representation or warranty given by the Company in this Agreement becomes or is false in any material respect and cannot be cured;
- (f) the Agent will become aware, as a result of its due diligence review or otherwise, of any adverse material change with respect to the Company, in the sole opinion of the Agent, which had not been disclosed to the Agent and which would have a material adverse effect or the market price or value of the Offered Units or Common Shares; or
- (g) the Agent determines, acting reasonably, that the state of the financial markets, whether national or international, is such that the Offered Units or Common Shares cannot be profitably marketed.

For certainty, the outbreak of COVID-19 and any interruption to the business, affairs, or financial condition of the Company or any event, action state or condition or major financial occurrence, arising as a result of policies in place as of February 8, 2021, to address COVID-19, including the extension of the time that any such policy shall be in effect beyond their current proposed end date, shall not constitute an event or occurrence which will enable the Agent to rely on Section 16(d). For greater certainty, any measure not already in effect that is implemented after February 8, 2021, to address the outbreak of COVID -19 that results in a material adverse change or disaster as described in Section 16(d), shall constitute an event or occurrence which will enable the Agent to rely on Section 16(d).

The Agent shall be entitled to terminate and cancel its obligations to the Company hereunder in accordance with this Section 16 by written notice to that effect given to the Company at any time prior to the Closing.

**17. Exercise of Termination Right.** If this Agreement is terminated by the Agent pursuant to Section 16, there shall be no further liability to the Company on the part of the Agent or of the Company to the Agent, except in respect of any liability which may have arisen or may thereafter arise under Sections 19, 20 and 23. The right of the Agent to terminate its obligations under this Agreement is in addition to such other remedies as it may have in respect of any default, act or failure to act of the Company in respect of any of the matters contemplated by this Agreement.

**18. Survival of Representations and Warranties.** The representations, warranties, covenants and indemnities of the Company and the Agent contained in this Agreement will survive the Closing.

**19. Indemnity.**

- (a) The Company agrees to indemnify and hold the Agent and any of its affiliates (referred to in this Section 19 as the "**Agents**") and the directors, officers, employees and shareholders of the Agents (hereinafter referred to as the "**Personnel**") harmless from and against any and all expenses, losses (other than loss of profits), claims, actions, damages or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims), and the reasonable fees and expenses of their counsel that may be incurred in advising with respect to and/or defending any claim that may be made against the Agents, to which the Agents and/or their Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Company by the Agents and their Personnel hereunder or otherwise in connection with the matters referred to in this Agreement, provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction shall determine that:
- (i) the Agents or their Personnel have committed any wilful misconduct or fraudulent or negligent act in the course of such performance, or have breached the letter agreement or applicable laws; and
  - (ii) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, were directly caused by the wilful misconduct, fraud, negligence or breach referred to in Section 19(a)(i).
- (b) If for any reason (other than the occurrence of any of the events itemized in Section 19(a)(i) and (ii)), the foregoing indemnification is unavailable to the Agents or insufficient to hold them harmless, then the Company shall contribute to the amount paid or payable by the Agents as a result of such expense, loss, claim, damage or liability in such proportion as is appropriate to reflect not only the relative benefits received by the Company on the one hand and the Agents on the other hand but also the relative fault of the Company and the

Agents, as well as any relevant equitable considerations; provided that the Company shall, in any event, contribute to the amount paid or payable by the Agents as a result of such expense, loss, claim, damage or liability, any excess of such amount over the amount of the fees received by the Agent pursuant to this Agreement.

- (c) The Company agrees that in case any legal proceeding shall be brought against the Company and/or the Agents by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, shall investigate the Company and/or the Agents and any Personnel of the Agents shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Company by the Agents, the Agents shall have the right to employ its own counsel in connection therewith, and, subject to the next following sentence, the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Agents for time spent by its Personnel in connection therewith) and out-of-pocket expenses incurred by its Personnel in connection therewith shall be paid by the Company as they occur unless caused pursuant to Section 19(a)(i) or (ii). The Company will only be required to pay the aforementioned fees, costs and expenses of separate legal counsel for the Agents if: (i) the employment of such counsel has been authorized in writing by the Company; or (ii) the Company has not assumed the defence and employed counsel therefor within five days after receiving notice of such legal proceeding; or (iii) counsel retained by the Company has advised the Agents that representation of both parties by the same counsel would be inappropriate because there may be legal defences available to the Agents which are different from or in addition to those available to the Company (in which event and to that extent, the Company shall not have the right to assume or direct the defence on the Agents' behalf) or that there is a conflict of interest between the Company and the Agents or the subject matter of the action, suit, proceeding, claim or investigation may not fall within the indemnity set forth herein (in either of which events the Company shall not have the right to assume or direct the defence on the Agents' behalf). Nothing in this Section 19 will require the Company to pay the fees or expenses of more than one counsel for all of the indemnified parties in any one jurisdiction.
- (d) Promptly after receipt of notice of the commencement of any legal proceeding against the Agents or any of their Personnel or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Company, the Agents will notify the Company in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Company, will keep the Company advised of the progress thereof and will discuss with the Company all significant actions proposed.
- (e) No admission of liability and no settlement of any action, suit, proceeding, claim or investigation shall be made without the consent of the Agents or its Personnel affected, such consent not to be unreasonably withheld. No admission of liability shall be made and the Company shall not be liable for any settlement of any action, suit, proceeding, claim or investigation made without its consent, such consent not to be unreasonably withheld. The indemnity and contribution obligations of the Company shall be in addition to any liability which the Company may otherwise have, shall extend upon the same terms and conditions to the Personnel of the Agents and shall be binding upon and ensure to the benefit of any successors, permitted assigns, heirs and personal representatives of the Company, the Agents and any of the Personnel of the Agents. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of the authorization given by this Agreement.
- (f) The Company hereby constitutes the Agent as agent and trustee of the Company's covenants under this indemnity for each of its affiliates and the Personnel and the Agent

agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

**20. Agent's Fees and Expenses.**

(a) In consideration of the services performed by the Agent under this Agreement the Company agrees as follows:

- (i) to pay a commission in an amount equal to 6.0% of the gross proceeds to the Company from the issue and sale of Offered Units and, if applicable, Over-Allotment Securities hereunder, payable in cash (the "**Agent's Commission**"), on the Closing Date and Over-Allotment Closing Date, as the case may be, which shall be reduced to 4% in the case of Offered Units sold to certain pre-identified purchasers (the "**President's List Purchasers**"), which purchasers will be entitled to purchase Offered Units with an aggregate Offering Price of \$10 million; and
- (ii) to issue to the Agent on the Closing Date and Over-Allotment Closing Date, as the case may be, a number of share purchase warrants equal to 6.0% of the aggregate number of Offered Units and, if applicable, Over-Allotment Securities sold hereunder (the "**Agent's Warrants**"), which shall be reduced to 4% in the case of Offered Units sold to President's List Purchasers,

(collectively, the "**Agent's Fee**").

(b) Each Agent's Warrant shall be exercisable to acquire one Agent's Warrant Share at a price of \$1.25 at any time and from time to time on or before the date that is 24 months after the Closing Date. The Agent's Warrants will be represented by certificates and will be, subject to regulatory and CSE approval, transferable. The terms governing the Agent's Warrants will include, among other things, provisions for the appropriate adjustment in the class, number and price of the Agent's Warrant Shares upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares, the payment of stock dividends or the amalgamation of the Company.

(c) The Company shall pay all reasonable expenses and fees in connection with the offering of Offered Units contemplated by this Agreement, including, without limitation, the fees and expenses payable in connection with the distribution of the Qualified Securities, the fees and expenses of the Company's counsel and of local counsel to the Company, the fees and expenses of the auditors and the transfer agent for the Common Shares, all costs incurred in connection with the preparation and printing of the Offering Documents and certificates representing the Offered Units, the miscellaneous fees and expenses of the Agent (to a maximum of \$25,000 inclusive of taxes) and the reasonable fees and disbursements of the Agent's counsel (to a maximum of \$90,000 exclusive of taxes and disbursements), whether or not the Offering is completed. All fees and expenses incurred by the Agent or on its behalf shall be payable by the Company immediately upon receiving an invoice therefor from the Agent and shall be payable whether or not the Offering is completed. At the option of the Agent, such fees and expenses may be deducted from the gross proceeds otherwise payable to the Company at Closing.

**21. Advertisements.** The Company acknowledges that the Agent shall have the right, subject to Sections 3(a) and 3(c), at its own expense, subject to the prior consent of the Company, such consent not to be unreasonably withheld, to place such advertisement or advertisements relating to the sale of the Offered Units contemplated herein as the Agent may consider desirable or appropriate and as may be permitted by Applicable Law. The Company and the Agent agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration or other similar requirements under applicable securities legislation in any of the

Provinces of Canada or any other jurisdiction in which the Offered Units shall be offered and sold being unavailable in respect of the sale of the Offered Units to prospective purchasers.

**22. Notices.** Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a "**notice**") shall be in writing addressed as follows:

(a) if to the Company, to:

PlantX Life Inc.  
Suite 504 – 100 Park Royal Street  
West Vancouver, British Columbia V7T 3N6

Email: lorne@plantx.com  
Attention: Lorne Rapkin

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

Gowling WLG  
Suite 2300 – 550 Burrard Street  
Vancouver, British Columbia V6C 2B5

Email: Peter.Simeon@gowlingwlg.com  
Attention: Peter Simeon

(b) if to the Agent, to:

Mackie Research Capital Corporation  
Suite 1920 – 1075 West Georgia Street  
Vancouver, British Columbia V6E 3C9

Email: jstupar@mackieresearch.com  
Attention: Jovan Stupar

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

MLT Aikins LLP  
2600 – 1066 West Hastings Street  
Vancouver, British Columbia

Email: ksoroChan@mltaikins.com  
Attention: Kevin SoroChan

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

- 23. Time of the Essence.** Time shall, in all respects, be of the essence hereof.
- 24. Canadian Dollars.** All references herein to dollar amounts are to lawful money of Canada.
- 25. Headings.** The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.
- 26. Singular and Plural, etc.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.
- 27. Entire Agreement.** This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings, including, without limitation, the letter agreement relating to the Offering between the Agent and the Company, dated February 8, 2021. This Agreement may be amended or modified in any respect by written instrument only signed by each of the parties hereto.
- 28. Severability.** If one or more provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.
- 29. Governing Law.** This Agreement is governed by the law of British Columbia, and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of British Columbia with respect to any dispute related to this Agreement.
- 30. No Fiduciary Duty.** The Company hereby: (i) acknowledges and agrees that the transactions contemplated hereunder are arm's-length commercial transactions between the Company, on the one hand, and the Agent and any affiliate through which it may be acting, on the other; (ii) acknowledges and agrees that the Agent is acting as agent but not as fiduciary of the Company; (iii) acknowledges and agrees that the Company's engagement of the Agent in connection with the Offering and the process leading up to the Offering is as agents and not in any other capacity; (iv) acknowledges and agrees that the Agent has certain statutory obligations as registrants under Securities Laws and have certain relationships with its clients; and (v) consents to the Agent acting hereunder while continuing to act for its clients. To the extent that the Agent's statutory obligations as a registrant under Securities Laws or relationships with its clients conflicts with its obligations hereunder, the Agent shall be entitled to fulfil its statutory obligations as a registrant under Securities Laws and its duties to its clients. Nothing in this Agreement shall be interpreted to prevent the Agent from fulfilling its statutory obligations as a registrant under Securities Laws or acting for its clients. Furthermore, the Company agrees that it is solely responsible for making its own judgments in connection with the Offering (irrespective of whether the Agent has advised or is currently advising the Company on related or other matters). The Agent has not rendered advisory services beyond those, if any, required of an investment dealer by Securities Laws in respect of an offering of the nature contemplated by this Agreement and the Company agrees that it will not claim that the Agent has rendered advisory services beyond those, if any, required of an investment dealer by Securities Laws in respect of the Offering, or that the Agent owes a fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.
- 31. Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company and the Agent and their respective successors and permitted assigns. This Agreement shall not be assignable by any party hereto without the prior written consent of the other party.
- 32. Further Assurances.** Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other



instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

**33. Effective Date.** This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

**34. Counterparts.** This Agreement may be executed in two or more counterparts and may be delivered by facsimile transmission or other means of electronic transmission, each of which will be deemed to be an original and all of which will constitute one agreement, effective as of the reference date given above.

*[signature page follows]*

If the Company is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to the Agent.

Yours very truly,

**MACKIE RESEARCH CAPITAL CORPORATION**

Per: "Jovan Stupar"  
Jovan Stupar  
Managing Director, Investment Banking

The foregoing is hereby accepted on the terms and conditions therein set forth.

**DATED** as of the 11 day of March, 2021.

**PLANTX LIFE INC.**

Per: "Lorne Rapkin"  
Lorne Rapkin  
Chief Financial Officer

## SCHEDULE A

### COMPLIANCE WITH UNITED STATES SECURITIES LAWS

This is Schedule A to the agency agreement dated March 11, 2021, between PlantX Life Inc. and Mackie Research Capital Corporation (the "**Agency Agreement**").

As used in this Schedule A and in Exhibit A hereto, capitalized terms used but not defined herein will have the meanings ascribed to them in the Agency Agreement and the following terms will have the meanings indicated:

"**Affiliate**" means "**affiliate**" as that term is defined in Rule 405 under the U.S. Securities Act;

"**Directed Selling Efforts**" means "**directed selling efforts**" as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule A, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Offered Units and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Offered Units;

"**Foreign Issuer**" means a "**foreign issuer**" as that term is defined in Rule 902(e) of Regulation S;

"**General Solicitation**" and "**General Advertising**" mean "**general solicitation**" and "**general advertising**", respectively, as those terms are used under Rule 502(c) of Regulation D promulgated under the U.S. Securities Act, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, broadcast over television or radio, or published or broadcast on the Internet or any other form of electronic display, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"**Offshore Transaction**" means "offshore transaction" as that term is defined in Rule 902(h) of Regulation S;

"**QIB Letter**" means the Qualified Institutional Buyer Letter in the form attached as **Exhibit I** to the U.S. Private Placement Memorandum;

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

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

"**U.S. Private Placement Memorandum**" means the private placement memorandum prepared for use in connection with the offer and sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons;

"**U.S. Securities Laws**" means all applicable securities legislation in the United States, including without limitation, the U.S. Securities Act, the U.S. Exchange Act and the rules and regulations promulgated thereunder, including the rules and policies of the SEC and any applicable state securities laws; and

"**U.S. Subscription Agreement**" means the U.S. subscription agreement for U.S. Accredited Investors in the form attached as **Exhibit II** to the U.S. Private Placement Memorandum.

#### 1. **Representations, Warranties and Covenants of the Agent.**

The Agent (on its own behalf and on behalf of its U.S. Affiliate) acknowledges that the Offered Units have not been and will not be registered under the U.S. Securities Act or applicable state securities

laws and may be offered and sold only in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Agent (on its own behalf and on behalf of its U.S. Affiliate) represents, warrants, covenants and agrees to and with the Company as of the date hereof and the Closing Date that:

- (a) Neither the Agent nor its U.S. Affiliate have offered or sold nor will any of them offer or sell any Offered Units except (a) in an Offshore Transaction to non-U.S. Persons, in accordance with Rule 903 of Regulation S or (b) in the United States or to, or for the account or benefit of, U.S. Persons to a U.S. Accredited Investor, which may include a Qualified Institutional Buyer that is also a U.S. Accredited Investor, purchasing pursuant to the exemption from registration available under Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws, and in transactions that are exempt from the registration requirements of applicable state securities laws, as provided in this Schedule A. Accordingly, none of the Agent, its U.S. Affiliate or any of their respective affiliates or any persons acting on their behalf (including any Selling Firm) (i) have engaged or will engage in any Directed Selling Efforts in the United States with respect to the Offered Units; or (ii) except as permitted by this Schedule A, have made or will make (x) any offers to sell Offered Units in the United States or to, or for the account or benefit of, U.S. Persons or (y) any sale of Offered Units unless at the time the purchaser made its buy order therefor, the Agent, its U.S. Affiliate or other person acting on any of their behalf reasonably believed that such purchaser was outside the United States and not a U.S. Person.
- (b) Neither the Agent nor its U.S. Affiliate have entered nor will any of them enter into any contractual arrangement with respect to the offer, sale or any distribution of the Offered Units, except with the prior written consent of the Company.
- (c) All offers and sales of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons have been and will be made through the Agent's U.S. Affiliate which in each case is and at all relevant times was and will be a broker-dealer registered pursuant to Section 15(b) of the U.S. Exchange Act, and in good standing with the Financial Industry Regulatory Authority, Inc., and otherwise in compliance with all applicable U.S. broker-dealer requirements (including those of self-regulatory authorities) and U.S. Securities Laws, and all such offers and sales of Offered Units have been and will be made only in states of the United States where such U.S. Affiliate is registered or otherwise exempt from registration.
- (d) In connection with offers and sales of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, no form of General Solicitation or General Advertising has been or will be used. Neither the Agent, its U.S. Affiliate, their respective affiliates or any persons acting on their behalf (including any Selling Firm) have engaged or will engage in any conduct involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with the offer or sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons.
- (e) Any offer or solicitation of an offer to buy Offered Units that has been made or will be made in the United States or to, or for the account or benefit of, U.S. Persons was or will be made only to U.S. Accredited Investors (including Qualified Institutional Buyers that are also U.S. Accredited Investors) with whom the Agent, its U.S. Affiliate or the Company has a pre-existing relationship prior to such offer or solicitation and a reasonable basis for believing to be a U.S. Accredited Investor (or a Qualified Institutional Buyer that is also a U.S. Accredited Investor).
- (f) The Agent, through its U.S. Affiliate, will inform all purchasers of the Offered Units in the United States or who are, or are purchasing for the account or benefit of, U.S. Persons that the Offered Units and the Warrant Shares have not been and will not be registered under

the U.S. Securities Act, that the Offered Units and the Warrant Shares are (and will be, when issued) "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act, and the Offered Units and the Warrant Shares are being offered and sold to such persons in reliance on Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws.

- (g) Each offeree in the United States or who are, or are purchasing for the account or benefit of, U.S. Persons has been or will be provided with a copy of the U.S. Private Placement Memorandum, and no other written material has been or will be used in connection with the offer or sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons. Each person purchasing Offered Units in the United States or who are, or are purchasing for the account or benefit of, U.S. Persons will be, prior to the sale of Offered Units to such persons, required to execute either a QIB Letter in the form of **Exhibit I** attached to the U.S. Private Placement Memorandum, if the Agent reasonably believes such purchaser is both a U.S. Accredited Investor and a Qualified Institutional Buyer, or a U.S. Subscription Agreement in the form of **Exhibit II** attached to the U.S. Private Placement Memorandum, as applicable. Prior to any offer or sale of Offered Units to each offeree in the United States or who is, or is purchasing for the account or benefit of, a U.S. Person, the Agent and its U.S. Affiliate each had reasonable grounds to believe and did believe that each such offeree was a U.S. Accredited Investor (including a Qualified Institutional Buyer that is also a U.S. Accredited Investor), and at the Closing will have reasonable grounds to believe and will continue to believe that each person purchasing Offered Units in the United States or who are, or are purchasing for the account or benefit of, a U.S. Person, and each purchaser of Offered Units who was offered Offered Units in the United States, is a U.S. Accredited Investor and, if purchasing pursuant to a QIB Letter, also a Qualified Institutional Buyer.
- (h) All offers and sales of Offered Units made outside the United States by the Agent, the U.S. Affiliate, their respective affiliates or any persons acting on their behalf (including any Selling Firm) have been and will be made in Offshore Transactions to non-U.S. Persons.
- (i) Offers to sell and solicitations of offers to buy the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, have been and will be made pursuant to and in accordance with exemptions from the registration or qualification requirements of all applicable state securities laws.
- (j) It acknowledges that until 40 days after the closing of the offering of the Offered Units, an offer or sale of the Offered Units within the United States or to, or for the account or benefit of, U.S. Persons by any dealer (whether or not participating in this offering) may violate the registration requirement of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirement of the U.S. Securities Act.
- (k) Neither the Agent nor its U.S. Affiliate nor any person acting on its or their behalf have taken or will take any action that would constitute a violation of Regulation M of the U.S. Exchange Act in connection with the offer or sale of the Offered Units.
- (l) With respect to Offered Units to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D (the "**Regulation D Securities**"), the Agent represents that none of (i) the Agent or its U.S. Affiliate, (ii) the Agent or its U.S. Affiliate's general partners or managing members, (iii) any of the Agent's or its U.S. Affiliate's directors, executive officers or other officers participating in the offering of the Regulation D Securities, (iv) any of the Agent's or its U.S. Affiliate's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Regulation D Securities or (v) any other person associated with any of the above persons, including any Selling Firm and any such persons related to such Selling Firm, that has been or will be paid (directly or indirectly)

remuneration for solicitation of purchasers in connection with sale of Regulation D Securities (each, a "**Dealer Covered Person**" and, collectively, the "**Dealer Covered Persons**"), is subject to any disqualifications described under Rule 506(d)(1)(i) to (viii) of Regulation D (a "**Disqualification Event**"), except for a Disqualification Event (i) covered by Rule 506(d)(2)(i) of Regulation D and (ii) a description of which has been furnished in writing to the Company prior to the date hereof. The Agent is not aware of any person (other than the Agent, its U.S. Affiliate and any Selling Firm that has made in writing, in favour of the Company, the representations set forth in this paragraph as if it were the Agent) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Regulation D Securities.

- (m) At least one Business Day prior to the Closing, the Agent and its U.S. Affiliate will provide the Company (i) a list of all purchasers of the Offered Units in the United States or who are, or are purchasing for the account or benefit of, U.S. Persons and all purchasers of Offered Units who were offered Offered Units in the United States, and the registration instructions for each such purchaser and (ii) all executed QIB Letters in the form attached as **Exhibit I** to the U.S. Private Placement Memorandum and U.S. Subscription Agreements in the form attached as **Exhibit II** to the U.S. Private Placement Memorandum.
- (n) At the Closing, the Agent and its U.S. Affiliate will provide a certificate, substantially in the form of Exhibit A attached hereto, relating to the manner of the offer of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons, or such persons will be deemed to have represented and warranted to the Company that they did not offer or sell any Offered Units in the United States or to, or for the account or benefit of, U.S. Persons.

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

The Company represents, warrants, covenants to the Agent and its U.S. Affiliate as of the date hereof and the Closing Date that:

- (a) The Company is, and as of each date of the issuance of the Offered Units will be, a Foreign Issuer and reasonably believes that there is, and as of the date of each issuance of the Offered Units there will be, no Substantial U.S. Market Interest in the Common Shares or the Warrants.
- (b) Except with respect to offers and sales in accordance with this Schedule A to U.S. Accredited Investors (including Qualified Institutional Buyers that are also U.S. Accredited Investors) pursuant to the exemption from registration available under Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws, neither the Company nor any of its affiliates, nor any person acting on its or their behalf (other than the Agent, its U.S. Affiliate, any Selling Firm, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Units to a person in the United States or to, or for the account or benefit of, U.S. Persons; or (B) any sale of Offered Units unless, at the time the buy order was or will, have been originated, the purchaser is (i) outside the United States and not a U.S. Person or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States and not a U.S. Person.
- (c) All offers and sales of Offered Units made outside the United States by the Company, any of its affiliates or any person acting on its or their behalf (other than the Agent, its U.S. Affiliate, any Selling Firm, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), have been and will be made in Offshore Transactions to non-U.S. Persons within the meaning of Regulation S. None of the Company, its affiliates, or any person acting on its or their behalf (other than the Agent, its

U.S. Affiliate, any Selling Firm, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make any Directed Selling Efforts in the United States with respect to the Offered Units.

- (d) None of the Company, its affiliates, or any person acting on its or their behalf (other than the Agent, its U.S. Affiliate, any Selling Firm, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has taken or will take any action that would cause the exemption from the registration requirements of the U.S. Securities Act afforded by Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act or the exclusion from registration provided by Rule 903 of Regulation S to be unavailable for offers and sales of the Offered Units pursuant to this Agreement.
- (e) None of the Company, any of its affiliates or any person acting on its or their behalf (other than the Agent, its U.S. Affiliate, any Selling Firm, their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has offered or will offer to sell, or has solicited or will solicit offers to buy, Offered Units in the United States or to, or for the account or benefit of, U.S. Persons by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
- (f) Since the date that is six months prior to start of the offering of the Offered Units, (i) it has not sold, offered for sale or solicited any offer to buy, and it will not sell, offer for sale or solicit any offer to buy, any of its securities in a manner that would be integrated with the offer and sale of the Offered Units and would cause the exemptions from registration set forth in Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws or the exclusion from registration set forth in Rule 903 of Regulation S to become unavailable with respect to the offer and sale of the Offered Units, and (ii) neither it nor any person acting on its behalf has engaged or will engage in any General Solicitation or General Advertising in connection with any offer or sale of the Offered Units or otherwise in a manner that would be integrated with the offer and sale of the Offered Units and would cause the exemption from registration set forth in Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act and similar exemptions under applicable state securities laws or the exclusion from registration set forth in Rule 903 of Regulation S to become unavailable with respect to the offer and sale of the Offered Units.
- (g) None of the Company or any of its predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
- (h) With respect to Regulation D Securities offered and sold hereby, if any, none of the Company, any of its predecessors, any affiliated issuer issuing Regulation D Securities, any director, executive officer or other officer of the Company participating in the offering of Regulation D Securities, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Company in any capacity at the time of sale of the Regulation D Securities (but excluding any Dealer Covered Person, as to whom no representation, warranty or covenant is made) (each, an "**Issuer Covered Person**") is subject to any Disqualification Event, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) under Regulation D. The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. If applicable, the Company has complied with its disclosure obligations under Rule 506(e) under Regulation D, and has furnished to the Agent and its U.S. Affiliate a copy of any disclosures provided thereunder.

- (i) The Company is not aware of any person (other than the Agent, its U.S. Affiliate and any selling person that has made in writing, in favour of the Company, the representations set forth in Section 1 above as if it were the Agent) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Regulation D Securities.
- (j) The Company is not, and following the application of the proceeds of the sale of the Offered Units in the manner contemplated hereby will not be, registered or required to be registered as an investment company under the United States Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.
- (k) The Company will, within the prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or any state securities laws in connection with the sale of the Offered Units.
- (l) Neither the Company nor any predecessor of the Company has had the registration of a class of securities under the U.S. Exchange Act revoked by the SEC pursuant to Section 12(j) of the U.S. Exchange Act and any rules or regulations promulgated thereunder.



## EXHIBIT A

### AGENT'S CERTIFICATE

In connection with the private placement in the United States or to, or for the account or benefit of, U.S. Persons of Offered Units of PlantX Life Inc. (the "**Company**"), pursuant to an agency agreement (the "**Agency Agreement**") dated March 11, 2021, between the Company and Mackie Research Capital Corporation (the "**Agent**"), the undersigned hereby certify as follows:

1. [●] (the "**U.S. Affiliate**") is a duly registered broker or dealer pursuant to Section 15(b) of the U.S. Exchange Act, and under the laws of each applicable state of the United States (unless exempted from the respective state's broker-dealer registration requirements), and was and is a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc. on the date hereof and on the date of each offer and sale made by it in the United States or to, or for the account or benefit of, U.S. Persons, and all offers and sales of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons have been effected by the U.S. Affiliate in accordance with all U.S. federal and state broker-dealer requirements;
2. all offers of Offered Units in the United States or to, or for the account or benefit of, U.S. Persons were made only through the U.S. Affiliate to U.S. Accredited Investors (including Qualified Institutional Buyers that are also U.S. Accredited Investors) and have been effected in accordance with all applicable U.S. broker-dealer requirements and Securities Laws;
3. each purchaser of Offered Units in the United States or who are, or are purchasing for the account or benefit of, a U.S. Person or that was offered Offered Units in the United States was provided with a copy of the U.S. Private Placement Memorandum, and no other written material was used in connection with the offer or sale of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons;
4. immediately prior to our transmitting the U.S. Private Placement Memorandum to offerees in the United States, we had reasonable grounds to believe and did believe that each such offeree was a U.S. Accredited Investor, and, on the date hereof, we believe that each such offeree purchasing Offered Units is a U.S. Accredited Investor and, if purchasing pursuant to a QIB Letter, also a Qualified Institutional Buyer;
5. we obtained from each person in the United States or who is, or is acting for the account or benefit of, a U.S. Person that is purchasing Offered Units, either (i) an executed QIB Letter in the form of **Exhibit I** to the U.S. Private Placement Memorandum or (ii) an executed U.S. Subscription Agreement in the form of **Exhibit II** to the U.S. Private Placement Memorandum, and we have delivered copies of the same to the Company;
6. no form of General Solicitation or General Advertising was used by us, in connection with the offer of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons;
7. neither we nor any of our U.S. Affiliates have taken or will take any action which would constitute a violation of Regulation M under the U.S. Exchange Act in connection with the offer or sale of the Offered Units;
8. no Dealer Covered Person is subject to disqualifications under Rule 506(d) under Regulation D; and

9. all offers of the Offered Units in the United States or to, or for the account or benefit of, U.S. Persons have been conducted by us in accordance with the terms of the Agency Agreement, including Schedule A thereto.

Capitalized terms used but not defined in this certificate have the meanings given to them in the Agency Agreement (including Schedule A attached thereto).

Dated this \_\_\_ day of \_\_\_\_\_, 2021.

**[AGENT]**

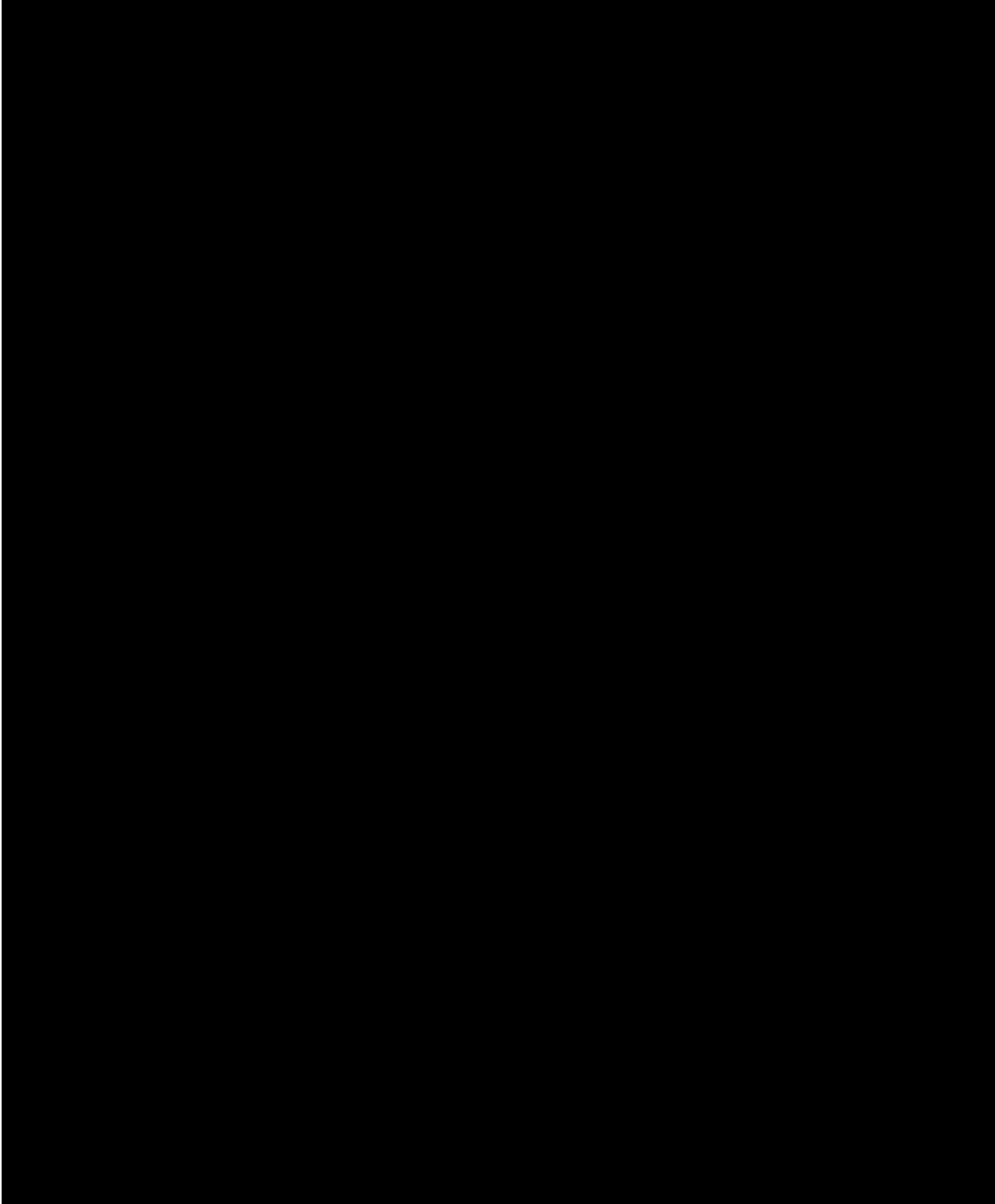
**[U.S. AFFILIATE]**

\_\_\_\_\_  
*Authorized Signatory*

\_\_\_\_\_  
*Authorized Signatory*

**SCHEDULE B**

**OUTSTANDING RIGHTS TO ACQUIRE SECURITIES**



**Listing and terms of all convertible securities -  
Redacted on the basis that disclosure would be seriously prejudicial to the interests of PlantX Live Inc.**

**SCHEDULE C**

**SUBSIDIARIES**

<b>Name</b>	<b>Jurisdiction of Formation</b>	<b>Beneficial Equity/ Voting Ownership</b>
PlantX Living Inc.	British Columbia	100%
Vegaste Technologies US Corp	Florida	100% <sup>(1)</sup>
PlantX Living Squamish Inc.	British Columbia	100%
Bloomboxclub Limited	England and Wales	100%
PlantX Israel Ltd.	Israel	100%
1267200 B.C. Ltd.	British Columbia	100%

Note:

(1) Held by PlantX Living Inc.