

AGENCY AGREEMENT

September 30, 2021

Railtown AI Technologies Inc.
Unit 104, 8337 Eastlake Drive
Burnaby, BC V5A R2W

Attention: Mr. Cory Brandolini, President and Chief Executive Officer

Dear Sir:

ROTH Canada, ULC (the “**Agent**”), as lead agent and sole bookrunner, hereby agrees to offer for purchase and sale on a ‘commercially reasonable efforts’ agency basis and Railtown AI Technologies Inc. (the “**Company**”) upon and subject to the terms hereof, agrees to issue and sell through the Agent, a minimum of 5,000,000 common shares of the Company (each an “**Initial Share**”) and a maximum of 7,500,000 Initial Shares at a price of \$0.40 per Initial Share (the “**Offering Price**”) for gross proceeds of a minimum of \$2,000,000 and up to a maximum of \$3,000,000.

The Company also wishes to grant to the Agent an over-allotment option (the “**Over-Allotment Option**”) for the Agent to sell up to an additional 1,125,000 common shares of the Company (the “**Additional Shares**”). The Additional Shares will have the same characteristics as the Initial Shares and will be issued at the Offering Price per Additional Share for additional gross proceeds of up to \$450,000. The Over-Allotment Option may be exercised by the Agent, by giving notice to the Company, up to 48 hours prior to the Closing Date, in whole or in part at the sole discretion of the Agent. The Company acknowledges and agrees that the Agent is under no obligation to purchase any of the Additional Shares. The Initial Shares and the Additional Shares are collectively referred to herein as the “**Offered Shares**” and unless the context otherwise requires, all references to the “**Offered Shares**” will assume the exercise of the Over-Allotment Option.

The offering of the Offered Shares by the Company described in this Agreement is hereinafter referred to as the “**Offering**”. The net proceeds of the Offering to the Company will be used by the Company substantially in accordance with the disclosure set out under “Use of Proceeds” in the Final Prospectus (as hereinafter defined), subject to the qualifications set out therein.

The Agent understands that the Company has prepared and, concurrently with or immediately after the execution hereof, will file a final long form prospectus and all necessary documents relating thereto and will take all commercially reasonable steps necessary to qualify (i) the Offered Shares and; (ii) to the extent permitted by applicable Securities Laws (as defined herein), the Agent’s Fee Shares (as hereinafter defined), if any, Agent’s Warrants (as hereinafter defined) and Corporate Finance Fee Shares (as hereinafter defined), for distribution in each of the provinces of British Columbia, Alberta and Ontario (collectively, the “**Qualifying Jurisdictions**”) and to permit the offer and sale of the Offered Shares on a private placement basis to, or for the account or benefit of, persons in the United States (as hereinafter defined) and U.S. Persons (as hereinafter defined). The Agent intends to make a public offering of the Offered Shares in the Qualifying Jurisdictions upon the terms set forth herein and in the Prospectus (as defined below). The Company acknowledges and agrees that the Agent may offer and sell the Offered Shares to or through any affiliate of the Agent and that any such affiliate may offer and sell the Offered Shares to or through the Agent. The Agent will be entitled to appoint a soliciting dealer group consisting of other registered dealers for the purposes of arranging for purchasers of the Offered Shares.

The Agent also proposes to, through its registered United States broker-dealer affiliate (“**U.S. Affiliate**”), offer the Offered Shares, on a private placement basis, to, or for the account or benefit of, persons in the United States and U.S. Persons, to purchasers to whom the Company will sell the Offered Shares directly in accordance with Rule 506(b) of Regulation D under the U.S. Securities Act and/or Section 4(a)(2) of the U.S. Securities Act, as well as pursuant to any applicable securities laws of any state of the United States in accordance with the terms hereof, including Schedule “A” hereto, all in the manner contemplated by this Agreement.

In consideration of the Agent's services to be rendered in connection with the Offering, the Company will: (a) pay to the Agent a corporate finance fee of \$50,000 plus applicable taxes in cash (the “**Corporate Finance Fee**”) and that number of Common Shares (“**Corporate Finance Fee Shares**”) that is equal to \$250,000 at a deemed price per Corporate Finance Fee Share equal to the Offering Price; (b) pay to the Agent at the Closing a cash fee (the “**Agent’s Fee**”) equal to 7.0% of the gross proceeds realized by the Company in respect of the sale of the Offered Shares, with such Agent's Fee payable, at the election of the Agent, in cash or Common Shares (the “**Agent’s Fee Shares**”) at a deemed price per Agent’s Fee Share equal to the Offering Price; and (c) issue to the Agent at the Closing, that number of non-transferable warrants (“**Agent’s Warrants**”) equal to 10.0% of the number of Offered Shares issued under the Offering. Each Agent's Warrant will be exercisable at a price equal to the Offering Price per Agent's Warrant at any time up to 4:30 p.m. (Vancouver time) on the date that is 12 months following the Closing Date (as defined herein) to acquire one Common Share (a “**Agent’s Warrant Share**”). The obligation of the Company to pay the Corporate Finance Fee, the Agent’s Fee and issue the Agent's Warrants will arise at the Closing Time against payment for the Offered Shares and the Corporate Finance Fee, Agent’s Fee and Agent's Warrants will be fully earned by the Agent at that time. Subject to Section 11.2 of NI 41-101 (as defined herein), the Prospectus (as defined herein) will qualify the grant of any Common Shares issued as payment of the Agent's Fee (assuming the Agent elects to receive such fee in Common Shares), the Agent's Warrants and the Corporate Finance Fee Shares; provided that of the aggregate 2,091,250 securities that may be issued to the Agent in connection with the Offering, up to an aggregate of 862,500 such securities will be qualified by the Prospectus, and the remaining securities, up to an aggregate of 1,228,750 such securities, will not be qualified by the Prospectus and will be issued to the Agent pursuant to an exemption from the prospectus requirement and subject to a hold period of four months and one day; provided that such hold period will apply to the Agent's Fee (assuming the Agent elects to receive such fee in Common Shares), the Agent's Warrants and the Corporate Finance Fee Shares, in the following order: (i) firstly, the Corporate Finance Fee Shares up to the aggregate number of Corporate Finance Fee Shares to be issued to the Agent pursuant to this Agreement, (ii) secondly, on the Agent's Warrants up to the aggregate number of Agent's Warrants to be issued to the Agent pursuant to this Agreement, and (iii) lastly, on the Agent's Fee Shares (assuming the Agent elects to receive such fee in Common Shares).

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” – Form of Lock-Up

DEFINITIONS

In this Agreement, in addition to the terms defined above or elsewhere in this Agreement, the following terms will have the following meanings:

“**Additional Shares**” has the meaning ascribed thereto on the face page of this Agreement;

“Agent” means ROTH Canada, ULC;

“Agent’s Fee” has the meaning ascribed thereto on the second page of this Agreement;

“Agent’s Fee Share” has the meaning ascribed thereto on the second page of this Agreement;

“Agent’s Warrant” has the meaning ascribed thereto on the second page of this Agreement;

“Agent’s Warrant Certificate” has the meaning ascribed there to in Section 9(n);

“Agent’s Warrant Share” has the meaning ascribed thereto on the second page of this Agreement;

“Agreement” means the agreement resulting from the acceptance by the Company of the offer made hereby;

“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 permits, including any judicial or administrative interpretation thereof, of any Governmental Authority;

“Alternative Transaction” means (i) any debt or equity financing transaction (excluding a bank loan from commercial bank or other similar lenders including equipment financing transactions); or (ii) a business transaction which involves a change in control of the Company, or any material subsidiary including a merger, amalgamation, arrangement, take-over bid supported by the board of directors of the Company, insider bid, reorganization, joint venture, sale of all or substantially all assets, exchange of assets or any similar transaction, but excluding an issuance of securities pursuant to the exercise of securities of the Company outstanding on the date hereof or in connection with a bona fide debt settlement or acquisition by the Company (other than a direct or indirect acquisition, whether by way of one or more transactions, of an entity all or substantially all of the assets of which are cash, marketable securities, or financial in nature);

“Anti-Money Laundering Laws” has the meaning ascribed thereto in Section 0(i)

“Audited Financial Statements” has the meaning ascribed thereto in Section 9(u);

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

“Business Day” means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Vancouver, British Columbia;

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

“Claim” has the meaning ascribed thereto in Section 18(a);

“Closing” means the completion of the issue and sale by the Company on the Closing Date of the Offered Shares as contemplated by this Agreement;

“Closing Date” means such date as the Company and the Agent, may agree;

“Closing Time” means 8:30 a.m. (Eastern time) on the Closing Date or such other time on the Closing Date as the Company and the Agent, may agree;

“Common Shares” means the common shares of the Company which the Company is authorized to issue, as constituted on the date hereof;

“Company” means Railtown AI Technologies Inc.;

“Company’s Auditors” means such firm of chartered professional accountants as the Company may have appointed or may from time to time appoint as auditors of the Company;

“Corporate Finance Fee” has the meaning ascribed thereto on the second page of this Agreement;

“Corporate Finance Fee Share” has the meaning ascribed thereto on the second page of this Agreement;

“CSE” means the Canadian Securities Exchange;

“Debt Instrument” means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability, to which the Company is a party or by which any of its property or assets are bound;

“Final Prospectus” means the (final) long form prospectus prepared by the Company in accordance with NI 41-101 and relating to the distribution of the Offered Shares and for which a receipt will be issued by the British Columbia Securities Commission on its own behalf and, as principal regulator, on behalf of each of the other Canadian Securities Regulators;

“Financial Statements” has the meaning ascribed thereto in Section 9(u);

“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 foregoing, and any stock exchange or self-regulatory authority and, for greater certainty, includes the Securities Regulators;

“Hazardous Substances” has the meaning ascribed thereto in Section 9(gg);

“Indemnified Party” has the meaning ascribed thereto in Section 18(a);

“Infringe” has the meaning ascribed thereto in Section 9(II);

“Initial Share” has the meaning ascribed thereto on the face page of this Agreement;

“Intellectual Property” means intellectual property rights, including: (i) patents and inventions; (ii) trademarks, service marks, trade dress, trade names, corporate names, logos, slogans and internet domain names, together with all goodwill associated with each of the foregoing; (iii) copyrights and copyrightable works in whatever form or medium; (iv) registrations, applications and renewals for any of the foregoing; (v) proprietary computer software (including but not limited to data, data bases and documentation); (vi) trade secrets, confidential information and know-how; and (vii) all licenses, agreements and other contracts and commitments relating to any of the foregoing;

"Interim Financial Statements" has the meaning ascribed thereto in Section 9(u);

"knowledge of the Company" or **"to the Company's knowledge"** or similar expressions, mean the actual knowledge of the Chief Executive Officer or Chief Financial Officer of the Company after due and reasonable inquiries;

"Leased Premises" means the premises which are material to the Company and which the Company occupies or proposes to occupy as a tenant, sub-tenant or occupant;

"Letter Agreement" means the letter agreement dated April 26, 2021 between the Agent and the Company relating to the Offering;

"Marketing Materials" has the meaning ascribed to "marketing materials" in NI 41-101 (including any template version, revised template version or limited use version thereof) provided to a potential investor in connection with the Offering;

"Material Adverse Effect" or **"Material Adverse Change"** means any effect or change on the Company or its business 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, 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;

"Material Agreement" means (a) any contract, commitment, agreement (written or oral), instrument, lease or other document, including any option agreement or licence agreement, to which the Company is a party or otherwise bound and which is material to the Company, and (b) any Debt Instrument, any agreement, contract or commitment to create, assume or issue any Debt Instrument, and any other outstanding loans to the Company from, or any loans by the Company to or a guarantee by the Company of the obligations of, any other person, which, in all cases, is material to the Company;

"Minimum Offering" has the meaning ascribed thereto in Section 2;

"misrepresentation", **"material fact"**, **"material change"**, **"affiliate"**, **"associate"**, and **"distribution"** will 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;

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

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

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

"Offered Shares" has the meaning ascribed thereto on the face page of this Agreement;

"Offering" means the issuance and sale of the Offered Shares pursuant to this Agreement;

"Offering Documents" has the meaning ascribed thereto in subsection 7(a)(iii);

"Offering Price" has the meaning ascribed thereto on the face page of this Agreement;

“Over-Allotment Option” has the meaning ascribed thereto on the face page of this Agreement;

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

“person” will be broadly interpreted and will include any individual, corporation, partnership, limited liability company, joint venture, association, trust or other legal entity;

“Preferred Shares” has the meaning ascribed thereto in Section 9(c);

“Preliminary Prospectus” means the preliminary long form prospectus dated July 9, 2021 prepared by the Company relating to the distribution of the Offered Shares and for which a receipt was issued by the British Columbia Securities Commission on its own behalf and, as principal regulator, on behalf of each of the other Canadian Securities Regulators;

“Prospectus” means, collectively, the Preliminary Prospectus and the Final Prospectus and any amendments thereto;

“Public Record” means all information contained in any press release, material change report (excluding any confidential material change report), financial statements, management’s discussion and analysis, annual information form, management information circular, business acquisition report, or other document which has been publicly filed by or on behalf of the Company pursuant to Securities Laws with the Canadian Securities Regulators or otherwise by or on behalf of the Company during the 24 months preceding the date hereof and which are available on SEDAR;

“Qualifying Jurisdictions” means, collectively, the provinces of British Columbia, Alberta and Ontario;

“Securities” means the Offered Shares, the Agent’s Fee Shares, if any, the Agent’s Warrants, the Agent’s Warrant Shares, and the Corporate Finance Fee Shares;

“Securities Laws” means, unless the context otherwise requires, all applicable securities laws in each of the Qualifying Jurisdictions and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, national or multilateral instruments, orders, blanket rulings 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” means any investment dealer or broker (other than the Agent) with which the Agent have a contractual relationship in respect of the distribution of the Offered Shares or who are otherwise offered selling group participation by the Agent;

“Standard Listing Conditions” has the meaning ascribed thereto in Section 6(a)(iv);

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

“Supplementary Material” means, collectively, any amendment to the Final Prospectus, any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Company under the Securities Laws relating to the distribution of the Securities hereunder;

"Transfer Agent" means the registrar and transfer agent of the Company, namely, National Securities Administrators Ltd.;

"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. Affiliate" has the meaning ascribed thereto on the second page of this Agreement;

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

"U.S. Memorandum" has the meaning ascribed thereto in Section 6(a)(iii);

"U.S. Person" means a "U.S. person", as such term is defined in Rule 902(k) of Regulation S under the U.S. Securities Act; and

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

TERMS AND CONDITIONS

1. Compliance With Securities Laws.

- (a) The Company will as soon as possible after the execution of this Agreement file the Final Prospectus and obtain, pursuant to the Passport System, a receipt from the British Columbia Securities Commission (as principal regulator) evidencing the issuance or deemed issuance by the Canadian Securities Regulators of receipts for the Final Prospectus and other related documents in respect of the proposed distribution of the Offered Shares, and to the extent permitted by applicable Securities Laws, the Agent's Fee Shares, the Agent's Warrants and the Corporate Finance Fee Shares.
- (b) The Agent will ensure that any Selling Firm appointed pursuant to this Agreement, if any, will: (i) be compensated by the Agent from its compensation hereunder; and (ii) agree to comply with the covenants and obligations given by the Agent herein.
- (c) The Company and the Agent acknowledge that the Offered Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons, nor may the Agent's Warrants be exercised in the United States or by or on behalf of a U.S. Person, except pursuant to exemptions from the registration requirements of the U.S. Securities Act and the applicable laws of any state of the United States.

2. Minimum Offering. The Closing of the Offering is subject to aggregate gross proceeds from the Offering being a minimum of \$2,000,000 (the "**Minimum Offering**"). All funds received by the Agent for subscriptions will be held in trust by the Agent until the Minimum Offering has been obtained or will be returned to the subscribers without interest or deduction if the Minimum Offering is not obtained within the period required to complete the Offering pursuant to Securities Laws unless the subscribers have otherwise instructed the Agent.

3. Due Diligence. Prior to the filing of the Final Prospectus and continuing until the Closing, the Company will have permitted the Agent to review the Final Prospectus and will allow the Agent to conduct any due diligence investigations which it reasonably requires in order to fulfill its obligations as Agent under the Securities Laws and in order to enable them to responsibly execute the certificate in the Final Prospectus required to be executed by them. The Company also covenants to secure the cooperation of the Company's professional advisors (including its legal advisors and auditors) to participate in any due diligence conference calls required by the Agent, and the Company consents to the use and the disclosure of information obtained during the course of the due diligence investigation (including during any due diligence conference call) where such disclosure is required by law or required by the Agent to maintain a defense to any regulatory or other civil action. The Company further covenants, during the term of this Agreement, to keep the Agent informed of all material changes relating to the Company, whether or not requested by the Agent.

4. Distribution and Certain Obligations of the Agent.

- (a) The Agent will, and will use commercially reasonable efforts require any Selling Firm to agree to comply with the Securities Laws in connection with the distribution of the Offered Shares and will offer the Offered Shares 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 will, and will use all commercially reasonable efforts to require any Selling Firm to, offer for sale to the public and sell the Offered Shares only in those jurisdictions where they may be lawfully offered for sale or sold. The Agent will: (i) use commercially reasonable efforts to complete and cause each Selling Firm to complete the distribution of the Offered Shares 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 Shares and provide a breakdown of the number of Offered Shares distributed in each of the Qualifying Jurisdictions (and any other jurisdiction where the Offered) where such breakdown is required for the purpose of calculating fees payable to the Securities Regulators.
- (b) The Agent will, and will use commercially reasonable efforts to require any Selling Firm to agree to, distribute the Offered Shares 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 Shares, or distribute the Prospectus or any Supplementary Material in connection with the distribution of the Offered Shares and will not, directly or indirectly, offer, sell or deliver any Offered Shares or deliver the Prospectus 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, and with the prior written agreement of the Company, such consent to not be unreasonably withheld, the Agent and any Selling Firm will be entitled to offer and sell the Offered Shares in such other jurisdictions in accordance with any applicable securities and other laws in such jurisdictions in which the Agent and/or Selling Firms offer the Offered Shares 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 4, the Agent will be entitled to assume that the Offered Shares are qualified for distribution in any Qualifying Jurisdiction where a receipt or similar document for the Final Prospectus will 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.

5. Marketing Materials. During the distribution of the Offered Shares:

- (a) the Company will comply with all applicable Securities Laws relating to its activities during the period of distribution of the Offered Shares;
- (b) the Company and the Agent, will approve in writing, prior to the time Marketing Materials are provided to potential investors, a template version of any Marketing Materials reasonably requested to be provided by the Agent to any such potential investor, such Marketing Materials to comply with Securities Laws. The Company will file a template version of 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 the Marketing Materials are first provided to any potential investor of Offered Shares, and such filing will constitute the Agent's authority to use such Marketing Materials in connection with the Offering. Any comparables will be redacted from the template version in accordance with NI 41-101 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, will be delivered to the Canadian Securities Regulators by the Company. The Company will prepare and file with the Canadian Securities Regulators a revised template version of any Marketing Materials provided to potential investors of Offered Shares where required under Securities Laws; and
- (c) the Agent covenants and agrees:
 - (i) not to provide any potential investor of Offered Shares 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 Shares; and
 - (ii) not to provide any potential investor with any materials or information in relation to the distribution of the Offered Shares or the Company other than:
 - (a) such Marketing Materials that have been approved and filed in accordance with section 55(c)(A); (b) the Prospectus; and (c) any Standard Term Sheets approved in writing by the Company and the Agent.

6. Deliveries on Filing and Related Matters.

- (a) The Company will 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 will 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 will be in addition to any auditors’ consent letter or comfort letter addressed to the Canadian Securities Regulators;
 - (ii) prior to the filing of the Final Prospectus with the Canadian Securities Regulators, a consent of Bennett Jones LLP dated as of the date of the Final Prospectus with respect to the tax commentary included in the section of the Prospectus entitled "Eligibility for Investment" addressed to the Canadian Securities Regulators, in form and content acceptable to the Agent, acting reasonably;
 - (iii) as soon as reasonably practicable after the Preliminary Prospectus, Final Prospectus and any Supplementary Material are prepared, the private placement memorandum incorporating the Preliminary Prospectus, the Final Prospectus or any Supplementary Material, as the case may be, prepared for use in connection with the offering for sale of the Offered Shares to, or for the account or benefit of, persons in the United States or U.S. Persons, if any (the “**U.S. Memorandum**”), and, forthwith after preparation, any amendment to the U.S. Memorandum; and
 - (iv) 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 outstanding Common Shares, the Offered Shares, the Corporate Finance Fee Shares, the Agent’s Fee Shares, if any, and the Agent's Warrant Shares have been approved for listing subject only to satisfaction by the Company of customary listing conditions imposed by the CSE (the “**Standard Listing Conditions**”).
- (b) The Company will also prepare and deliver promptly to the Agent signed copies of all Supplementary Material, if any, required to be filed by the Company in compliance with the Securities Laws.
- (c) Delivery of the Preliminary Prospectus, the Final Prospectus, Marketing Materials, any Supplementary Material and the U.S. Memorandum by the Company will 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 Marketing Materials or any Supplementary Material and the U.S. Memorandum, 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 Shares;
- (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 the Securities Laws.

Such deliveries will also constitute the Company's consent to the Agent's use of the Preliminary Prospectus, the Final Prospectus, Marketing Materials and any Supplementary Material in connection with the distribution of the Offered Shares in the Qualifying Jurisdictions and the U.S. Affiliates' use of the U.S. Memorandum in connection with the offer and sale of the Offered Shares, on a private placement basis, to, or for the account or benefit of, persons in the United States or U.S. Persons in compliance with this Agreement (including Schedule "A" hereto) and the U.S. Securities Act unless otherwise advised in writing.

- (d) The Company will cause commercial copies of the Final Prospectus, any Supplementary Material and the U.S. Memorandum to be delivered to the Agent without charge, in such numbers and in such cities as the Agent may reasonably request by written instructions to the Company's financial printer of the Final Prospectus, any Supplementary Material and the U.S. Memorandum given forthwith after the Agent has been advised that the Company has complied with the Securities Laws in the Qualifying Jurisdictions. Such delivery will be effected as soon as possible and, in any event, on or before a date which is the later of (i) two Business Days after the Canadian Securities Regulators have issued a receipt for the Final Prospectus, and (ii) two Business Days after the date on which the Agent provides print and delivery instructions and on or before a date which is two Business Days after the Canadian Securities Regulators issue receipts for or accepts for filing, as the case may be, any Supplementary Material.
- (e) The Agent will deliver to each purchase of the Offered Shares a copy of the Final Prospectus in compliance with Securities Laws. The Agent shall send a copy of all amendments, if any, to the Prospectus to all persons to whom copies of the Prospectus are sent.

7. Material Changes.

- (a) During the period prior to the Agent notifying the Company of the completion of the distribution of the Offered Shares, the Company will 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 taken as a whole;
 - (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; and
 - (iii) any change in any material fact contained in the Preliminary Prospectus, the Final Prospectus, any Supplementary Material or the U.S. Memorandum (collectively, 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.
- (b) The Company will comply with Securities Laws and prepare and file promptly any Supplementary Material which may be necessary and will otherwise comply with all legal requirements necessary to continue to qualify for distribution in each of the Qualifying Jurisdictions (i) the Offered Shares, and, (ii) to the extent permitted under Securities Laws, the Agent’s Fee Shares, if any, the Agent's Warrants and the Corporate Finance Fee Shares.
- (c) In addition to the provisions of subsections 7(a) and 7(b) hereof, the Company will in good faith discuss with the Agent any change, event or fact contemplated in subsections 7(a) and 7(b) which is of such a nature that there is or could be reasonable doubt as to whether notice should be given to the Agent under subsections 7(a) hereof and will 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 will 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 Shares there will 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 will, 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.

8. 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 Final Prospectus and any Supplementary Material 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 Regulator of any order suspending or preventing the use of 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 Offered Shares) 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 Regulator for amending or supplementing the Final Prospectus or for additional information, and will use its commercially reasonable efforts to prevent the issuance of any order referred to in (i) above and, if any such order is issued, to obtain the withdrawal thereof as quickly as possible;
- (c) except to the extent the Company participates in a merger or business combination transaction which the Company's board of directors determines is in the best interest of the Company and following which the Company is not listed on the CSE, the Company 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;

- (d) the Company 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 to the date that is 24 months following the Closing Date, provided that this covenant shall not prevent the Company from completing any transaction which would result in the Company ceasing to be a “reporting issuer” so long as the holders of the Common Shares receive securities of an entity which is listed on a stock exchange or cash, or the holders of the Common Shares have approved the transaction in accordance with the requirements of applicable corporate and securities laws;
- (e) during the distribution of the Offered Shares, the Company will consult with the Agent and promptly provide to the Agent drafts of any press releases of the Company for review by the Agent and the Agent’s counsel prior to issuance, provided that any such review will be completed in a timely manner; and
- (f) will use the net proceeds of the Offering contemplated herein in the manner and subject to the qualifications described in the Prospectus under the heading “Use of Proceeds”.

9. 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 been incorporated or formed, as, is organized and is a valid and subsisting corporation under the laws of the Province of British Columbia 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 is licensed, registered or qualified as an extra-provincial, foreign corporation or an extra-provincial partnership, 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 is carrying on the business thereof in material compliance with all applicable laws, rules and regulations of each such jurisdiction.
- (c) Authorized Capital: The Company is authorized to issue: (i) an unlimited number of Common Shares of which, as of the date of this Agreement, 70,314,299 Common Shares are issued and outstanding as fully paid and non-assessable shares; and (ii) an unlimited number of preferred shares in the capital of the Company (“**Preferred Shares**”) of which, as of the date of this Agreement, no Preferred Shares are issued and outstanding.
- (d) Subsidiaries: The Company does not beneficially own or exercise control or direction over 10% or more of the outstanding voting shares of any company or entity that holds any assets or conducts any operations.

- (e) Listing: The Company has made an application to the CSE so that at the Closing Time, the Common Shares (including the Offered Shares, the Agent's Fee Shares (if any), the Agent's Warrant Shares and the Corporate Finance Fee Shares) will have been conditionally approved for listing on the CSE, subject only to the Standard Listing Conditions.
- (f) Certain Securities Law Matters: The Company is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario, is not included in a list of defaulting reporting issuers maintained by the Canadian Securities Regulators in each of the Provinces of British Columbia, Alberta and Ontario and in particular, without limiting the foregoing, is not in default of any material requirement of the Securities Laws. The Company is not required to file reports with the United States Securities and Exchange Commission pursuant to Section 13(a) or Section 15(d) of the U.S. Exchange Act. In relation to the Offering, distribution, sales and marketing of the Securities offered under the Prospectus, the Company has complied with all applicable corporate and securities laws and administrative policies including without limitation, the Securities Laws and applicable laws of foreign jurisdictions.
- (g) No Shareholders Agreement: The Company is not party to, and does not have knowledge of, any shareholders agreement or similar agreement affecting the business, affairs or governance of the Company or the rights of shareholders of the Company (including, without limitation, the ability of such shareholders to transfer or vote their shares).
- (h) Rights to Acquire Securities: 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, except as disclosed in the Final Prospectus.
- (i) No Pre-emptive Rights: Other than as disclosed in the Prospectus, the issue of the Offered Shares 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.
- (j) Prospectus: The Prospectus contains full, true and plain disclosure of all material facts in relation to the Company, the Company's business and its securities, will contain no misrepresentations, will be accurate in all material respects and will omit no fact, the omission of which will make such representations misleading or incorrect in any material respect. There is no fact known to the Company which the Company has not disclosed in the Prospectus which results in a Material Adverse Effect, or so far as the Company can reasonably foresee, will have a Material Adverse Effect or materially adversely affect the ability of the Company to perform its obligations under this Agreement.

- (k) No Significant Acquisition. The Company has not completed a 'significant acquisition' (as such term is defined in NI 51-102) requiring disclosure in the Prospectus. The Company is not engaged in any proposed acquisition of a business or related business that has progressed to a state where a reasonable person would believe that the likelihood of the Company completing the acquisition is high, and that, if completed by the Company, would be a 'significant acquisition' (as such term is defined in NI 51-102).
- (l) Transfer Agent: National Securities Administrators Ltd. has been appointed by the Company as the registrar and transfer agent for the Common Shares.
- (m) Issue of Securities: All necessary corporate action has been taken, or will be taken before Closing, to authorize the issue and/or sale of, and the delivery of certificates representing, the Offered Shares, the Agent's Fee Shares (if any), the Agent's Warrants, the Corporate Finance Fee Shares and, at the Closing Time, the Offered Shares, the Agent's Fee Shares, if any, and the Corporate Finance Fee Shares will be validly issued as fully paid and non-assessable Common Shares, and the Agent's Warrants will be validly created and issued and upon exercise of the Agent's Warrants, including the Company having received the exercise price therefor, the Agent's Warrant Shares will be validly issued as fully paid and non-assessable Common Shares.
- (n) Consents, Approvals and Conflicts: None of the offering and sale of the Offered Shares, the execution and delivery of this Agreement, the certificates representing the Agent's Warrants (the "**Agent's Warrant Certificates**") or the Prospectus, the compliance by the Company with the provisions of this Agreement or the consummation of the transactions contemplated herein and therein including, without limitation, the issue of the Offered Shares 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 the Securities Laws of any of the Qualifying Jurisdictions and 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 is a party or by which the Company or any of the properties or assets thereof is bound, or the notice of articles or articles or any other constating document of the Company or any resolution passed by the directors (or any committee thereof) or shareholders of the Company, or to the knowledge of the Company, 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 of the properties or assets thereof which could have a Material Adverse Effect.

- (o) Authority and Authorization: The Company has all requisite corporate power and capacity to enter into this Agreement and the Agent's Warrant Certificates 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 thereunder 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 Agent's Warrant Certificate and to observe and perform its obligations under this Agreement, and the Agent's Warrant Certificate in accordance with the provisions thereof including, without limitation, the issue of the Offered Shares, the Agent's Fee Shares (if any), the Agent's Warrants and the Corporate Finance Fee Shares upon the terms and conditions set forth herein.
- (p) Freedom to Compete. The Company is not party to nor, to the Company's knowledge, bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Company to compete in any line of business, transfer or move any of its assets or operations or which would have a Material Adverse Effect.
- (q) No Material Adverse Change: Since September 30, 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 except as disclosed in the Prospectus.
- (r) 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 the Agent's Warrant Certificates will be authorized, executed and delivered by the Company on or prior to the Closing Date and will constitute valid and legally binding obligations of the Company enforceable against the Company in accordance with the terms thereof, except in any case as enforcement thereof 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.
- (s) 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 best of the knowledge of the Company, are pending, contemplated or threatened.
- (t) Accounting Controls: Other than as disclosed in the Prospectus, 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 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 is compared with the existing assets of the Company 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.

- (u) Financial Statements: The Company's audited financial statements for the years ended September 30, 2020 and September 30, 2019 (the "**Audited Financial Statements**") and all notes thereto, and the Company's interim financial statements for the nine month period ended June 30, 2021 (the "**Interim Financial Statements**") and all notes thereto (together with the Audited Financial Statements and the Interim Financial Statements, the "**Financial Statements**") included in the Prospectus (i) comply as to form in all material respects with the requirements of the applicable Securities Laws, (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, and, except as disclosed in the Prospectus or the Financial Statements there has been no material change in accounting policies or practices of the Company since September 30, 2020.
- (v) Auditors: The Company's Auditors who audited the Audited Financial Statements and who provided their audit reports thereon are independent public accountants as required under applicable Securities Laws and there has not, during the last two financial years, been a reportable event (within the meaning of NI 51-102) between the Company and any such auditor.
- (w) Audit Committee: The audit committee of the Company is comprised and operates in accordance with the requirements of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators.
- (x) Changes in Financial Position: Other than as disclosed in the Prospectus, since September 30, 2020, the Company has not:
 - (i) paid or declared any dividend or incurred any material capital expenditure or made any commitment therefor;
 - (ii) incurred any obligation or liability, direct or indirect, contingent or otherwise, except in the ordinary course of business; or
 - (iii) entered into any material transaction or made a significant acquisition.

- (y) No Off-Balance Sheet Arrangements: Other than as disclosed in the Financial Statements and related management discussion and analysis, including the notes thereto available on the Company's SEDAR profile, there are no off-balance sheet transactions, arrangements, obligations (including contingent obligations) or liabilities of the Company.
- (z) Insolvency: The Company has not 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.
- (aa) No Contemplated Changes: The Company has neither approved, entered into any agreement in respect of, nor has any knowledge of:
 - (i) the purchase of any material property or assets or any interest therein or, other than as disclosed in the Prospectus, 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 of control (by sale or transfer of shares or sale of all or substantially all of the property and assets of the Company or otherwise) 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 shares of the Company.
- (bb) Taxes and Tax Returns: The Company has filed in a timely manner all necessary tax returns and notices that are due and has paid all applicable 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 the Company is not aware of any tax deficiencies or interest or penalties accrued or accruing, or 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 which could reasonably be expected to 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 (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.

- (cc) Compliance with Laws, Licenses and Permits: To the knowledge of the Company and other than as disclosed to the Agent, the Company has conducted and is conducting the business thereof in compliance in all material respects with all applicable laws, rules, regulations, tariffs, orders and directives of each jurisdiction in which it carries on business, and possesses all material approvals, consents, certificates, registrations, authorizations, permits and licenses issued by the appropriate provincial, state, municipal, federal or other regulatory agency or body necessary to carry on the business currently carried on by it, is in compliance in all material respects with the terms and conditions of all such approvals, consents, certificates, authorizations, permits and licenses and with all laws, regulations, tariffs, rules, orders and directives material to the operations thereof, and the Company has not received any notice of the modification, revocation or cancellation of, or any intention to modify, revoke or cancel or any proceeding relating to the modification, revocation or cancellation of any such approval, consent, certificate, authorization, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, ruling or finding, would have a Material Adverse Effect.
- (dd) Agreements and Actions: The Company is not in violation of any term of any constating document thereof in any material respect. The Company is not 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, the Company is not 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, pending which, either in any case or in the aggregate, could reasonably be expected to 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 or any document or instrument delivered, or to be delivered, by the Company pursuant hereto.
- (ee) 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.

- (ff) No Defaults: The Company is not 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 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.
- (gg) Environmental Compliance: Except as disclosed in the Prospectus, to the knowledge of the Company, the Company has not caused or permitted the release, in any manner whatsoever, of any pollutants, contaminants, chemicals or industrial toxic or hazardous waste or substances (collectively, "**Hazardous Substances**") on or from any of its properties or assets nor has it received any notice that it is potentially responsible for a clean-up site or corrective action under any applicable laws, statutes, ordinances, by-laws, regulations or any orders, directions or decisions rendered by any government, ministry, department or administrative regulatory agency relating to the protection of the environment, occupational health and safety or otherwise relating to dealing with Hazardous Substances.
- (hh) No Litigation: There are no actions, suits, proceedings, inquiries or investigations existing, pending or, to the knowledge of the Company, threatened against any of the property or assets thereof, 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 could reasonably be expected to result in a Material Adverse Effect or materially adversely affects the ability of any of them to perform the obligations thereof hereunder and the Company is not subject to any judgement, order, writ, injunction, decree, award, rule, policy or regulation of any Governmental Authority, which, either separately or in the aggregate, could reasonably be expected to result in a Material Adverse Effect or materially adversely affects the ability of the Company to perform its obligations under this Agreement.
- (ii) Unlawful Payments: The Company has not nor, to the knowledge of the Company, any director, officer, agent, employee or other person associated with or acting on behalf of the Company, 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.

(jj) Anti-Money Laundering and Unlawful Payments:

- (i) the operations of the Company 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 conducts business, the rules and regulations thereunder and any related or similar rules or regulations, 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 with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened;
 - (ii) the Company has not, directly or indirectly: (A) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (B) made any contribution to any candidate for public office, in either case where either the payment or the purpose of such contribution, payment or gift was, is or would be prohibited under the *Canada Corruption of Foreign Public Officials Act* (Canada) or the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) or the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (United States) or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to the Company and its operations, and will not use any portion of the proceeds of the Offering, in contravention of such legislation; and
 - (iii) the Company or, to the knowledge of the Company, any director, officer, agent, employee, affiliate or person acting on behalf of the Company has not been or is not currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Treasury Department and the Company will not directly or indirectly use any proceeds of the distribution of the Offered Shares or lend, contribute or otherwise make available such proceeds to the Company or to any affiliated entity, joint venture partner or other person or entity, to finance any investments in, or make any payments to, any country or person targeted by any of the sanctions of the United States.
- (kk) COVID-19: Other than as mandated by a Governmental Authority, as at the date of this Agreement, there has been no closure or suspension to the operations of the Company as a result of the COVID-19 pandemic. The Company has been monitoring the COVID-19 pandemic and the potential impact at all of its operations and has put in place control measures consistent with evolving industry standards to support the health and safety of all of its employees and residents.
- (ll) Insurance: Other than as disclosed to the Agent, as of the date hereof, due to its current size and its operations, the Company does not have any business insurance in place.

- (mm) Leased Premises: With respect to the Leased Premises, the Company occupies or will occupy the Leased Premises and have the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Company occupies or proposes to occupy the Leased Premises is in good standing and in full force and effect, other than as disclosed to the Agent. The performance of obligations pursuant to and in compliance with the terms of this Agreement, and the completion of the transactions described herein by the Company, will not afford any of the parties to such leases or any other person the right to terminate any such lease or result in any additional or more onerous obligations under such leases.
- (nn) Intellectual Property: The Company owns or has the valid rights to use all of the Intellectual Property used or held for use in business of the Company. The Company has a valid and enforceable right to use all third party Intellectual Property used or held for use in the business of the Company. All of the licenses and sublicenses and consent, royalty or other agreements concerning Intellectual Property that are material to the conduct of the business of the Company as currently conducted or as currently proposed to be conducted to which the Company is a party are valid and binding obligations of the Company enforceable in accordance with their terms, and there exists no event or condition that will result in a material violation or breach of or constitute (with or without due notice or lapse of time or both) a default by the Company under any such license agreement. To the Company's knowledge, the conduct of the Company's business as currently conducted does not infringe or otherwise impair or conflict with (collectively, "**Infringe**") any Intellectual Property rights of any third party or any confidentiality obligation owed to a third party, and the Intellectual Property of the Company which is material to the conduct of the business of the Company as currently conducted or as currently proposed to be conducted is not, to the Company's knowledge, being infringed by any third party. There is no litigation or order pending or outstanding or, to the Company's knowledge, threatened or pending that seeks to limit or challenge the ownership, use, validity or enforceability of any Intellectual Property of the Company and the Company's use of any Intellectual Property owned by a third party, and, to the Company's knowledge, there is no valid basis for the same. The Company has not received any communications alleging that the Company has violated or, by conducting its business as presently proposed, could violate any Intellectual Property or other proprietary rights of any other person, nor, without undertaking an investigation, is the Company aware of any basis therefor.
- (oo) Security Measures: The Company has security measures and safeguards in place, consistent with generally accepted industry practice and applicable laws, to protect all personal information and data it may collect and that is also created, obtained or kept by any person receiving access to any of such client information and data from the Company, or permitted by the Company to use, sell, handle or in any way deal with, including, but not limited to, subcontractors and bodies corporate, from illegal or unauthorized access or use by them, their personnel or third parties, or access or use by them, their personnel or third parties in a manner that violates the privacy rights of such parties. The Company has complied, in all material respects, with all privacy legislation under applicable laws, and has not collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any

information protected by applicable privacy legislation, whether collected directly or from third parties, in an unlawful manner. The Company has taken all reasonable steps to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse.

- (pp) Employment Laws: The Company is in material compliance with all federal, national, regional, state, provincial and local laws and regulations respecting employment and employment practices, terms and conditions of employment, workers' compensation, occupational health and safety and pay equity and wages. To the Company's knowledge, the Company is not subject to any claims, complaints, outstanding decisions, orders or settlements or any pending claims, complaints, decisions, orders or settlements under any human rights legislation, employment standards legislation, workers' compensation legislation, occupational health and safety legislation or similar legislation nor to the Company's knowledge, has any event occurred which may give rise to any of the foregoing.
- (qq) Employee Plans: Each plan, if any, for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to or required to be contributed to, by the Company for the benefit of any current or former director, officer, employee or consultant of the Company (the "**Employee Plans**") has been maintained in compliance with its terms and with the requirements prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans, in each case in all material respects.
- (rr) Labour Matters: There is not currently any labour disruption, dispute, slowdown, stoppage, complaint or grievance outstanding, or to the knowledge of the Company, threatened or pending, against the Company which is adversely affecting or could adversely affect, in a material manner, the carrying on of the business of the Company and no union representation question exists respecting the employees of the Company and no collective bargaining agreement is in place or being negotiated by the Company. The Company has sufficient personnel with the requisite skills to effectively conduct its business as currently conducted and as proposed to be conducted.
- (ss) Non-Arm's Length Transactions: Except as disclosed in the Prospectus, the Company does not owe any amount to, nor has the Company 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. Except as disclosed in the Prospectus and any usual employee or consulting arrangements made in the ordinary and normal course of business, the Company is not 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. Except as described in the Prospectus, to the

Company's knowledge, no officer, director, employee or securityholder of the Company has any cause of action or other claim whatsoever against, or owes any amount to, the Company except for claims in the ordinary course of the business of the Company such as for accrued vacation pay or other amounts or matters which would not be material to the Company.

- (tt) Minute Books: The minute books of the Company, all of which have been made available to the Agent or counsel to the Agent, 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 on a consolidated basis.
- (uu) Entitlement to Proceeds. Other than the Company, there is no person that is or will be entitled to the proceeds of the Offering, including under the terms of any Material Agreement, or other instrument or document (written or unwritten).
- (vv) Material Agreements: All of the Material Agreements of the Company have been disclosed in the Public Record and the Prospectus and each is valid, subsisting, in good standing and in full force and effect, enforceable in accordance with the terms thereof. The Company has performed all obligations (including payment obligations) in a timely manner under, and are in compliance with all terms and conditions contained in each Material Agreement. The Company is not in violation, breach or default nor have they received any notification from any party claiming that the Company is in violation, breach or default under any Material Agreement and no other party, to the knowledge of the Company, is in breach, violation or default of any term under any Material Agreement. The Company does not expect any Material Agreements to which the Company is a party or otherwise bound or the relationship with the counterparties thereto to be terminated or adversely modified, amended or varied or adversely enforced against the Company other than in the ordinary course of business. The carrying out of the business of the Company as currently conducted and as proposed to be conducted does not result in a material violation or breach of or default under any Material Agreement.
- (ww) 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 as a result of actions taken by the Company.
- (xx) Continuous Disclosure: The Company is (i) in material compliance with its continuous disclosure obligations under the Securities Laws of the Qualifying Jurisdictions, except where any such non-compliance, whether individually or in the aggregate, would not constitute a Material Adverse Effect and, and the information and statements in the Public Record were true and correct in all material respects as of the respective dates of such information and statements and at the time such documents were filed on SEDAR, and do not contain any misrepresentations and no material facts have been omitted therefrom which would make such information and statements misleading, and the Company has not filed any

confidential material change reports which remain confidential as at the date hereof.

- (yy) Forward-Looking Information. With respect to forward-looking information contained in the Company's Public Record and the Offering Documents, subject to the assumptions and risk factors disclosed in the Company's Public Record and Offering Documents:
- (i) the Company had a reasonable basis for the forward-looking information at the time the disclosure was made;
 - (ii) all forward-looking information is identified as such, and all such documents caution users of forward-looking information that actual results may vary from the forward-looking information, identify material risk factors that could cause actual results to differ materially from the forward-looking information, and state the material factors or assumptions used to develop the forward-looking information;
 - (iii) the future-oriented financial information or financial outlook contained therein is limited to a period for which the information can be reasonably estimated; and
 - (iv) the Company has updated such forward-looking information as required by and in compliance with applicable Securities Laws.
- (zz) No Withholding of Public Information: The Company has not withheld from the Agent any material fact relating to the Company or to the Offering.

10. Representations and Warranties of the Agent. The Agent represents, warrants and covenants to and with the Company that:

- (a) it is a valid and subsisting corporation and in good standing under the law of the jurisdiction in which it was incorporated;
- (b) it 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) it is, and will remain, until the completion of the Offering, appropriately registered as a dealer registered under the Securities Laws; and
- (d) it will sell the Offered Shares in compliance with the Securities Laws and will fulfil all legal requirements to be fulfilled by it to act as the Company's agent in undertaking the Offering in the Qualifying Jurisdictions.

11. Closing Deliveries. The purchase and sale of the Offered Shares will be completed at the Closing Time at the offices of Bennett Jones LLP in Vancouver, British Columbia, or at such other place as the Agent, on behalf of the Agent and the Company may agree. At or prior to the Closing Time, the Company will duly and validly deliver to the Agent, one or more certificate(s) (whether in definitive form or electronic form) representing the Offered Shares, the Agent's Fee Shares (if any), the Agent's Warrants and the Corporate Finance Fee Shares, as the case may be, registered in such name or names as the Agent may notify the Company in writing not less than 48 hours prior to Closing 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 Shares as the case may be, being issued and sold hereunder less the Agent's Fee (if any), the Corporate Finance Fee, and all of the estimated reasonable out-of-pocket expenses of the Agent payable by the Company to the Agent in accordance with Section 19 hereof.

12. Agent's Conditions. The obligation of the Agent to complete the transactions contemplated by this Agreement at the Closing Time will be subject to 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 will have received an opinion, dated the Closing Date and subject to customary qualifications, of Bennett Jones LLP, the Company's Canadian legal counsel, addressed to the Agent and its legal counsel as to all legal matters reasonably requested by the Agent relating to the Company and the creation, issuance and sale of the Offered Shares;
- (b) if any of the purchasers are, or are acting for the account or benefit of, persons in the United States or U.S. Persons, the Agent will have received an opinion, dated the Closing Date and subject to customary qualifications, of the Company's United States securities legal counsel, addressed to the Agent, in form and substance satisfactory to the Agent, acting reasonably, that the offer and sale of Offered Shares to, or for the account or benefit of, persons in the United States or U.S. Persons, in the manner contemplated by this Agreement (including Schedule "A" hereto), does not require registration under the U.S. Securities Act;
- (c) the Agent will have received an incumbency certificate dated the Closing Date including specimen signatures of the Chief Executive Officer, the Chief Financial Officer and any other officer of the Company signing this Agreement or any document delivered hereunder;
- (d) the Agent will have received a certificate, dated the Closing Date, of such two senior officers of the Company as are acceptable to the Agent, acting reasonably, addressed to the Agent and its counsel to the effect that, to the best of their knowledge, information and belief, after due enquiry and without personal liability:

- (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;
 - (iii) the notice of articles and articles of the Company delivered at Closing are full, true and correct copies, unamended, and in effect on the date thereof;
 - (iv) the minutes, resolutions or other records of various proceedings and actions of the Company's Board of Directors relating to the Offering, this Agreement, the Agent's Warrant Certificates and Offering Documents delivered at Closing are full, true and correct copies thereof and have not been modified or rescinded as of the date thereof; and
 - (v) subsequent to the respective dates as at which information is given in the Final Prospectus, there has not been a Material Adverse Change other than as disclosed in the Final Prospectus or any Supplementary Material, as the case may be.
-
- (e) the Agent will have received a letter dated as of the Closing Date, 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 confirming the continued accuracy of the comfort letter to be delivered to the Agent pursuant to subsection 6(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 will be acceptable to the Agent, acting reasonably;
 - (f) the Agent will have received from each director and officer a lock-up agreement substantially in the form of Schedule "B" hereto;
 - (g) the Offered Shares, the Agent's Fee Shares (if any), the Agent's Warrant Shares issuable upon exercise of the Agent's Warrants and the Corporate Finance Fee Shares will be listed as of the Closing on the CSE; provided that if the CSE does not issue a bulletin in relation to the listing of the Common Shares at the close of business by the market day prior to the Closing Date, then the Closing may be delayed;
 - (h) the Agent and its counsel will have been provided with information and documentation, reasonably requested relating to their due diligence inquiries and investigations and will not have identified any Material Adverse Changes or

misrepresentations or any items that have a Material Adverse Effect on the Company's affairs which exist as of the date hereof but which have not been disseminated to the public in accordance with applicable Securities Laws;

- (i) the Agent will have received a certificate of good standing dated within one Business Day of the Closing Date, in respect of the Company;
- (j) the Agent will have received copies of the certificates or lists, issued under the Securities Laws of the Qualifying Jurisdictions stating or evidencing that the Company is a "reporting issuer" under each of the Qualifying Jurisdictions and not in default under such Securities Laws; and
- (k) the Agent will have received a certificate from the Transfer Agent as to the number of Common Shares issued and outstanding as at a date no more than one Business Day prior to the Closing Date.

13. Restrictions on Further Issues or Sales and Alternative Transactions.

- (a) The Company 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 pursuant to (i) the Offering; (ii) the grant or exercise of stock options and other similar issuances pursuant to any stock option plan or similar share compensation arrangements in place prior to the Closing Date; (iii) the issue of Common Shares upon the exercise of convertible securities, warrants or options outstanding prior to the Closing Date; and (iv) in connection with a previously scheduled property acquisition transaction or other corporate acquisitions by the Company, from the date hereof and ending on the day that is 90 days from the Closing Date without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed.
- (b) In the event that Company does not complete the Offering, but the Company completes, an Alternative Transaction within 12 months of the termination of this Agreement, the Company will pay to the Agent promptly upon closing the Alternative Transaction a fee equal to the maximum amount of fees otherwise payable under this Agreement calculated on the basis of the maximum offering of securities proposed hereunder.

14. All Terms to be Conditions. The Company agrees that the conditions contained in Section 12 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. Any breach or failure to comply with any of the conditions set out in Section 12 will entitle the Agent to terminate its obligations under this Agreement, by written notice to that effect given to the Company at or prior to the Closing Time. 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.

15. Termination Events. In addition to any other remedies which may be available to the Agent, the Agent may terminate its obligations under this Agreement by delivering written notice to that effect to the Company at or prior to the Closing Time, if:

- (a) the due diligence investigations performed by such Agent or its representatives reveal any material information or fact which, in the sole opinion of such Agent, acting reasonably, is materially adverse to the Company or its business or affairs;
- (b) the Company is in material breach of, default under or non-compliance with any representation, warrant, term, condition or covenant of this Agreement or any representation or warranty given by the Company in this Agreement becomes false in any material respect;
- (c) the state of the financial markets, whether national or international or the state of the markets for the Offered Shares, is such that in the reasonable opinion of the Agent, it would be impractical or unprofitable to offer or continue to offer the Offered Shares for sale;
- (d) the Agent or its legal counsel, identifies any undisclosed material information regarding the Company as a result of their due diligence proceedings or otherwise that could reasonably be expected to have a material adverse effect on the Company or on the Offering;
- (e) there is an inquiry or investigation (whether formal or informal) by any securities regulatory authority, including, without limitation, the CSE, in relation to the Company or any one of its officers or directors that could be reasonably expected to have a material adverse effect on the Company;
- (f) there should develop, occur or come into effect or existence any event of any nature, including without limitation, accident, act of terrorism, public protest, any escalation in the severity of the COVID-19 pandemic, governmental law or regulation, major financial occurrence of national or international consequence or any law or regulation which, in the opinion of the Agent, acting reasonably, materially adversely affects, or involves, or will materially adversely affect, or involve, the financial markets in Canada or the business, affairs, prospects or financial condition of the Company or the market price or value or marketability of the securities of the Company; or
- (g) the Agent and the Company agree in writing to terminate this Agreement.

16. Exercise of Termination Right. If this Agreement is terminated by the Agent pursuant to Section 15, there will 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 13, 18, and 19. The right of the Agent to terminate its respective obligations under this Agreement is in addition to such other remedies as they 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.

17. 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 for a period of 24 months after the Closing Date.

18. Indemnity.

- (a) The Company agrees to indemnify and save harmless the Agent, any Selling Firm, their respective subsidiaries and affiliates and their respective directors, officers, employees, partners, agents, and shareholders (collectively, the “**Indemnified Parties**” and individually, an “**Indemnified Party**”) from and against any and all losses (excluding loss of profits), claims, actions (including shareholder actions, derivative actions or otherwise), suits, proceedings, damages, liabilities, whether joint or several, or expenses of whatsoever nature or kind, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees, disbursements and taxes of their counsel in connection with any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing the indemnity in this Section 18 (collectively, the “**Claims**”), which an Indemnified Party may incur or become subject to or otherwise involved in (in any capacity) insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the engagement of the Agent in connection with the Offering pursuant to the terms of this Agreement (the “**Engagement**”) whether performed before or after the Company’s execution of the Agreement, and to reimburse each Indemnified Party forthwith, upon demand, for any legal or other expenses reasonably incurred by such Indemnified Party in connection with any Claim.
- (b) The indemnity in this Section 18 will not be available to any Indemnified Party to the extent that a court of competent jurisdiction in a final judgement that has become non-appealable will have determined that:
 - (i) the Indemnified Party has been negligent or dishonest, has been guilty of willful misconduct or has committed a fraudulent act in connection with the Engagement or has materially breached this Agreement; and
 - (ii) the loss, claim, action, suit, proceeding, damage, liability, or expense, in respect of which indemnification is claimed, was directly caused or occasioned by the negligence, dishonesty, willful misconduct, fraud or material breach referred to in Section 18(b)(i) above.
- (c) In the event and to the extent that a court of competent jurisdiction in a final judgement that has become non-appealable determines that an Indemnified Party was grossly negligent, dishonest, fraudulent, guilty of wilful misconduct or of a material breach of this Agreement in connection with a Claim in respect of which the Company has advanced funds to the Indemnified Party pursuant to the indemnity in this Section 18, such Indemnified Party will reimburse such funds to the Company and thereafter the indemnity in this Section 18 will not apply to such Indemnified Party in respect of such Claim. The Company agrees to waive any right the Company might have of first requiring the Indemnified Party to proceed against

or enforce any other right, power, remedy or security or claim payment from any other person before claiming under the indemnity in this Section 18.

- (d) If a Claim is brought against an Indemnified Party or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Company, the Indemnified Party will give the Company prompt written notice of any such Claim of which the Indemnified Party has knowledge and the Company will undertake the investigation and defence thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Parties affected and the payment of all expenses. Failure by the Indemnified Party to so notify will not relieve the Company of its obligation of indemnification hereunder unless (and only to the extent that) such failure results in forfeiture by the Company of substantive rights or defences.
- (e) No admission of liability and no settlement, compromise or termination of any Claim will be made without the Company's consent and the consent of the Indemnified Parties affected, such consents not to be unreasonably withheld; provided, however, that no consent of an Indemnified Party will be required if the Company has acknowledged in writing that the Indemnified Parties are entitled to be indemnified in respect of such Claim and such settlement, compromise or termination includes an unconditional release of each Indemnified Party from any liability arising out of such Claim without any admission of negligence, misconduct, liability or responsibility by or on behalf of any Indemnified Party. Notwithstanding that the Company and its counsel will undertake the investigation and defence of any Claim, an Indemnified Party will have the right to employ separate counsel with respect to any Claim and participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:
 - (i) the employment of such counsel has been authorized in writing by the Company;
 - (ii) the Company has not assumed the defence of the action within a reasonable period of time after receiving notice of the Claim; or
 - (iii) the named parties to any such Claim include both the Company and the Indemnified Party and the Indemnified Party will have been advised by counsel to the Indemnified Party that the representation of both parties by the same counsel would be inappropriate due to the actual or potential conflict of interest between the Company and the Indemnified Party; or
 - (iv) there are one or more defences available to the Indemnified Party which are different from or in addition to those available to the Company;

in which case such fees and expenses of such counsel to the Indemnified Party will be for the Company's account, provided that the Company will not be responsible for the fees or expenses of more than one legal firm in any single jurisdiction for all of the Indemnified Parties. The rights accorded to the Indemnified Parties hereunder will be in addition to any rights an Indemnified Party may have at common law or otherwise.

- (f) If for any reason the foregoing indemnification is unavailable (other than in accordance with the terms hereof) to the Indemnified Parties (or any of them) or is insufficient to hold them harmless in respect of a Claim, the Company will contribute to the amount paid or payable by the Indemnified Parties as a result of such Claims in such proportion as is appropriate to reflect not only the relative benefits received by the Company or the Company's shareholders on the one hand and the Indemnified Parties on the other, but also the relative fault of the parties and other equitable considerations which may be relevant. Notwithstanding the foregoing, the Company will in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any amount in excess of the fees actually by an Indemnified Parties hereunder.
- (g) The Company hereby constitutes the Agent as trustee for each of the other Indemnified Parties of the Company's covenants under this Section 18 with respect to such persons and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

19. Expenses. The Company will pay all reasonable expenses and fees in connection with the Offering contemplated by this Agreement, including, without limitation, expenses of or incidental to the issue, sale or distribution of the Offered Shares and the filing of the Offering Documents and expenses of or incidental to all other matters in connection with the transaction set out in this Agreement, including, without limitation, all costs incurred in connection with the preparation of documents relating to the Offering and all expenses and fees incurred by the Agent which will include the reasonable fees, disbursements and taxes of the Agent's counsel, such expenses not to exceed \$75,000 without prior written consent of the Company, such consent not to be unreasonably withheld. All fees and expenses incurred by the Agent or on its behalf will be payable by the Company promptly upon receiving an invoice therefor from the Agent and will be payable whether or not the Offering is completed against which the Company has paid and the Agent acknowledges the receipt of a retainer of \$25,000 for expenses as of the date hereof.

20. Advertisements. The Company acknowledges that the Agent will have the right, 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 Shares contemplated herein as the Agent may consider desirable or appropriate and as may be permitted by applicable law. The Company and the Agent each 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 Shares will be offered and sold being unavailable in respect of the sale of the Offered Shares to prospective purchasers.

21. Compliance with United States Securities Laws.

- (a) The Agent makes the representations, warranties and covenants applicable to them in Schedule "A" hereto and agrees, on behalf of itself and its U.S. Affiliate, for the benefit of the Company, to comply with the U.S. selling restrictions imposed by the laws of the United States and set forth in Schedule "A" hereto, which forms part of this Agreement.

- (b) The Company makes the representations, warranties and covenants applicable to it in Schedule "A" hereto.

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

- (a) If to the Company, to:

Railtown AI Technologies Inc.
Unit 104, 8337 Eastlake Drive
Burnaby, BC V5A 4W2

Email: [Redacted – Email]
Attention: Cory Brandolini

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

Bennett Jones LLP
Suite 2500 Park Place
666 Burrard Street
Vancouver, British Columbia V6C 2X8

Email: [Redacted – Email]
Attention: Mia Bacic

- (b) to the Agent, to:

ROTH Canada, ULC
130 King Street West, Suite 1921
Toronto, ON M5X 1E3

Email: [Redacted – Email]
Attention: Brady Fletcher

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

DuMoulin Black LLP
10th Floor – 595 Howe Street
Vancouver, British Columbia V6C 2T5

Email: [Redacted – Email]
Attention: Justin Kates

and if so given, will be deemed to have been given and received upon receipt by the addressee or a responsible officer of the addressee if delivered or on the next business day if emailed, 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 will, 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 will 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 will 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 will supersede any and all prior negotiations and understandings, including, without limitation, the Letter Agreement. 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 will, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provision hereof, but this Agreement will 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 laws of Canada applicable therein, 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 acknowledges that (i) 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 they may be acting, on the other, (ii) the Agent is acting as Agent but not as fiduciary of the Company and (iii) the Company's engagement of the Agent in connection with the Offering and the process leading up to the Offering is as Agent and not in any other capacity. Furthermore, the Company agrees that it is solely responsible for making its own judgments in connection with the Offering (irrespective of whether the Agent have advised or are 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 will be binding upon and enure to the benefit of the Company and the Agent and their respective successors and permitted assigns. This Agreement will not be assignable by any party hereto without the prior written consent of the other party.
- 32. Further Assurances.** Each of the parties hereto will do or cause to be done all such acts and things and will 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 will 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,

ROTH CANADA, ULC

Per: (Signed) "Brady Fletcher"
Authorized Signing Officer

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

DATED as of September 30, 2021.

RAILTOWN AI TECHNOLOGIES INC.

Per: (Signed) "Paul Woodward"
Authorized Signing Officer

SCHEDULE "A"

As used in this Schedule A, capitalized terms used herein and not defined herein will have the meanings ascribed thereto in the Agency Agreement to which this Schedule A is annexed and the following terms will have the meanings indicated:

1. DEFINITIONS

For the purposes of this Schedule A, the following terms will have the meanings indicated:

- (a) **"Accredited Investor"** means an "accredited investor" that satisfies one or more of the criteria set forth in Rule 501(a) of Regulation D;
- (b) **"affiliate"** means "affiliate" as defined in Rule 405 under the U.S. Securities Act;
- (c) **"Directed Selling Efforts"** means "directed selling efforts" as defined in Rule 902I of Regulation S;
- (d) **"Foreign Issuer"** means "foreign issuer" as that term is defined in Rule 902(e) of Regulation S;
- (e) **"General Solicitation"** and **"General Advertising"** means "general solicitation" and "general advertising," as those terms are used in Rule 502 of Regulation D including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet, any broadcast over radio, television or the Internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
- (f) **"Qualified Institutional Buyer"** means "qualified institutional buyer" as defined in Rule 144A of the U.S. Securities Act;
- (g) **"Regulation D"** means Regulation D promulgated by the U.S. Securities and Exchange Commission under the U.S. Securities Act;
- (h) **"Regulation S"** means Regulation S promulgated by the U.S. Securities and Exchange Commission under the U.S. Securities Act;
- (i) **"Substantial U.S. Market Interest"** means "substantial U.S. market interest" as defined in Rule 902(j) of Regulation S;
- (j) **"U.S. Affiliate"** means the United States registered broker-dealer affiliate of the Agent;
- (k) **"U.S. Exchange Act"** means the United States Securities Exchange Act of 1934, as amended;
- (l) **"U.S. Placement Memorandum"** means the final U.S. private placement memorandum and subscription agreement describing the offering of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons pursuant to Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act, in a form reasonably satisfactory to the Agent and the U.S. Affiliate(s), to which will be attached the Final Prospectus; and

- (m) **“U.S. Preliminary Placement Memorandum”** means the preliminary U.S. private placement memorandum and subscription agreement describing the offering of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons pursuant to Rule 506(b) of Regulation D and/or Section 4(a)(2) of the U.S. Securities Act, in a form reasonably satisfactory to the Agent and the U.S. Affiliate(s), to which will be attached the Preliminary Prospectus.

2. MATTERS RELATING TO THE COMPANY

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

- (a) the Company is, and as of each date of the issuance of the Securities will be, a Foreign Issuer and reasonably believes there is, and as of the date of each issuance of the Securities there will be, no Substantial U.S. Market Interest with respect to any class of the Company’s equity securities;
- (b) none of the Company, its affiliates or any person acting on its or their behalf (other than the Agent, the U.S. Affiliate(s), or any Selling Firm, as to whom the Company makes no representation, warranty or covenant), has engaged or will engage in any Directed Selling Efforts with respect to the Securities or has made or will make any offer to sell, solicitation of an offer to buy or sale of the Securities to, or for the benefit or account of, a person in the United States or a U.S. Person except through the Agent in the manner provided for in Section 3 of this Schedule A;
- (c) the Company is not, and will not be as a result of the sale of the Securities, registered or required to register as an “investment company” pursuant to the provisions of the United States Investment Company Act of 1940, as amended;
- (d) none of the Company, its affiliates or any person acting on its or their behalf (other than the Agent, the U.S. Affiliate(s), or any Selling Firm, as to whom the Company makes no representation, warranty or covenant) has engaged or will engage in:
 - (i) any form of General Solicitation or General Advertising or any conduct involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with any offer or sale of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, or
 - (ii) any conduct in violation of Regulation M under the U.S. Exchange Act in connection with any offer or sale of the Securities;
- (e) none of the Company, its affiliates or any person acting on its or their behalf (other than the Agent, the U.S. Affiliate(s), or any Selling Firm, as to whom the Company makes no representation, warranty or covenant), has taken or will take any action that would cause either the exemption from registration under Rule 506(b) of Regulation D or Section 4(a)(2) of the U.S. Securities Act for the offer and sale of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons or the exclusion from registration under Rule 903 of Regulation S for the offer and sale of the Securities to, or for the account or benefit of, persons outside the United States that are not U.S. Persons to be unavailable;

- (f) 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 that person for failure to comply with Rule 503 of Regulation D;
- (g) the Company has not for a period beginning six months prior to the commencement of the offering of the Securities sold, offered for sale or solicited any offer to buy any of its securities and the Company will not for a period ending six months following the last Closing 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 Securities and would cause the exemption from registration set forth in Rule 506(b) of Regulation D to become unavailable with respect to the offer and sale of such securities to, or for the benefit or account of, persons in the United States or U.S. Persons;
- (h) if the Company or a purchaser in the United States determines that the Company is a “passive foreign investment company” within the meaning of Section 1297(a) of the United States Internal Revenue Code of 1986, as amended, during any calendar year following the purchase of the Securities by such purchaser, the Company will provide to such purchaser, upon written request, all information that would be reasonably required for income tax reporting purposes to permit a United States securityholder to make the election to treat the Company as a “qualified electing fund” for the purposes of such Code;
- (i) the Company will, within prescribed time periods, prepare and file any forms or notices required to be filed under the U.S. Securities Act or any applicable securities laws of any state of the United States in connection with the offer and sale of the Securities to, or for the benefit or account of, persons in the United States or U.S. Persons pursuant to this Schedule A;
- (j) none of the Company nor any of its predecessors or affiliates has had the registration of a class of securities under the U.S. Exchange Act revoked by the United States Securities and Exchange Commission pursuant to Section 12(j) of the U.S. Exchange Act and any rules or regulations promulgated thereunder;
- (k) as of the Closing Date, with respect to Securities offered and sold hereunder in reliance on Rule 506(b) of Regulation D (the “**Regulation D Securities**”), 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 defined below), as to whom no representation, warranty or covenant is made) (each, an “**Issuer Covered Person**” and, collectively, the “**Issuer Covered Persons**”) is subject to any of the “Bad Actor” disqualifications described in Rule 506(d)(1)(i) to (viii) of Regulation D (a “**Disqualification Event**”), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) 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 each Agent and its U.S. Affiliate(s) a copy of any disclosures provided thereunder; and

- (l) the Company is not obligated to register any class of securities under the U.S. Exchange Act with the United States Securities and Exchange Commission.

3. MATTERS RELATING TO THE AGENT

Each Agent acknowledges that the Securities have not been and will not be registered under the U.S. Securities Act or any applicable securities laws of any state of the United States, and the Securities may only be offered in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable securities laws of any state of the United States. Accordingly, the Agent on behalf of itself and its affiliates, including its U.S. Affiliate, represents, warrants and covenants, to and with the Company, that:

- (a) except as provided in this Schedule A in relation to the offer of Securities to, or for the account or benefit of, persons in the United States or U.S. Persons, it and its affiliates, including the U.S. Affiliate, or any person acting on their behalf has not offered and will not offer any Securities as part of its distribution at any time, except (i) outside of the United States to non-U.S. Persons and to person not acting for the account or benefit of U.S. Persons or person in the United States in "offshore transactions," as such term is defined in Regulation S, in accordance with Rule 903 of Regulation S and (ii) in the United States and to, or for the account or benefit of U.S. Persons as permitted by subparagraphs (b) through (m) below. Accordingly, neither the Agent, its affiliates, including its U.S. Affiliate, nor any person acting on their behalf:
 - (i) has made or will make any offer to sell or any solicitation of an offer to buy, any Securities to, or for the account or benefit of, any person in the United States or a U.S. Person;
 - (ii) has made or will make any sale of Securities to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States, not a U.S. Person and not purchasing for the account or benefit of a person in the United States or a U.S. Person, or the Agent, the Agent's affiliate, including the U.S. Affiliate, or person acting on its or their behalf reasonably believed that such purchaser was outside the United States, not a U.S. Person and not purchasing for the account or benefit of a person in the United States or U.S. Person; or
 - (iii) has engaged or will engage in any Directed Selling Efforts with respect to the Securities;
- (b) neither the Agent, its affiliates, including its U.S. Affiliate, or any person acting on its or their behalf has engaged or will engage in:
 - (i) any form of General Solicitation or General Advertising or any conduct involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in connection with its offers of the Securities to, or for the account of or benefit of, persons in the United States or U.S. Persons;
 - (ii) any conduct in violation of Regulation M under the U.S. Exchange Act in connection with its offers of the Securities; or

- (iii) any action that would cause the exemption from registration afforded by Rule 506(b) of Regulation D or Section 4(a)(2) of the U.S. Securities Act to be unavailable for offers and sales of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons or the exclusion from registration afforded by Regulation S to be unavailable for offers and sales of the Securities to, or the account or benefit of, persons outside the United States that are not U.S. Persons;
- (c) all offers of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons have been or will be effected through its U.S. Affiliate, which on the dates of all such offers and subsequent sales by the Company was and will be duly registered as a broker-dealer under the U.S. Exchange Act and under all applicable securities and broker-dealer laws of any state of the United States (except where exempted from the respective state's broker-dealer registration requirements) and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc., in accordance with all applicable United States federal and state securities laws (including applicable broker-dealer laws);
- (d) it agrees to deliver, through its U.S. Affiliate (as applicable):
 - (i) a copy of the U.S. Preliminary Placement Memorandum or the U.S. Placement Memorandum (if then available) to each person in the United States, each U.S. Person or each person acting for the account or benefit of a U.S. Person or person in the United States to whom it offers to sell or from whom it solicits any offer to buy the Securities; and
 - (ii) prior to the time of sale by the Company, a copy of the U.S. Placement Memorandum to each person in the United States, each U.S. Person or each person acting for the account or benefit of a U.S. Person or person in the United States purchasing Securities from the Company;
- (e) any offer or solicitation of an offer to buy Securities that has been made or will be made to, or for the account or benefit of, a person in the United States or a U.S. Person was or will be made only by the Agent through its U.S. Affiliate for sale by the Company in compliance with Rule 506(b) of Regulation D, to a person it reasonably believes and does believe to be an Accredited Investor and/or a Qualified Institutional Buyer with whom the Agent or its U.S. Affiliate has a pre-existing business relationship who is acquiring the Securities for its own account or for the account or benefit of an Accredited Investor and/or a Qualified Institutional Buyer with respect to which it exercises sole investment discretion, and in transactions that are exempt from registration under and in compliance with any applicable securities laws of any state of the United States;
- (f) all purchasers of the Securities who are buying such Securities pursuant to Rule 506(b) of Regulation D will be informed that such Securities have not been and will not be registered under the U.S. Securities Act or any applicable securities laws of any state of the United States and are being offered and sold to such purchasers in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D and Section 4(a)(2) of the U.S. Securities Act and similar exemptions under any applicable securities laws of any state of the United States;

- (g) immediately prior to soliciting offerees in the United States, that are U.S. Persons or that are acting for the account or benefit of U.S. Persons or persons in the United States, and at the time of sale by the Company to any such persons, the Agent, its U.S. Affiliate and any person acting on its or their behalf will have reasonable grounds to believe and will believe that each such offeree was and is an Accredited Investor and/or a Qualified Institutional Buyer;
- (h) prior to completion of any sale of Securities in the United States or to, or for the account or benefit of, a U.S. person or person in the United States, the Agent will cause each purchaser in the United States, each purchaser offered such Securities in the United States, each purchaser that is a U.S. Person and each purchaser that is purchasing for the account or benefit of a U.S. Person or a person in the United States to complete and deliver (i) a Qualified Institutional Buyer letter for Qualified Institutional Buyers (Exhibit I) or (ii) a U.S. subscription agreement for Accredited Investors (Exhibit II), each in the form attached to the U.S. Placement Memorandum;
- (i) prior to the Closing Date, the Agent will provide the Company with a list of all purchasers of the Securities in the United States, all purchasers who were offered such Securities in the United States, all purchasers that are a U.S. Person and all purchasers purchasing for the account or benefit of U.S. Persons or persons in the United States and the registration instructions for each such purchaser (it being understood that such Securities sold to such purchaser may be individually certificated);
- (j) at the Closing, the Agent, together with its U.S. Affiliate, offering Securities in the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States, will provide a certificate, substantially in the form of Exhibit 1 to this Schedule A relating to the manner of the offer of such Securities in the United States and to, or for the account or benefit of, U.S. Persons or persons in the United States or it will be deemed to have represented and warranted to the Company that it did not offer such Securities in the United States or to, or for the account or benefit of, U.S. Persons or persons in the United States;
- (k) the Agent has not and will not enter into any other contractual arrangement for the offer and sale to, or for the account or benefit of, persons in the United States or U.S. Persons of the Securities except with its U.S. Affiliate, any Selling Firms or with the prior written consent of the Company;
- (l) it will require its U.S. Affiliate and each Selling Firm to agree in writing, for the benefit of the Company, to comply with, and will use commercially reasonable efforts to ensure that its U.S. Affiliate and each Selling Firm complies with, the provisions of this Schedule A as if such provisions applied to such party; and
- (m) as of the Closing Date, with respect to the Regulation D Securities, none of it, its U.S. Affiliate, or any of its or its U.S. Affiliate's directors, executive officers, general partners, managing members or other officers participating in the offering of Regulation D Securities, 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 any other person associated with any of the above persons that has been or will be paid, directly or indirectly, remuneration for solicitation of purchasers of Regulation D Securities pursuant to Rule 506(b) of Regulation D (each, a "**Dealer Covered**

Person” and, together, **“Dealer Covered Persons”**), is subject to any Disqualification Event (as defined above in Section 2(k) to this Schedule A) 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 or, in the case of a Disqualification Event occurring after the date hereof, prior to the Closing Date. As of the Closing Date, the Agent represents that it is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of any Regulation D Securities.

4. GENERAL

The representations and warranties set forth in this Schedule A are made as of the date of this Agreement and as of the Closing Date.

EXHIBIT 1 TO SCHEDULE A

AGENT'S CERTIFICATE

In connection with the private placement to, or for the account or benefit of, persons in the United States or U.S. Persons of the securities of Railtown AI Technologies Inc. (the "**Company**") pursuant to the agency agreement dated September 30, 2021 between the Company and the Agent named therein (the "**Agency Agreement**"), the undersigned do hereby certify in connection with the offer of such securities by them as follows:

1. the Securities have been offered in the United States only by the U.S. Affiliate, which is and was at the time of all offers of such securities duly registered as a broker-dealer under Section 15(b) of the U.S. Exchange Act, duly registered as a broker-dealer under the laws of each state of the United States where it made any offers of such Securities (unless exempted from the respective state's broker-dealer registration requirements) and a member of and in good standing with the Financial Industry Regulatory Authority, Inc. All offers of Securities to, or for the account or benefit of persons in the United States or U.S. Persons have been and will be effected by the U.S. Affiliate in accordance with all U.S. federal and state broker-dealer requirements;
2. each offeree of Securities in the United States, who is a U.S. Person or who is acting for the account or benefit of a U.S. Person or person in the United States was provided with a copy of the U.S. Preliminary Placement Memorandum or (if then available) a copy of the U.S. Placement Memorandum, and each purchaser of Securities in the United States, who is a U.S. Person or who purchased for the account or benefit of a U.S. Person or person in the United States was provided with a copy of the U.S. Placement Memorandum prior to its purchase of such securities from the Company, and no other written material has been used by us in connection with the offering of such Securities to, or for that account or benefit of, a person in the United States or a U.S. Person;
3. immediately prior to our transmitting such U.S. Preliminary Placement Memorandum and/or U.S. Placement Memorandum to offerees in the United States, that were U.S. Persons or that were acting for the account or benefit of U.S. Persons and persons in the United States, we had reasonable grounds to believe and did believe that each offeree was, and we continue to believe that each such offeree in the United States, that is a U.S. Person or that is purchasing for the account or benefit of a U.S. Person or a person in the United States purchasing such Securities from the Company is an Accredited Investor and/or a Qualified Institutional Buyer;
4. no form of General Solicitation or General Advertising was used by us in connection with the offer of the Securities to, or for the account or benefit of, persons in the United States or U.S. Persons nor have we solicited offers for or offered to sell the Securities by any means involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act;

5. we have caused (i) each purchaser of Securities in the United States or that is a U.S. Person, (ii) each purchaser of Securities offered such Securities in the United States, and (iii) each purchaser purchasing for the account or benefit of a U.S. Person or person in the United States, to complete, sign and deliver, prior to any sale by the Company of such Securities, either: (A) a Qualified Institutional Buyer letter for Qualified Institutional Buyers (Exhibit I) or (B) a U.S. subscription agreement for Accredited Investors (Exhibit II), each in the form attached to the U.S. Placement Memorandum;
6. neither we nor any of our affiliates have taken or will take any action which would constitute a violation of Regulation M of the U.S. Exchange Act in connection with the offer or sale of the Securities; and
7. the offer of the Securities has been conducted by us in accordance with the terms of the Agency Agreement, including Schedule A thereto.

DATED this ____ day of _____, 2021.

☐

☐

By: _____

Name:
Title

By: _____

Name:
Title

SCHEDULE "B"

FORM OF LOCK-UP AGREEMENT

_____, 2021

To: ROTH Canada, ULC

Re: Railtown AI Technologies Inc. (the "Company")

Dear Sirs/Mesdames

1. The undersigned understands that the Agent has entered into an agency agreement dated _____, 2021 (the "**Agency Agreement**") with the Company in respect of a public offering (the "**Offering**") of common shares of the Company.
2. Any capitalized terms used herein but not otherwise defined will have the meanings ascribed to them in the Agency Agreement.
3. In consideration of the benefit that the Offering will confer upon the Company, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby agrees not to directly or indirectly, offer, sell, assign, pledge, transfer, or otherwise dispose of any Common Shares (or securities convertible into Common Shares) owned, directly or indirectly, or under control or direction, or with respect to which the undersigned has beneficial ownership, on the date hereof or acquired after the date hereof (the "**Undersigned's Securities**"), or announce any intention to do so, in whole or in part, from the date hereof until the date which is 180 days following the Closing Date, including for purposes such as market stabilization, without the prior written consent of the Agent, such consent not to be unreasonably withheld. Any references in this lock-up agreement to the Undersigned's Securities will also include any Common Shares received by the undersigned upon the exercise of the Undersigned's Securities.
4. Notwithstanding the foregoing, the undersigned may sell, transfer or otherwise dispose of the Undersigned's Securities without the prior written consent required by paragraph 3 above pursuant to: (i) the exercise of stock options or other similar issuances pursuant to any stock option plan or similar share compensation arrangements of the Company; (ii) the exercise of any convertible securities of the Company; (iii) a *bona fide* arm's length take-over bid, merger, plan of arrangement or other similar transaction made generally to all holders of Common Shares of the Company; (iv) a sale, transfer, or other disposition to (a) a spouse, parent, child or grandchild of the undersigned (a "**Relation**"), (b) corporations, partnerships, limited liability companies or other entities, to the extent that such entities are wholly-owned by the undersigned, or (c) any trusts existing solely for the benefit of the undersigned and/or a Relation, solely to the extent that in clauses (a), (b) and (c), the recipient of the Undersigned's Securities executes an agreement stating that the transferee is receiving and holding such securities subject to the provisions of this lock-up agreement and there will be no further transfer of such securities except in accordance with this lock-up agreement; (v) a pledge of the Undersigned's Securities to a bank or other financial institution for the purpose of giving collateral for a debt made in good faith, but solely to

the extent that such bank or financial institution agrees in writing to be bound by the terms of this lock-up agreement and there will be no further transfer of such securities except in accordance with this lock-up agreement; (vi) in order to satisfy a withholding tax obligation arising from a grant under the Company's stock option plan or share-based compensation plan; (vii) a transfer to any nominee or custodian where there is no change in beneficial ownership, for bona fide tax purposes, including but not limited to, transfers into registered retirement savings plans; or (viii) if the undersigned is an individual, upon the death, incapacitation, termination of employment or loss of office of such individual, the undersigned or the executor of the undersigned's estate may Transfer any or all of the undersigned's Securities to a recipient that agrees in writing to be bound by the terms of this agreement for the duration of the lock-up.

5. The undersigned understands that the Company and the Agent are relying upon this lock-up agreement in proceeding toward consummation of the Offering. The undersigned further understands that this lock-up agreement is irrevocable and will be binding upon the undersigned's legal representatives, successors, and permitted assigns, and will enure to the benefit of the Company, the Agent and their legal representatives, successors and permitted assigns.
6. The undersigned hereby represents and warrants that he or she has full power and authority to enter into this lock-up agreement, and that he or she will do all such acts and take all such steps as reasonably required in order to fully perform and carry out the provisions of this lock-up agreement. All authority herein conferred will survive the death or incapacity of the undersigned.
7. This lock-up agreement will be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.
8. This lock-up agreement may be executed by counterpart signatures (including counterparts by facsimile or other means of electronic transmission), each of which will constitute an original signature.

[Remainder of page intentionally left blank.]

Yours truly,

NAME OF SECURITYHOLDER:

(Signature of Securityholder)

(Signature of Witness)

Number and type of securities of the Company
subject to this lock-up agreement:

[Remainder of page intentionally left blank.]