

AGENCY AGREEMENT

January 18, 2018

Good Life Networks Inc.
Suite 202 – 499 Broughton Street,
Vancouver V6G 3K1

Attention: Jesse Dylan, Chief Executive Officer

Exito Energy II Inc.
1110, 335 – 8th Avenue St. W.
Calgary, Alberta
T2P 1C9

Attention: Brad Docherty, President and Chief Executive Officer

Re: Private Placement of Subscription Receipts of Good Life Networks Inc.

Dear Sirs/Mesdames:

GMP Securities L.P. (“**GMP**”), and Mackie Research Capital Corporation (together with GMP, the “**Agents**”) understand that Good Life Networks Inc. (the “**Company**”) proposes to create, issue and sell by way of private placement a minimum of 99,846,390 subscription receipts of the Company (the “**Subscription Receipts**”) and a maximum of 122,887,865 Subscription Receipts at a price of \$0.0651 per Subscription Receipt (the “**Subscription Price**”) for aggregate gross proceeds of a minimum of \$6.5 million and a maximum of \$8 million (excluding the Agent’s Options (as defined herein)). The Subscription Receipts will be duly and validly created pursuant to a subscription receipt agreement (the “**Subscription Receipt Agreement**”) among the Company, GMP and Computershare Trust Company of Canada, as subscription receipt agent (the “**Subscription Receipt Agent**”), to be dated as of the Closing Date (as defined herein). Each Subscription Receipt shall entitle the holder thereof to receive, upon automatic exchange in accordance with the terms of the Subscription Receipt Agreement and without payment of additional consideration or further action by the holder thereof, one common share in the capital of the Company (each, an “**Underlying Share**”) (subject to adjustment as described in the Subscription Receipt Agreement), upon the satisfaction or waiver (to the extent such waiver is permitted) of the Escrow Release Conditions (as defined herein) at or before the Escrow Release Deadline (as defined herein). Each Underlying Share will then be exchanged for 0.2601 common shares of the Resulting Issuer (as defined herein) pursuant to the Qualifying Transaction (as defined herein). The offering of the Subscription Receipts by the Company is hereinafter referred to as the “**Offering**”.

In addition, the Company has granted to the Agents an option (the “**Agents’ Option**”), exercisable by GMP, on behalf of the Agents, up to 48 hours prior to the Closing Date to arrange for the purchase of up to an additional 15% of the maximum number of Subscription Receipts (the “**Additional Subscription Receipts**”) that may be sold under the Offering on the same terms as the Offering as described herein. If the Agents’ Option is exercised in full, the total gross proceeds of the Offering shall be up to \$9,200,000, assuming the maximum Offering size. All references herein to the “Offering” shall be deemed to include the Agents’ Option and all references herein to the “Subscription Receipts” shall be deemed to include the Additional Subscription Receipts.

The Subscription Receipts are being issued in connection with the Qualifying Transaction of Exito Energy II Inc. (“**Exito Energy**”), a capital pool company listed on the Exchange (as defined herein). The Qualifying Transaction is structured as a share exchange by way of a plan of arrangement under the provisions of the *Business Corporations Act* (British Columbia) (the “**Arrangement**”), on the terms and conditions of an amended and restated arrangement agreement dated January 31, 2017, as further amended on March 31, 2017, July 31, 2017, September 29, 2017, November 30, 2017 and December 31, 2017 (collectively, the “**Arrangement Agreement**”), pursuant to which Exito Energy will acquire all of the issued and outstanding Common Shares of the Company in exchange for the issuance of Resulting Issuer Shares (as defined herein) and the Company and Exito Energy will amalgamate shortly thereafter, as more particularly described in the Arrangement Agreement.

The gross proceeds from the Offering, less the reasonable costs and expenses of the Agents as determined in accordance with Section 11 of this Agreement (the “**Escrowed Proceeds**”), will be deposited at the Closing Time in escrow with the Subscription Receipt Agent, and invested in interest bearing, short-term obligations of, or guaranteed by, the Government of Canada or any other investments that may be approved by GMP (the Escrowed Proceeds, together with all interest and other income earned thereon, the “**Escrowed Funds**”) pending satisfaction or waiver (to the extent such waiver permitted) of the Escrow Release Conditions, in accordance with the provisions of the Subscription Receipt Agreement. If the Escrow Release Conditions are satisfied or waived (to the extent such waiver is permitted) prior to 11:59 p.m. (Vancouver time) on January 31, 2018 (the “**Escrow Release Deadline**”), the Subscription Receipt Agent will release the Escrowed Funds to the Company (less the Agents’ Commission and any further reasonable costs and expenses of the Agents as determined in accordance with Section 11 of this Agreement and agreed to by the Company, acting reasonably, which amounts shall be paid, on behalf of the Company, to the Agents), and each Subscription Receipt will be automatically converted into one Underlying Share without payment of additional consideration and without any further action by the holder thereof.

If: (i) the Escrow Release Conditions are not satisfied at or before the Escrow Release Deadline and unless the requisite approval is obtained pursuant to and in accordance with the terms of the Subscription Receipt Agreement; or (ii) prior to the Escrow Release Deadline, the Company advises the Agents or announces to the public that it does not intend to satisfy any one or more of the Escrow Release Conditions; or (iii) the Arrangement Agreement is terminated in accordance with its terms prior to the Escrow Release Deadline (any such event being, the “**Termination Event**”), the Subscription Receipt Agent will return to each holder of Subscription Receipts, as soon as practicable following the Termination Event, an amount equal to the aggregate Subscription Price of the Subscription Receipts held by such holder and their *pro rata* portion of any interest or other income earned on the Escrowed Proceeds (less applicable withholding tax, if any). The Company shall be responsible and liable to the holders of Subscription Receipts for any shortfall between the aggregate Subscription Price paid by the original holders of the Subscription Receipts and the Escrowed Funds.

Upon and subject to the terms and conditions set forth herein, the Agents hereby agree to act, and upon acceptance hereof, the Company hereby appoints the Agents, as the Company’s exclusive agents to offer for sale, in the respective percentages set forth in Section 16 hereof, on a “best efforts” agency basis, without underwriter liability, the Subscription Receipts and the Agents agree to use their best efforts to arrange purchasers for the Subscription Receipts in the Selling Jurisdictions (as defined herein). It is understood and agreed by the Company and the Agents that the Agents shall act as agents only and are under no obligation to purchase any of the Subscription Receipts.

In consideration of the financial services to be rendered by the Agents in connection with the Offering, the Company agrees to pay the Agents’ Commission as set out in Section 15 hereto to the Agents and to pay all reasonable fees and expenses of the Offering as set out in Section 11 hereof. The Agents’ Commission shall be payable on the Escrow Release Date. As additional compensation for the financial services to be

rendered by the Agents, the Company shall issue to the Agents the Agents' Compensation Options (as defined herein) as set out in Section 15 hereof.

The Company agrees that the Agents will be permitted to appoint, at their sole expense, other registered dealers or other dealers duly qualified in their respective jurisdictions, in each case, acceptable to the Company, acting reasonably, as their agents to assist with the Offering in the Selling Jurisdictions and that the Agents may determine the remuneration payable by the Agents (and not the Company) to such other dealers appointed by them.

The Company has included certain Purchasers (as defined herein) (which Purchasers shall have subscribed to purchase an aggregate of up to 23,041,472 Subscription Receipts), on a president's list (the "**President's List**"). The parties hereto acknowledge that the Agents shall not be required to conduct a suitability review in respect of the sale of 23,041,472 Subscription Receipts issued to Purchasers on the President's List that have settled directly with the Company (the "**Direct Settlers**").

The parties acknowledge that the Subscription Receipts, the Underlying Shares and the Resulting Issuer Shares have not been and will not be registered under the U.S. Securities Act (as hereinafter defined) 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 (as hereinafter defined), nor may the Agents' Compensation Options 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 in the manner specified in this Agreement and pursuant to the representations, warranties, acknowledgments, agreements and covenants of the Company, Exito Energy, the Agents and their U.S. Affiliate (as hereinafter defined) contained in Schedule "A" hereto. All actions to be undertaken by the Agents in the United States in connection with the matters contemplated herein shall be undertaken through their U.S. Affiliate (as hereinafter defined).

1. DEFINITIONS

In this Agreement, in addition to the terms defined above, the following terms shall have the following meanings:

"**Agents**" has the meaning ascribed thereto on the face page of this Agreement.

"**Agents' Commission**" has the meaning ascribed to such term in Section 15 hereof.

"**Agents' Compensation Options**" has the meaning ascribed to such term in Section 15 hereof.

"**Agents' Counsel**" means Wildeboer Dellelce LLP.

"**Agents' Expenses**" means all expenses payable to the Agents in connection with the Offering pursuant to Section 11 hereof.

"**Agents' Option**" has the meaning ascribed thereto on the face page of this Agreement.

"**Agreement**" means this agreement and includes all schedules and exhibits attached hereto, in each case, as they may be amended or supplemented from time to time.

"**Applicable Laws**" means all laws, rules, regulations, guidelines, policies, statutes, ordinances, codes, orders, decrees, judgments, decisions, rulings or awards, of any Governmental Authority.

“**Arrangement**” has the meaning ascribed thereto on the face page of this Agreement.

“**Arrangement Agreement**” has the meaning ascribed thereto on the face page of this Agreement.

“**BCBCA**” means the *Business Corporations Act* (British Columbia).

“**Business Day**” means a day other than a Saturday, Sunday or any other day on which Schedule I chartered banks located in Toronto, Ontario or Vancouver, British Columbia are not open for business.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Circular**” means Exito Energy’s management information circular dated as of March 31, 2017, which includes the joint information circular supplement of the Company and Exito Energy attached thereto as Schedule “E” and the addendum to the joint information circular supplement of the Company and Exito Energy dated May 11, 2017, which was sent in connection with the annual general and special meeting of shareholders of Exito Energy held to consider and approve, among other things, matters related to the Qualifying Transaction.

“**Closing**” means the completion of the purchase and sale of the Subscription Receipts as contemplated by this Agreement and the Subscription Agreements.

“**Closing Date**” means on or about January 16, 2018 or such other date as the Agents and the Company may agree.

“**Closing Time**” means 8:00 a.m. (Vancouver time) or such other time, on the Closing Date, as the Agents and the Company may agree.

“**Common Shares**” means the common shares in the capital of the Company.

“**Company’s Counsel**” means DuMoulin Black LLP.

“**Company’s Intellectual Property**” means the Intellectual Property owned, used by or licensed to the Company for the carrying on of the Company’s business in the manner heretofore carried on or as now proposed to be carried on in the Company’s written business documents.

“**Company Material Agreements**” means the Contracts listed in Schedule “C”.

“**Compensation Option Certificates**” has the meaning ascribed to such term in Section 15 hereof.

“**Compensation Shares**” has the meaning ascribed to such term in Section 15 hereof.

“**Contract**” means, with respect to a Person, any contract, instrument, permit, concession, licence, loan or credit agreement, note, bond, mortgage, indenture, lease or other agreement, partnership or joint venture agreement or other legally binding agreement, arrangement or understanding, whether written or oral, to which the Person is a party or by which, to the knowledge of such Person, the Person or its property and assets is bound or affected.

“**CPC Policy**” means Exchange Policy 2.4 – Capital Pool Companies.

“**Data Site**” means the electronic data site maintained by the Company in connection with the Offering.

“Debt Instrument” means any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money to which the Company is a party or otherwise bound and which is material to the Company.

“Direct Settlers” has the meaning ascribed thereto on the face page of this Agreement.

“Encumbrances” means any encumbrance of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, right of first refusal, acquisition right, privilege, easement, right of way, servitude, restrictive covenant, right of use or any other right or claim of any kind or nature whatsoever which affects ownership or possession of, or title to, any interest in, or right to use or occupy property or assets.

“Environmental Laws” means all applicable laws currently in existence in Canada (whether federal, provincial or municipal) relating in whole or in part to the protection and preservation of the environment or hazardous substances, including the *Environmental Protection Act* (Ontario) and the *Canadian Environmental Protection Act* (Canada).

“Escrow Release Conditions” means, as set out in the Subscription Receipt Agreement, the following:

- (a) the completion, satisfaction or waiver of all conditions precedent to the Qualifying Transaction other than the release of the Escrowed Funds;
- (b) the receipt of all shareholder and regulatory approvals required for the Qualifying Transaction;
- (c) written confirmation from each of the Company and Exito Energy that all conditions of the Qualifying Transaction have been satisfied or waived, other than release of the Escrowed Funds, and that the Qualifying Transaction shall be completed forthwith upon release of the Escrowed Funds;
- (d) the distribution of the Resulting Issuer Shares to be issued in exchange for the Common Shares pursuant to the Qualifying Transaction following the satisfaction of the Escrow Release Conditions, being exempt from applicable prospectus and registration requirements of applicable securities laws and not subject to any hold or restricted period thereunder;
- (e) the Resulting Issuer Shares, including the Compensation Shares of the Resulting Issuer, being conditionally approved for listing on the Exchange, and the completion, satisfaction or waiver of all conditions precedent to such listing, other than the release of the Escrowed Funds;
- (f) the Company shall have filed a United States provisional patent application in respect of its programmatic advertising technology and provided satisfactory evidence of the completion thereof, and patent pending technology status, to GMP and its counsel; and
- (g) the Company and GMP, on behalf of the Agents, shall have delivered a release notice to the Subscription Receipt Agent in accordance with the terms of the Subscription Receipt Agreement.

“Escrow Release Date” means the date on which the Escrow Release Conditions have been satisfied and the Underlying Shares have been issued to the holders of the Subscription Receipts, the Escrowed Funds have been released to the Company and the Agents’ Commission and any further reasonable costs and expenses of the Agents, as agreed to by the Company, acting reasonably, have been released to the Agents, as applicable, all in accordance with the terms of the Subscription Receipt Agreement.

“Escrow Release Deadline” has the meaning ascribed to such term on the face page of this Agreement.

“Escrowed Funds” has the meaning ascribed to such term on the face page of this Agreement.

“Escrowed Proceeds” has the meaning ascribed to such term on the face page of this Agreement.

“Exchange” means the TSX Venture Exchange.

“Exito Energy” has the meaning ascribed to such term on the face page of this Agreement.

“Exito Energy Common Shares” means the common shares in the capital of Exito Energy.

“Exito Energy Financial Statements” means, collectively, (i) the audited financial statements of Exito Energy for the years ended December 31, 2016, December 31, 2015 and December 31, 2014, and (ii) the unaudited interim financial statements of Exito Energy for the three and nine months ended September 30, 2017 and September 30, 2016.

“Exito Energy Material Agreements” means each Debt Instrument, Contract, commitment, agreement, instrument, lease or other document (written or oral), to which Exito Energy is a party or otherwise bound and which is material to Exito Energy, including the Arrangement Agreement and this Agreement.

“Financial Statements” means, collectively, (i) the audited consolidated financial statements of the Company for the years ended December 31, 2016, December 31, 2015 and December 31, 2014, and (ii) the unaudited interim financial statements of the Company for the three and nine months ended September 30, 2017 and September 30, 2016.

“Governmental Authority” means any national or federal government, province, state, municipality or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

“Governmental Licences” has the meaning ascribed to such term in Section 6(a)(xxviii) hereof

“Government Official” means (a) any official, officer, employee, or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Authority, (b) any salaried political party official, elected member of political office or candidate for political office, or (c) any company, business, enterprise or other entity owned or controlled by any person described in the foregoing clauses.

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board.

“including” means including without limitation.

“Indemnified Parties” has the meaning ascribed to such term in Section 13(a) hereof.

“Indemnitors” has the meaning ascribed to such term in Section 13(a) hereof.

“Intellectual Property” means registered and unregistered trade-marks and trade-mark applications, trade names, certification marks, distinguishing guises, patents and patent applications, registered and unregistered works subject to copyright, know-how, formulae, processes, inventions, technical expertise, research data, trade secrets, industrial designs and industrial design applications, customer lists, designs and other industrial or intellectual property of any nature whatsoever and applications for registration thereof, each of the foregoing as defined under the Applicable Laws.

“Leased Premises” means the premises which the Company or any of its subsidiaries occupies as tenant.

“Material Adverse Effect” means any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision of the board of directors is probable), event, occurrence, development, state of facts, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, states of fact, effects or circumstances, whether or not arising in the ordinary course of business, is material and adverse to the business, operations, results of operations, assets (including intangible assets), properties, prospects (as such prospects may relate to the proposed business of the Company disclosed in the Circular and/or Offering Memorandum), capitalization, condition (financial or otherwise) or liabilities (contingent or otherwise) of the Company and its subsidiaries, taken as a whole, or Exito Energy, as applicable, or that is materially adverse to the Company or Exito Energy’s, as applicable, ability to complete any of the transactions contemplated by this Agreement, the Subscription Receipt Agreement, the Subscription Agreements or the Arrangement Agreement, as applicable.

“Subsidiary” means Good Life Networks (USA) Inc.

“NI 45-102” means National Instrument 45-102 – *Resale of Securities*.

“NI 45-106” means National Instrument 45-106 – *Prospectus Exemptions*.

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*.

“Offering” has the meaning ascribed to such term on the face page of this Agreement.

“Offering Memorandum” means the final investor presentation of the Company dated December 2017 titled “GLN – Technology/Programmatic Advertising” prepared in connection with the Offering.

“Permitted Issuances” means: (i) employee stock options granted to directors, officers, employees and consultants of the Company or the Resulting Issuer and shares issued upon their exercise pursuant to the Company’s current stock option plan or any future stock option or incentive plan or arrangement of the Company or the Resulting Issuer, including the cancellation or redemption of Common Shares or Resulting Issuer Shares issued pursuant to the Company’s current stock option plan or any future stock option plan of the Resulting Issuer; (ii) pursuant to the exercise of convertible securities, options or warrants outstanding at the date hereof; (iii) pursuant to an internal reorganization; (iv) the issuance of equity securities of the Company or the Resulting Issuer (or any securities convertible into, or exchangeable or exercisable for, equity securities of the Company or the Resulting Issuer) in connection with one or more acquisitions of assets or businesses by the Company or the Resulting Issuer or in connection with the entering into of one or more strategic partnerships by the Company or the Resulting Issuer, (vi) pursuant to the Transitional Services Agreement, the Transitional Services Resulting Issuer Shares; (vii) pursuant to this Agreement, including any Underlying Shares issued pursuant to the exchange of the Subscription Receipts in accordance with and subject to the terms and conditions of Subscription Receipt Agreement, any Compensation Shares issued pursuant to the exercise of the Agents’ Compensation Option in

accordance with and subject to the terms of the Compensation Option Certificate, or Resulting Issuer Shares issued in exchange for Common Shares.

“**Person**” includes any individual (whether acting as an executor, trustee administrator, legal representative or otherwise), corporation, partnership, trust, fund, association, syndicate, organization or other organized group of persons, whether incorporated or not.

“**Promissory Note**” means the promissory note between the Company, as borrower, and Exito Energy, as holder dated October 7, 2016, as amended by an amending agreement dated effective May 31, 2017, a second amending agreement dated effective July 31, 2017, a third amending agreement dated effective September 29, 2017, a fourth amending agreement dated November 30, 2017 and a fifth amending agreement dated December 31, 2017.

“**Purchasers**” means the persons who, as purchasers, acquire the Subscription Receipts by duly completing, executing and delivering the Subscription Agreements and any other required documentation.

“**Qualifying Transaction**” means the proposed qualifying transaction of Exito Energy, to be completed in accordance with the CPC Policy, and involving the Arrangement, pursuant to the Arrangement Agreement, pursuant to which the Common Shares, including the Underlying Shares, will be exchanged for the Resulting Issuer Shares at an exchange ratio of 1:0.2601 and the Resulting Issuer Shares shall be listed on the Exchange.

“**Resulting Issuer**” means Exito Energy as it exists following completion of the Qualifying Transaction, to be renamed “Good Life Networks Inc.”, or such similar name as may be accepted by the relevant regulatory authorities and approved by the board of directors of Exito Energy.

“**Resulting Issuer Shares**” means common shares in the capital of the Resulting Issuer upon effecting the Qualifying Transaction.

“**Securities Laws**” means all applicable securities laws in Canada and/or the United States, as the case may be, and the respective regulations and rules made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, notices, orders, blanket rulings and other regulatory instruments of the securities regulatory authorities in Canada and/or the United States, as the case may be, and all rules and policies of the Exchange, as applicable.

“**Securities Regulators**” means, collectively, the securities regulators or other securities regulatory authorities in the Selling Jurisdictions.

“**Selling Jurisdictions**” means the Provinces and Territories of Canada, the United States and such other jurisdictions outside of Canada and the United States as agreed to by the Agents and the Company.

“**Subscription Agreements**” means, collectively, the subscription agreements for the Subscription Receipts, in the forms agreed upon by the Agents and the Company pursuant to which Purchasers agree to subscribe for and purchase the Subscription Receipts pursuant to the Offering as herein contemplated and shall include, for greater certainty, all schedules thereto; and “**Subscription Agreement**” means any one of them, as the context requires.

“**Subscription Price**” has the meaning ascribed to such term on the face page of this Agreement.

“**Subscription Receipt Agent**” means Computershare Trust Company of Canada.

“**Subscription Receipt Agreement**” has the meaning ascribed to such term on the face page of this Agreement.

“**Subscription Receipts**” has the meaning ascribed to such term on the face page of this Agreement.

“**subsidiary**” and “**subsidiaries**” shall have the meaning ascribed thereto in the BCBCA.

“**Taxes**” has the meaning ascribed to such term in Section 6(a)(xliv) hereof.

“**Termination Event**” has the meaning ascribed to such term on the face page of this Agreement.

“**Transitional Services Agreement**” means the transitional services agreement to be entered into between the Resulting Issuer and Capitalize Consulting Corp. upon closing of the Qualifying Transaction.

“**Transitional Services Resulting Issuer Shares**” means the Resulting Issuer Shares to be issued pursuant to the Transitional Services Agreement.

“**Underlying Shares**” has the meaning ascribed to such term on the face page of this Agreement.

“**United States**” and “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

“**U.S. Affiliate**” means the United States registered broker-dealer affiliate of an Agent.

“**U.S. Person**” means a U.S. person as that term is defined in Rule 902(k) of Regulation S promulgated under the U.S. Securities Act.

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

The terms “**affiliate**”, “**associate**”, “**misrepresentation**”, “**material change**”, “**material fact**” and “**control person**” shall have the meanings ascribed thereto under the *Securities Act* (Ontario); “**distribution**” means “**distribution**” or “**distribution to the public**”, as the case may be, each as defined under the *Securities Act* (Ontario) and “**distribute**” has a corresponding meaning.

2. TERMS AND CONDITIONS

(a) **Sale on Exempt Basis.** The Agents shall offer for sale and sell, on a best efforts agency basis, the Subscription Receipts pursuant to the Offering (i) in the Selling Jurisdictions in Canada pursuant to exemptions under applicable Securities Laws to “accredited investors” pursuant to NI 45-106, or such other available exemption as agreed to by the Company and the Agents as evidenced by the Company’s acceptance of a Subscription Agreement with respect thereto, in accordance with the provisions hereof, (ii) in the United States and to, or for the account or benefit of, U.S. Persons, pursuant to exemptions from the registration requirements of the U.S. Securities Act and the applicable laws of any state of the United States in the manner specified in Schedule “A” hereto, and (iii) certain other jurisdictions outside of Canada and the United States as may be determined by the Agents and the Company (each acting reasonably) pursuant to relevant prospectus or registration exemptions in accordance with applicable securities laws in those jurisdictions, in a manner such that the offer and sale of the Subscription Receipts does not obligate the Company to file a prospectus, a registration statement or other offering document or deliver an offering memorandum or other offering document under applicable Securities Laws, other than the Offering

Memorandum, and does not require the Company to become subject to any continuous or ongoing disclosure requirements of those jurisdictions.

(b) **Filings.** The Company agrees to comply with all applicable Securities Laws on a timely basis in connection with the Offering and undertakes to file, or cause to be filed, within the periods stipulated under applicable Securities Laws, all forms or undertakings required to be filed by the Company in connection with the issue and sale of the Subscription Receipts so that the distribution of the Subscription Receipts may lawfully occur without the necessity of filing a prospectus or a registration statement in the Selling Jurisdictions, and the Agents undertake to use their commercially reasonable efforts to cause Purchasers to complete any forms required by applicable Securities Laws. All fees payable in connection with such filings shall be at the expense of the Company.

(c) **Offering Memorandum, General Solicitation or Advertising.** Other than the Offering Memorandum, neither the Company nor the Agents shall provide to prospective purchasers of the Subscription Receipts any document or other material that would constitute an offering memorandum or future oriented financial information within the meaning of Securities Laws. Neither the Company nor the Agents shall engage in any form of general solicitation or general advertising in connection with the offer and sale of the Subscription Receipts, including but not limited to, causing the sale of the Subscription Receipts to be advertised in any newspaper, magazine, printed public media, printed media or similar medium of general and regular paid circulation, broadcast over radio, television or telecommunications, including electronic display, or conduct any seminar or meeting relating to the offer and sale of the Subscription Receipts whose attendees have been invited by general solicitation or advertising.

(d) **Compliance with United States Securities Laws.** Each of the Company and the Agents (on their own behalf and, in the case of the Agents, on behalf of the U.S. Affiliate) agree that the representations, warranties, acknowledgment, agreements and covenants contained in Schedule "A" to this Agreement are incorporated by reference in and shall form part of this Agreement with respect to offers and sales of the Subscription Receipts in the United States and to, or for the account or benefit of, U.S. Persons under this Agreement.

3. COVENANTS OF THE COMPANY AND EXITO ENERGY

(a) **Covenants of the Company.** The Company hereby covenants to the Agents and acknowledges that each of them is relying on such covenants in connection with the offering for sale and selling of the Subscription Receipts, as follows:

- (i) *Execution and Performance.* The Company will duly execute and deliver this Agreement, the Compensation Option Certificates, each Subscription Agreement and the Subscription Receipt Agreement at the Closing Time, and perform, comply with and satisfy all terms, conditions, obligations and covenants therein contained to be complied with or satisfied by the Company.
- (ii) *Validly Allotted and Issued Securities.* The Company will ensure that the Subscription Receipts are duly and validly created, authorized and issued and have the attributes corresponding to the description thereof set forth in the Offering Memorandum, this Agreement, each Subscription Agreement and the Subscription Receipt Agreement. The Company will ensure that at all times prior to the earlier of the Escrow Release Date and the Termination Event, a sufficient number of Underlying Shares are allotted and reserved for issuance upon the exchange of the Subscription Receipts and that, upon exchange of the Subscription Receipts in accordance with the terms of the Subscription

Receipt Agreement, the Underlying Shares are duly and validly issued as fully paid and non-assessable Common Shares.

- (iii) *Agents' Compensation Options.* The Company will ensure that the Agents' Compensation Options are duly and validly created, authorized and issued to the Agents.
- (iv) *Private Placement.* As soon as reasonably practicable, and in any event on or before the Closing Time, the Company shall take all such steps, if any, as may be necessary to enable the Subscription Receipts to be offered for sale and sold on a private placement basis in the Canada and the U.S. and through the Agents or any other investment dealers or brokers properly registered in such Selling Jurisdictions in a category of registration permitting them to sell Subscription Receipts, as the case may be, by way of the exemptions set forth in the Securities Laws in accordance with the terms of this Agreement. The Company shall not take any action that would prevent the Company and the Agents from relying on the exemptions from any prospectus requirements of Securities Laws as contemplated by this Agreement and the Subscription Agreements.
- (v) *Qualifying Transaction.* The Company shall use its commercially reasonable efforts to:
 - (i) complete the Qualifying Transaction by January 23, 2018, and in any event at or prior to the Escrow Release Deadline; (ii) to assist Exito Energy to obtain the necessary approvals to list the Resulting Issuer Shares on the Exchange, including the Resulting Issuer Shares issuable upon exchange of the Subscription Receipts and the Resulting Issuer Shares issuable upon exercise of the Agents' Compensation Options, which listing shall be conditionally approved by the Exchange prior to the completion of the Qualifying Transaction; and (iii) obtain, as soon as practicable after the completion of the Qualifying Transaction, final approval to list and post for trading on the Exchange, the Resulting Issuer Shares. In addition, during the period commencing with the date hereof until the earlier of the Escrow Release Date and the Termination Event, the Company will promptly inform the Agents of the full particulars of:
 - (A) any request of any Securities Regulator (including the Exchange) for any amendment to any previously provided information or for any additional information which may be material to the distribution of the Subscription Receipts or the issuance of the Underlying Shares, the Agents' Compensation Options or the Compensation Shares or, to the Company's knowledge, the Resulting Issuer Shares;
 - (B) the issuance by any Securities Regulator or similar regulatory authority (including the Exchange) or by any other competent authority of any order to cease or suspend trading of any securities of the Company or, to the Company's knowledge, any securities of Exito Energy or the Resulting Issuer, or of the institution or threat of institution of any proceedings for either purpose; or
 - (C) the receipt by the Company of any material communication from any Securities Regulator (including the Exchange) or any other competent authority relating to the distribution of the Subscription Receipts or the issuance of the Underlying Shares, the Agents' Compensation Options, the Compensation Shares or the Resulting Issuer Shares, as the case may be;

and except as otherwise agreed by the Agents, the Company will use its reasonable best efforts to prevent the issuance of any such cease trading order or suspension order and, if issued, to obtain the withdrawal thereof as soon as possible.

- (vi) *Securities Form Filings.* The Company will execute and file with the Securities Regulators and the Exchange, as applicable, all forms, notices and certificates required to be filed by the Company pursuant to the Securities Laws and the policies of the Exchange in the time required thereby, including, for greater certainty, a Form 45-106F1 of NI 45-106, the Offering Memorandum and any other applicable forms required under Securities Laws.
- (vii) *Securities Sales Standstill.* Except for Permitted Issuances, neither Company any of its subsidiaries nor any of its affiliates (including, following the Qualifying Transaction, the Resulting Issuer) will, directly or indirectly, without the prior written consent of GMP: (a) issue, offer, sell, contract to sell, secure, pledge, grant any option, right or warrant to purchase or otherwise lend, transfer or dispose of (or announce any intention to do so) any equity securities of the Company, any of its subsidiaries or any of its affiliates (including, following the Qualifying Transaction, the Resulting Issuer) or any securities convertible into, or exchangeable or exercisable for, equity securities of the Company, any of its subsidiaries or any of its affiliates (including, following the Qualifying Transaction, the Resulting Issuer), as applicable; or (b) make any short sale, engage in any hedging transactions, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Common Shares or the Resulting Issuer Shares, whether any such transaction described herein is to be settled by delivery of Common Shares or Resulting Issuer Shares, other securities, cash or otherwise, for a period commencing on the Closing Date and ending 120 days following the Escrow Release Date.
- (viii) *Satisfaction of Escrow Release Conditions.* The Company will use its commercially reasonable efforts to satisfy those Escrow Release Conditions that are required to be fulfilled or satisfied by the Company on or prior to January 23, 2018, and in any event, prior to the Escrow Release Deadline.
- (ix) *Arrangement Closing.* The Company will use commercially reasonable efforts to close the Arrangement on substantially the same terms as set out in the Arrangement Agreement and not to amend, delete or waive any material provision of the Arrangement Agreement, without the prior written consent of GMP (acting reasonably), on behalf of the Agents.
- (x) *Due Diligence.* The Company will allow the Agents and their representatives the opportunity to conduct all due diligence which the Agents may reasonably require to be conducted prior to the Closing Date. The Company will provide to the Agents (and their counsel) reasonable access to the Company's properties, senior management personnel and corporate, financial and other records, for the purposes of conducting such due diligence. Without limiting the scope of the due diligence inquiry the Agents (or their counsel) may conduct, the Company shall use its commercially reasonable efforts to make available its directors, senior management, auditors and counsel to answer any questions which the Agents may have and to participate in one or more due diligence sessions to be held prior to the Closing Time.

- (xi) *Press Releases.* During the period commencing on the date hereof until the earlier of the Escrow Release Date and the occurrence of a Termination Event, the Company will promptly provide to the Agents, for review by the Agents and the Agents' Counsel, prior to the publication, filing or issuance thereof any proposed document relating to communication to the public or to the Company's securityholders, including without limitation, any information circular or press release, regarding the Subscription Receipts or the Qualifying Transaction.
- (xii) *Use of Proceeds.* The Company will use the proceeds from the issuance and sale of the Subscription Receipts as set forth in the Offering Memorandum.
- (xiii) *Closing Conditions.* The Company will use commercially reasonable efforts to fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 9 hereof related to the Company.

(b) **Covenants of Exito Energy.** Exito Energy hereby covenants to the Agents and acknowledges that each of them is relying on such covenants in connection with the offering for sale and selling of the Subscription Receipts, as follows:

- (i) *Validly Allotted and Issued Securities.* Exito Energy will ensure that the Resulting Issuer Shares issuable upon completion of the Arrangement are duly and validly issued as fully paid and non-assessable Resulting Issuer Shares.
- (ii) *Agents' Compensation Options.* Exito Energy will ensure that at all times prior to the expiry of the Agents' Compensation Options, a sufficient number of Resulting Issuer Shares are allotted and reserved for issuance upon the exercise of the Agents' Compensation Options and that, upon exercise of the Agents' Compensation Options in accordance with the terms of the Compensation Option Certificate, such Compensation Shares are duly and validly issued to the Agents as fully paid and non-assessable Resulting Issuer Shares.
- (iii) *Qualifying Transaction.* Exito Energy shall use its commercially reasonable efforts to complete the Qualifying Transaction by January 23, 2018, and in any event at or prior to the Escrow Release Deadline, and to obtain the necessary approvals to list the Resulting Issuer Shares on the Exchange, including the Resulting Issuer Shares issuable upon exchange of the Subscription Receipts and the Resulting Issuer Shares issuable upon exercise of the Agents' Compensation Options, which listing shall be conditionally approved prior to the completion of the Qualifying Transaction, and to obtain, as soon as practicable after the completion of the Qualifying Transaction, final approval to list and post for trading on the Exchange, the Resulting Issuer Shares. In addition, during the period commencing with the date hereof until the earlier of the Escrow Release Date and the Termination Event, Exito Energy will promptly inform the Agents of the full particulars of:
 - (A) any request of any Securities Regulator (including the Exchange) for any amendment to any previously provided information or for any additional information which may be material to the distribution of the Resulting Issuer Shares;
 - (B) the issuance by any Securities Regulator or similar regulatory authority (including the Exchange) or by any other competent authority of any order to

cease or suspend trading of any securities of Exito Energy or the Resulting Issuer, or of the institution or threat of institution of any proceedings for either purpose; or

- (C) the receipt by Exito Energy of any material communication from any Securities Regulator (including the Exchange) or any other competent authority relating to the distribution of the Resulting Issuer Shares;

and except as otherwise agreed by the Agents, Exito Energy will use its reasonable best efforts to prevent the issuance of any such cease trading order or suspension order and, if issued, to obtain the withdrawal thereof as soon as possible.

- (iv) *Securities Sales Standstill.* Following completion of the Qualifying Transaction and except for Permitted Issuances, neither the Resulting Issuer any of its subsidiaries nor any of its affiliates will, directly or indirectly, without the prior written consent of GMP: (a) issue, offer, sell, contract to sell, secure, pledge, grant any option, right or warrant to purchase or otherwise lend, transfer or dispose of (or announce any intention to do so) any equity securities of the Resulting Issuer, any of its subsidiaries or any of its affiliates or any securities convertible into, or exchangeable or exercisable for, equity securities of the Resulting Issuer, any of its subsidiaries or any of its affiliates, as applicable; or (b) make any short sale, engage in any hedging transactions, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Resulting Issuer Shares, whether any such transaction described herein is to be settled by delivery of Resulting Issuer Shares, other securities, cash or otherwise, for a period commencing on the Closing Date and ending 120 days following the Escrow Release Date.
- (v) *Satisfaction of Escrow Release Conditions.* Exito Energy will use its commercially reasonable efforts to satisfy those Escrow Release Conditions that are required to be fulfilled or satisfied by Exito Energy on or prior to January 23, 2018, and in any event, prior to the Escrow Release Deadline.
- (vi) *Arrangement Closing.* Exito Energy will use commercially reasonable efforts to close the Arrangement on substantially the same terms as set out in the Arrangement Agreement and not to amend, delete or waive any material provision of the Arrangement Agreement, without the prior written consent of GMP (acting reasonably), on behalf of the Agents.
- (vii) *Due Diligence.* Exito Energy will allow the Agents and their representatives the opportunity to conduct all due diligence which the Agents may reasonably require to be conducted prior to the Closing Date. Exito Energy will provide to the Agents (and their counsel) reasonable access to Exito Energy's properties, senior management personnel and corporate, financial and other records, for the purposes of conducting such due diligence. Without limiting the scope of the due diligence inquiry the Agents (or their counsel) may conduct, Exito Energy shall use its commercially reasonable efforts to make available its directors, senior management, auditors and counsel to answer any questions which the Agents may have and to participate in one or more due diligence sessions to be held prior to the Closing Time.
- (viii) *Press Releases.* During the period commencing on the date hereof until the earlier of the Escrow Release Date and the occurrence of a Termination Event, Exito Energy will

promptly provide to the Agents, for review by the Agents and the Agents' Counsel, prior to the publication, filing or issuance thereof any proposed document relating to communication to the public or to Exito Energy's securityholders, including without limitation, any information circular or press release, regarding the Subscription Receipts or the Qualifying Transaction.

- (ix) *Closing Conditions.* Exito Energy will use commercially reasonable efforts to fulfil or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 9 hereof related to Exito Energy.

4. COVENANTS OF THE AGENTS

(a) **Covenants.** The Agents hereby covenant to the Company and Exito Energy and acknowledge that the Company and Exito Energy are relying on such covenants in connection with the entering into of this Agreement, that:

- (i) *Obtain Subscriptions.* The Agents will use their commercially reasonable "best efforts" to obtain subscriptions for Subscription Receipts in accordance with applicable Securities Laws.
- (ii) *Compliance with Securities Laws.* The Agents will conduct their activities in connection with the proposed offer and sale of the Subscription Receipts in compliance with all applicable Securities Laws of each Selling Jurisdiction and cause any sub-agents retained to participate in the soliciting of offers to purchase the Subscription Receipts and any U.S. Affiliate to conduct its activities in connection with any sale or resale by it of any Subscription Receipts in compliance with all applicable Securities Laws of each Selling Jurisdiction.
- (iii) *U.S. Sales.* In connection with offers for sale in the United States pursuant to this Agreement, the Agents will make any such offers in compliance with the representations, warranties and covenants applicable to them in Schedule "A" hereto and agree to comply with the U.S. selling restrictions imposed by applicable Securities Laws of the United States.
- (iv) *Prospectus and Registration Requirements.* The Agents will offer to sell or effect any sales of Subscription Receipts to Subscribers in the Selling Jurisdictions in a manner that is exempt from the prospectus or registration requirement under applicable Securities Laws of the Selling Jurisdictions.
- (v) *Solicitation of Sales.* The Agents will not solicit subscriptions for Subscription Receipts, trade in Subscription Receipts or otherwise do any act in furtherance of a trade of Subscription Receipts outside of the Selling Jurisdictions except in any other jurisdiction in compliance with the applicable laws thereof and provided that the Agents may only solicit, trade or act within such jurisdiction if such solicitation, trade or act is in compliance with applicable Securities Laws in such jurisdiction and does not: (A) obligate the Company to take any action to qualify any of its securities or any trade of any of its securities (including the distribution of the Subscription Receipts); (B) obligate the Company to establish or maintain any office or director or officer in such jurisdiction; or (C) subject the Company to any reporting, continuous disclosure or other requirement in such jurisdiction.

- (vi) *Confidentiality.* The Agents will keep confidential all information obtained by it from the Company in connection with the Offering provided that this confidentiality obligation will not apply or extend to information now in the public domain, information which may subsequently become public other than through breach by the Agents of its obligations hereunder, information disclosed to the Agents by third parties in respect of which such third parties are not under an obligation of confidentiality to the Company or information that is required by law to be disclosed.
- (vii) *Subscription Agreement.* The Agents will use their commercially reasonable efforts to obtain from each Purchaser a properly completed and executed Subscription Agreement (including all certifications, forms and other documentation contemplated thereby or as may be required by applicable securities regulatory authorities) in a form acceptable to the Agents and the Company, acting reasonably.

(b) Notwithstanding the provisions of Section 4(a), an Agent will not be liable to the Company under this Section 4 with respect to a default under this Section 4 by another Agent. No Agent will be liable for any act or omission of any other Agent.

5. PRESS RELEASE

Each of the Company and Exito Energy agrees that it shall obtain prior approval of the Agents as to the content and form of any press release relating to the Offering, such approval not to be unreasonably withheld or delayed. In addition, if required by the relevant Securities Laws, any press release announcing or otherwise referring to the Offering shall include a prominent notation on the top of the first page to the following effect: *“Not for distribution to United States newswire services or for dissemination in the United States.”*

6. REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND EXITO ENERGY

(a) **Representations and Warranties of the Company.** The Company represents and warrants to the Agents and acknowledges that each of them is relying upon such representations and warranties in entering into this Agreement, that:

- (i) *Good Standing of the Company and its Subsidiaries.* Each of the Company and its subsidiaries (i) is a corporation incorporated and validly subsisting under the laws of its jurisdiction of incorporation, (ii) has the corporate power and capacity to carry on its business or activities and to own or lease and to operate its properties, assets and related business and operations and to carry out its obligations under the Company Material Agreements, and (iii) in the case of the Company, has all requisite corporate power and capacity to create, issue and sell the Subscription Receipts and the Agents’ Compensation Options, issue the Underlying Shares upon exchange of the Subscription Receipts and the Compensation Shares upon exercise of the Agents’ Compensation Options and to enter into and carry out its obligations under this Agreement, the Subscription Agreements, the Agents’ Compensation Certificates, the Subscription Receipt Agreement and the Arrangement Agreement.
- (ii) *Ownership of Subsidiaries.* Other than the Subsidiary, the Company has no subsidiaries and does not hold an investment in any Person (including any subsidiaries other than the Subsidiary) which is currently material to the business and affairs of the Company; the Company’s direct or indirect ownership interest in the Subsidiary is held free and clear

of all Encumbrances, except for such Encumbrances as would not reasonably be expected to have a Material Adverse Effect; and all such securities of the Subsidiary have been validly issued and, if applicable, are outstanding as fully paid and non-assessable.

- (iii) *No Proceedings for Dissolution.* No acts or proceedings have been taken, instituted or, are pending for the dissolution or liquidation of the Company or the Subsidiary.
- (iv) *Share Capital.* The authorized capital of the Company consists of an unlimited number of Common Shares, of which, as of the close of business on January 17, 2018, 100,187,221 Common Shares were outstanding as fully paid and non-assessable shares of the Company.
- (v) *No Voting Agreements.* Other than the voting and support agreements entered into between shareholders of the Company and Exito Energy in connection with the Arrangement, the Company is not a party to any agreement, nor is the Company aware of any agreement, which in any manner affects the voting control of any of the securities of the Company.
- (vi) *Dividends.* There is not, in the constating documents, by-laws or in any Company Material Agreement, or other instrument or document to which the Company is a party, any restriction upon or impediment to, the declaration of dividends by the directors of the Company or the payment of dividends by the Company to the holders of the Common Shares.
- (vii) *Subscription Receipts Validly Issued.* The Subscription Receipts to be issued and sold as hereinbefore described have been duly created and authorized for issuance and upon issuance, delivery and payment of the aggregate Subscription Price therefor, will be validly issued. The Subscription Receipts will not be issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities granted by the Company.
- (viii) *Agents' Compensation Options Validly Issued.* The Agents' Compensation Options to be issued as hereinbefore described have been duly created and authorized for issuance. The Agents' Compensation Options will not be issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities granted by the Company.
- (ix) *Underlying Shares and Compensation Shares Reserved for Issuance.* The Underlying Shares and Compensation Shares have been duly and validly authorized and reserved for issuance and upon exchange of the Subscription Receipts in accordance with the terms of the Subscription Receipt Agreement and upon exercise of the Agents' Compensation Options in accordance with the terms of the Agents Compensation Certificate, the Underlying Shares and Compensation Shares will be validly issued as fully paid and non-assessable Common Shares.
- (x) *Subscription Receipt Agent.* The Subscription Receipt Agent at its principal office in Vancouver, British Columbia has been duly appointed as the subscription receipt agent in respect of the Subscription Receipts.
- (xi) *Definitive Certificates.* To the extent applicable, the form and terms of any definitive certificates representing the Subscription Receipts and the Agents' Compensation

Options have been duly approved and adopted by the Company and comply with all legal requirements relating thereto.

- (xii) *Absence of Options/Rights.* Other than (i) the Subscription Receipts being issued pursuant to this Offering, (ii) the Agents' Compensation Options, (iii) 1,249,200 broker warrants to purchase 1,249,200 Common Shares, (iv) 1,250,000 special warrants to purchase 1,250,000 Common Shares, (v) convertible debentures in the aggregate principal amount of \$120,000 convertible into 3,189,998 Common Shares, and (vi) unsecured convertible notes in the aggregate principal amount of \$1,542,827.50 convertible into 32,480,578 units of the Company, with each unit being comprised of one Common Share and ½ of one Common Share purchase warrant outstanding as of the date hereof, no person has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or exchange or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of the Company. The Company has no options issued and outstanding.
- (xiii) *Corporate Actions.* All necessary corporate action has been taken by the Company so as to (i) authorize the execution, delivery and performance of this Agreement, the Compensation Option Certificate, the Subscription Agreements, the Subscription Receipt Agreement and the Arrangement Agreement, (ii) validly issue the Subscription Receipts and the Agents' Compensation Options, (iii) reserve and authorize the issuance of the Underlying Shares as fully paid and non-assessable Common Shares upon the exchange of the Subscription Receipts in accordance with the terms of the Subscription Receipt Agreement, and (iv) reserve and authorize the issuance of the Compensation Shares as fully paid and non-assessable Common Shares upon the exercise of the Agents' Compensation Options in accordance with the terms of the Compensation Option Certificate.
- (xiv) *Valid and Binding Documents.* Each of the execution and delivery of this Agreement, the Subscription Agreements, the Subscription Receipt Agreement and the Arrangement Agreement and the performance of the transactions contemplated hereby and thereby have been authorized by all necessary corporate action of the Company and upon the execution and delivery thereof shall constitute valid and binding obligations of the Company, enforceable against the Company by other parties thereto in accordance with their respective terms; provided that, enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable and that enforceability is subject to the provisions of the *Limitations Act* (British Columbia).
- (xv) *Necessary Consents and Approvals.* All consents, approvals, permits, authorizations or filings as may be required under Securities Laws that are necessary for the execution and delivery by the Company of this Agreement, the Compensation Option Certificates, the Subscription Agreements, the Subscription Receipt Agreement, the Arrangement Agreement and the issuance, sale and delivery of the Subscription Receipts, the issuance of the Underlying Shares upon exchange of the Subscription Receipts, the issuance and delivery of the Agents' Compensation Options, the issuance of the Compensation Shares upon exercise of the Agents' Compensation Options and the consummation of the transactions contemplated hereby and thereby have been made or obtained, as applicable,

other than such customary post-closing notices or filings required to be submitted within the applicable time frame pursuant to Securities Laws in connection therewith.

- (xvi) *Offering Documents.* All information and statements contained in the Offering Memorandum (except information and statements relating solely to the Agents and furnished by them in writing specifically for use therein) contain no misrepresentation relating to the Company, the Offering, the Subscription Receipts and the Arrangement, as required by Securities Laws.
- (xvii) *Circular.* All information and statements contained in the Circular contain no misrepresentation relating to the Company, the Offering, the Subscription Receipts and the Arrangement, as required by Securities Laws.
- (xviii) *Financial Statements.* The Financial Statements (i) have been prepared in accordance with IFRS, applied on a consistent basis throughout the periods involved or as noted therein, (ii) do not contain any misrepresentations with respect to the periods covered therein, and (iii) present fairly, in all material respects, the financial condition of the Company (on a consolidated basis) or the applicable subsidiary, as the case may be, for the periods then ended.
- (xix) *Internal Controls.* The Company and each of the subsidiaries has established and maintains, accurate books and records reflecting its assets and liabilities and maintains proper and adequate internal accounting controls which provide assurance that (i) transactions are executed in accordance with management's authorization; and (ii) transactions are recorded as necessary to permit the preparation of consolidated financial statements of the Company and to permit the financial statements to be fairly presented in accordance with IFRS.
- (xx) *Forward-Looking Information.* All forward-looking information and statements of the Company contained in the Offering Memorandum and the Circular including any forecasts and estimates, expressions of opinion, intention and expectation, subject to any qualifications contained therein, as at the time they were or will be made, were or will be made based on assumptions that the Company believes are reasonable in the circumstances.
- (xxi) *Industry Information.* The statistical, industry and market related data included, or incorporated by reference, in the Offering Memorandum and the Circular are derived from sources which the Company reasonably believes to be accurate, reasonable and reliable and the Company has no reason to believe that such data is inconsistent with the sources from which it was derived.
- (xxii) *Off-Balance Sheet Arrangements and Liabilities.* There are no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) of the Company which are required to be disclosed and are not disclosed or reflected in the Financial Statements and the Company does not have any material liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements.
- (xxiii) *Accounting Policies.* There has been no change in accounting policies or practices of the Company since the date of its incorporation, other than as required by IFRS and as disclosed in the Financial Statements.

- (xxiv) *Independent Auditors.* The auditors of the Company are independent auditors as required by the Canadian Securities Laws and there has not been any “reportable event” (within the meaning of NI 51-102) with respect to the present auditors of the Company.
- (xxv) *No Material Changes.* Since September 30, 2017, except as disclosed in the Offering Memorandum:
- (A) other than the entering into of this Agreement, the Subscription Agreements, the Subscription Receipt Agreement, amendments to the Arrangement Agreement dated November 30, 2017 and December 31, 2017 and the performance of the obligations hereunder and thereunder, there has not been any material change in the assets, liabilities, obligations (absolute, accrued, contingent or otherwise), business, condition (financial or otherwise) or results of operations of the Company and its subsidiaries on a consolidated basis;
 - (B) other than the entering into of this Agreement, the Subscription Agreements, the Subscription Receipt Agreement, amendments to the Arrangement Agreement dated November 30, 2017 and December 31, 2017 and the performance of the obligations hereunder and thereunder, there has not been any material change in the capital stock or long-term debt of the Company on a consolidated basis; and
 - (C) the Company has carried on its businesses in the ordinary course.
- (xxvi) *Purchases and Sales.* Except as disclosed in the Offering Memorandum, the Company has not approved, is not contemplating and has not entered into any agreement in respect of, nor has any knowledge of:
- (A) the purchase of any material property or assets or any interest therein (other than in connection with the Arrangement) or the sale, transfer or 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; or
 - (B) 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 (other than in connection with the Arrangement), of the Company.
- (xxvii) *Material Compliance with Laws.* The Company and its subsidiaries are, in all material respects, conducting their business in compliance with all Applicable Laws of each jurisdiction in which their respective businesses are carried on and are licensed, registered or authorized in all jurisdictions in which they own, lease or operate their properties or carry on business to enable their business to be carried on as now conducted and their properties and assets to be owned, leased and operated, except as would not reasonably be expected to have a Material Adverse Effect.
- (xxviii) *Governmental Licences.* The Company and its subsidiaries possess all permits, certificates, licences, approvals, consents, certificates, qualifications, registrations, clearances and other authorizations, and supplements and amendments to the foregoing (collectively, the “**Governmental Licences**”) issued by the appropriate Governmental Authority necessary or required to conduct the business as now operated by the Company and its subsidiaries; (B) the Company and its subsidiaries are in compliance with the

terms and conditions of all such Governmental Licences, except for instances of noncompliance which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (C) all of the Governmental Licences are in good standing, valid, subsisting and in full force and effect; and (D) the Company and its subsidiaries have not received any notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance or indication relating to the cancellation, revocation, limitation, suspension, adverse modification or refusal to issue or renew any such Governmental Licences.

(xxix) *Environmental Laws.* The Company and its subsidiaries: (A) is and at all times has been in compliance in all material respects with all Environmental Laws applicable to the business of the Company; (B) has not received any correspondence or notice from any Governmental Authority alleging or asserting material noncompliance with any Environmental Laws; and (C) has not received notice of any pending or threatened claim, suit, proceeding, charge, hearing, enforcement, audit, inspection, investigation, arbitration or other action from any Governmental Authority or third party alleging that any operation or activity of the Company, its subsidiaries or any of their directors, officers and/or employees is in material violation of any Environmental Laws and has no knowledge or reason to believe that any such Governmental Authority or third party is considering or would have reasonable grounds to consider any such claim, suit, proceeding, charge, hearing, enforcement, audit, inspection, investigation, arbitration or other action.

(xxx) *Governmental Notices.* No Governmental Authority is presently alleging or asserting, or, to the Company or any subsidiary's knowledge, threatening to allege or assert, noncompliance with any Applicable Laws or Governmental Licenses in respect of the Company or any subsidiary's activities.

(xxxi) *Material Agreements.*

(A) Other than as disclosed in Schedule "C", the Company does not have any material Contracts as of the date hereof.

(B) To the knowledge of the Company, any and all Company Material Agreements are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, the Company is not in default of any of the provisions of any such Contracts, except for any defaults that are not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, nor has any such default been alleged, and the Company is not aware of any material disputes with respect thereto.

(C) Other than as disclosed in Schedule "C", the Company does not have any Debt Instrument or any agreement, Contract or commitment to create, assume or issue any Debt Instrument.

(D) The Company is not a party to or bound or affected by any commitment, agreement or document which would prohibit or restrict the Company from entering into the Arrangement Agreement or completing the Arrangement.

(E) There exists no actual or, to the knowledge of the Company, threatened termination, cancellation or limitation of, or any material adverse modification

or material change in, the business relationship of the Company or its subsidiaries, with any supplier or customer, or any group of suppliers or customers whose business with or whose purchases or inventories/components provided to the business of the Company or its subsidiaries are individually or in the aggregate material to the assets, business, properties, operations or financial condition of the Company or its subsidiaries taken as a whole.

- (xxxii) *No Default or Breach.* The Company is not in breach or default of, and the execution and delivery of this Agreement, the Compensation Option Certificates, the Subscription Agreements, the Subscription Receipt Agreement, the Arrangement Agreement and the performance by the Company of its obligations hereunder or thereunder, and the issue and sale of the Subscription Receipts, the issuance of the Underlying Shares upon exchange of the Subscription Receipts, the issue of the Agents' Compensation Options and the issuance of the Compensation Shares upon exercise of the Agents' Compensation Options do not and will not result in a breach or violation of any of the terms of or provisions of, or constitute a default under, (whether after notice or lapse of time or both), (A) any statute, rule or regulation applicable to the Company or its subsidiaries, including Canadian Securities Laws; (B) the constating documents, articles or resolutions of the Company which are in effect at the date of hereof; (C) any Company Material Agreement; (D) any Governmental License or (E) any judgment, decree or order binding the Company or its subsidiaries or the properties or assets of the Company or its subsidiaries; except in the case of (A) and (E) as would not reasonably be expected to have a Material Adverse Effect.
- (xxxiii) *No Restrictions to Compete.* The Company is not a party to or 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.
- (xxxiv) *No Actions or Proceedings.* There are no actions, proceedings or investigations (whether or not purportedly by or on behalf of the Company or its subsidiaries) against or affecting or, to the best knowledge of the Company, pending or threatened against the Company or its subsidiaries at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any federal, provincial, state, municipal or other governmental department, commission, board or agency, domestic or foreign except for any actions, proceedings or investigations that are disclosed in the Circular or that have been provided to the Agents and their counsel in writing on the Data Site and in each such case that would not reasonably be expected to have a Material Adverse Effect. The Company is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will have a Material Adverse Effect.
- (xxxv) *Anti-Bribery and Anti-Corruption Laws.* Neither the Company nor its subsidiaries nor to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to the Company, including but not limited to the *United States Foreign Corrupt Practices Act* of 1977 and *Corruption of Foreign Public Officials Act* (Canada), or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/or of modest value: (A) to any Government Official, whether directly or through any other person, for the purpose of influencing any act or decision of a Government Official in his or her official capacity; inducing a Government Official to do or omit to do any act in violation of his or her

lawful duties; securing any improper advantage; inducing a Government Official to influence or affect any act or decision of any Governmental Authority; or assisting any representative of the Company in obtaining or retaining business for or with, or directing business to, any person; or (B) to any person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Company nor its subsidiaries nor to the knowledge of the Company, any director, officer, employee, consultant, representative or agent of foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Company or its subsidiaries, or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing, or (ii) made a voluntary, directed, or involuntary disclosure to any Governmental Authority responsible for enforcing anti-bribery or anti-corruption laws, in each case, with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws.

(xxxvi) *Anti-Money Laundering Laws.* The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority (collectively, the “**Applicable Anti-Money Laundering Laws**”) and no action, suit or proceeding by or before any Governmental Authority involving the Company or its subsidiaries with respect to Applicable Anti-Money Laundering Laws is, to the knowledge of the Company, pending or threatened.

(xxxvii) *Personal Information.* The Company and its subsidiaries have complied in all material respects with all applicable privacy laws and has not collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws.

(xxxviii) *Intellectual Property.*

- (A) the Company’s Intellectual Property comprises the Intellectual Property necessary for the conduct of the business of the Company in Canada and the United States as it has been conducted in the previous 12 months;
- (B) the Company has the exclusive right to use, sell, license, sub-license and prepare derivative works for and dispose of and has the rights to bring actions for the infringement or misappropriation of the Company’s Intellectual Property that it has registered or applied for registration (the “**Company-Owned Intellectual Property**”) and the Company has not licensed, conveyed, assigned or encumbered any of the Company’s Intellectual Property that it owns;
- (C) no shareholder of the Company nor any Person who is related to or not dealing at arm’s length with a shareholder owns or has any rights to the use of the Company’s Intellectual Property that it owns;

- (D) the Company's Intellectual Property that it owns is free and clear of all encumbrances, hypothecs, mortgages, charges, security, covenants, conditions, options to purchase and other adverse claims brought by third parties;
- (E) there are no registrations or pending applications for registration of the Company-Owned Intellectual Property;
- (F) the Company has taken commercially reasonable precautions and made commercially reasonable efforts (including measures to protect secrecy and confidentiality, where appropriate) to protect the Company's Intellectual Property;
- (G) there has been no public disclosure, sale or offer for sale of any invention owned by the Company and forming a part of the Company-Owned Intellectual Property, by the Company (such as a non-confidential publication or presentation by an inventor, employee, officer, or director) that may, affect the Company obtaining or sustaining valid patent rights to such invention;
- (H) to the best of the Company's knowledge, there has been no public disclosure, sale or offer for sale of any invention, described in a patent application (in preparation or filed and in good standing) and forming a part of the Company-Owned Intellectual Property, by a third party that would prevent the Company from obtaining or sustaining valid patent rights to such invention;
- (I) to the best of the Company's knowledge, there is no publication, such as a patent, published or laid-open patent application, journal article, catalogue, promotion, or specification, of a third party which would prevent the Company from obtaining or sustaining valid patent rights to an invention described in a patent application (in preparation or filed and in good standing) and forming part of the Company-Owned Intellectual Property;
- (J) in relation to each patent application (in preparation or filed and in good standing) or registered patent for an invention forming part of the Company-Owned Intellectual Property, the Company is not aware of any professional opinion, such as the opinion of a patent agent or patent lawyer, whether preliminary in nature or in any other manner qualified, to the effect that the Company is unlikely to obtain or sustain valid patent rights to the invention;
- (K) the performance of obligations pursuant to and in compliance with the terms of this Agreement, the Subscription Agreements, the Subscription Receipt Agreement and the Arrangement Agreement and the completion of the transactions described herein by the Company, will not breach, violate or conflict with any instrument or agreement governing any of the Company's Intellectual Property, will not cause the forfeiture or termination of any of the Company's Intellectual Property or in any way exclude the right of the Company to use, sell, license or dispose of or to bring any action for the infringement of any of the Company's Intellectual Property (or any portion thereof);
- (L) to the best of the Company's knowledge, the conduct of the Company's business, and the manufacture, marketing, license, sale or use of the Company's Intellectual Property in connection with the conduct or operation of the

- Company's business, does not infringe upon or violate the Intellectual Property or proprietary right of any other Person;
- (M) to the best of the Company's knowledge, there are no pending or threatened claims or litigation contesting the validity, ownership or right to use, sell, license or dispose of any of the Company's Intellectual Property, nor has the Company received any notice asserting that any of the Company's Intellectual Property or the proposed use, sale, license or disposition thereof by the Company conflicts or will conflict with valid rights of any party, nor is there any basis for such assertion;
 - (N) to the Company's knowledge, no employee of the Company is in violation of any term of any non-disclosure, proprietary rights or similar agreement between the employee and any former employer;
 - (O) to the Company's knowledge, all technical information developed by and belonging to the Company for which a copyright has not been registered or which has not been patented has been kept confidential;
 - (P) there are no royalties, honoraria, fees or other payments payable by the Company to any Person by reason of, or in respect of, the ownership, use, license, sale or disposition of any of the Company-Owned Intellectual Property and there are no restrictions on the ability of the Company or any successor to or assignee from the Company to use and exploit all rights in such Intellectual Property;
 - (Q) all employees of the Company have entered into proprietary rights or similar agreements with the Company, pursuant to which the employee/consultant assigns to the Company all Intellectual Property, technical information and other information developed and/or worked on by the employee/consultant while employed by the Company and such employees/consultants have waived in favour of the Company, its licensees, successors and assigns all their non-assignable rights (including moral rights) therein;
 - (R) all Persons having access to or knowledge of Intellectual Property or information of a confidential nature that is necessary or required or otherwise used for or in connection with the conduct or operation or proposed conduct or operation of the business have entered into appropriate non-disclosure agreements with the Company; and
 - (S) all maintenance fees due in accordance with the Intellectual Property have been paid in a timely manner.
- (xxxix) *Employee Plans.* The Company does not have any plans for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, 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.
- (xl) *Material Accruals.* All material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums,

accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of the Company.

- (xli) *Labour Disputes.* No material labour dispute, complaint, grievance or other conflict with the employees of the Company or its subsidiaries currently exists, or to the knowledge of the Company is threatened or pending. No union representation exists respecting the employees of the Company and no collective bargaining agreement is in place or currently being negotiated by the Company. No action has been taken or, to the knowledge of the Company, is contemplated to organize or unionize any employees of the Company or its subsidiaries that would be material to the Company and its subsidiaries, taken as a whole. The Company and the subsidiaries are currently in material compliance with all laws and regulations respecting employment and employment practices, workers' compensation, occupational health and safety and similar legislation, including payment in full of all amounts owing thereunder, and there are no pending claims or outstanding orders of a material nature against either of them under applicable workers' compensation legislation, occupational health and safety or similar legislation nor has any event occurred which would reasonably be expected to give rise to any such material claim.
- (xlii) *Employment Matters.* There are no complaints against the Company or its subsidiaries before any employment standards branch or tribunal or human rights tribunal, nor has there been any occurrence which would reasonably be expected to lead to a complaint under any human rights legislation or employment standards legislation that would have a Material Adverse Effect. There are no outstanding decisions or settlements or pending settlements under applicable employment standards laws which place any material obligation upon the Company and its subsidiaries to do or refrain from doing any act. No current or former employee, officer or director of the Company is entitled to a severance, termination or other similar payment as a result of the Arrangement or the Offering. No Person would be entitled: (i) to a payment under a Contract with the Company as a result of the Arrangement or the Offering; or (ii) to terminate a Contract with the Company, as a result of the Arrangement.
- (xliii) *Taxes.* (i) All taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by the Company and its subsidiaries have been paid except as would not reasonably be expected to have a Material Adverse Effect; (ii) all tax returns, declarations, remittances and filings required to be filed by the Company and its subsidiaries have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading in any material respect; and (iii) to the best of the knowledge of the Company, no examination of any tax return of the Company or its subsidiaries is currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any taxes that have been paid, or may be payable, by the Company or its subsidiaries that would reasonably be expected to have a Material Adverse Effect.
- (xliv) *Leased Premises.* With respect to each of the Leased Premises, the Company and its subsidiaries occupy the Leased Premises and each has the exclusive to occupy and use

the Leased Premises and each of the leases pursuant to which the Company and its subsidiaries occupy the Leased Premises is in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement, the Subscription Agreements, the Subscription Receipt Agreement and the Arrangement Agreement and the completion of the transactions described herein and therein by the Company, will not afford any of the parties to such leases the right to terminate such lease or result in any additional or more onerous obligations under such leases. Neither the Company nor any of its subsidiary is in default or breach, in any material respect, of any real property lease, and neither the Company nor any of its subsidiaries has received any notice or other communication from the owner or manager of any real property leased by the Company or any of its subsidiaries that the Company or any of its subsidiaries is not in compliance, in any material respect, with any real property lease, and to the knowledge of the Company, no such notice or other communication is pending or has been threatened.

- (xlv) *Marketable Title.* The Company and its subsidiaries have good and marketable title to the respective material property and assets owned by them including, the Leased Premises, in each case with the Company's and each subsidiary's interest therein being free and clear of all Encumbrances except for those Encumbrances which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.
- (xlvi) *Insurance.* The Company and its subsidiaries maintain insurance against such losses, risks and damages to their properties and assets in such amounts that are customary for the business in which they are engaged and on a basis consistent with reasonably prudent persons in comparable businesses, and all of the policies in respect of such insurance coverage are in good standing, in full force and effect in all material respects and not in default. Each of the Company and its subsidiaries is in compliance with the terms of such policies and instruments in all material respects and there are no material claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause. The Company has no reason to believe that it will not be able to renew such existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, and neither the Company nor any of its subsidiaries has failed to promptly give any notice of any material claim thereunder.
- (xlvii) *Related Parties.* None of the current directors, officers or employees of the Company or its subsidiaries, any known holder of more than 10% of any class of shares of the Company or its subsidiaries, or any known associate or affiliate of any of the foregoing persons or companies, has had any material interest, direct or indirect, in any proposed material transaction with the Company or its subsidiaries which, as the case may be, materially affected, is material to or is reasonably expected to materially affect the Company and its subsidiaries on a consolidated basis.
- (xlviii) *No Loans.* The Company is not a party to any Debt Instrument nor has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at "arm's length" with the Company.

- (xlix) *Directors and Officers.* To the knowledge of the Company, none of the directors or officers of the Company (including upon completion of the Qualifying Transaction) are now, or have ever been, subject to an order or ruling of any securities regulatory authority or stock exchange that currently prohibits such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange.
- (l) *Fees and Commissions.* Other than the Agents (or any members of its selling group) pursuant to this Agreement, there is no person acting or purporting to act at the request of the Company who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or the Arrangement.
- (li) *Minute Books.* The minute books and records of the Company and the Subsidiary which the Company has made available to the Agents and Agents' Counsel in connection with their due diligence investigation of the Company and the Subsidiary for the period from inception to the date of examination thereof are all of the minute books and all of the records of the Company and the Subsidiary for such period and contain copies of all constating documents, including all amendments thereto, and all proceedings of securityholders and directors (and committees thereof) and are complete in all material respects.
- (lii) *Company Representations in the Arrangement Agreement.* The representations and warranties of the Company in the Arrangement Agreement, a true copy of which has been provided to the Agents, are true and correct in all material respects, subject to any qualifications set out therein, as of the date hereof.
- (liii) *No Breach of the Arrangement Agreement.* To the knowledge of the Company, there has been no (i) actual or alleged breach or default by any party of any provisions of the Arrangement Agreement and no event, condition, or occurrence exists which after the notice or lapse of time (or both) would constitute a breach or default by any party to the Arrangement Agreement; or (ii) dispute, termination, cancellation, amendment or renegotiation of the Arrangement Agreement, and, to the knowledge of the Company, no state of facts giving rise to any of the foregoing exists.
- (liv) *Completion of the Arrangement.* To the knowledge of the Company, no event has occurred or condition exists which will prevent the Arrangement from being completed prior to the Escrow Release Deadline.

(b) **Representations and Warranties of Exito Energy.** Exito Energy represents and warrants to the Agents and acknowledges that each of them is relying upon such representations and warranties in entering into this Agreement, that:

- (i) *Good Standing of Exito Energy.* Exito Energy (i) is a corporation incorporated and validly subsisting under the laws of its jurisdiction of incorporation, (ii) has the corporate power and capacity to carry on its business or activities and to own or lease and to operate its properties, assets and related business and operations and to carry out its obligations under the Exito Energy Material Agreements, and (iii) has all requisite corporate power and capacity to enter into and carry out its obligations under this Agreement and the Arrangement Agreement.
- (ii) *No Proceedings for Dissolution.* No acts or proceedings have been taken, instituted or, are pending for the dissolution or liquidation of Exito Energy.

- (iii) *Share Capital.* The authorized capital of Exito Energy consists of an unlimited number of Exito Energy Common Shares, of which, as of the close of business on January 17, 2018, 8,000,000 Exito Energy Common Shares were outstanding as fully paid and non-assessable shares of Exito Energy.
- (iv) *No Voting Agreements.* Exito Energy is not a party to any agreement, nor is Exito Energy aware of any agreement, which in any manner affects the voting control of any of the securities of Exito Energy.
- (v) *Dividends.* There is not, in the constating documents, by-laws or in any other instrument or document to which Exito Energy is a party, any restriction upon or impediment to, the declaration of dividends by the directors of Exito Energy or the payment of dividends by Exito Energy to the holders of Exito Energy Common Shares.
- (vi) *Compensation Shares Reserved for Issuance.* The Compensation Shares of the Resulting Issuer have been duly and validly authorized and reserved for issuance and upon exercise of the Agents' Compensation Options in accordance with the terms of the Agents' Compensation Certificate, the Compensation Shares of the Resulting Issuer will be validly issued as fully paid and non-assessable Resulting Issuer Shares.
- (vii) *Absence of Rights.* Other than (i) the Agents' Compensation Options, (ii) 500,000 options to purchase an aggregate of 500,000 Exito Energy Common Shares issued to the agents in connection with Exito Energy's initial public offering, and (iii) 1,000,000 stock options to purchase 1,000,000 Exito Energy Common Shares outstanding as of the date hereof, no person has any agreement or option or right or privilege (whether at law, pre-emptive or contractual) capable of becoming an agreement for the purchase, subscription or issuance of, or exchange or conversion into, any unissued shares, securities, warrants or convertible obligations of any nature of Exito Energy.
- (viii) *Corporate Actions.* All necessary corporate action has been taken by Exito Energy so as to (i) authorize the execution, delivery and performance of this Agreement and the Arrangement Agreement, (ii) validly issue the Resulting Issuer Shares to be issued in exchange for the Underlying Shares pursuant to the Arrangement as fully paid and non-assessable Resulting Issuer Shares, and (ii) reserve and authorize the issuance of the Compensation Shares of the Resulting Issuer as fully paid and non-assessable Resulting Issuer Shares upon the exercise of the Agents' Compensation Options in accordance with the terms of the Compensation Option Certificate.
- (ix) *Valid and Binding Documents.* Each of the execution and delivery of this Agreement, and the Arrangement Agreement and the performance of the transactions contemplated hereby and thereby have been authorized by all necessary corporate action of Exito Energy and upon the execution and delivery thereof shall constitute valid and binding obligations of Exito Energy, enforceable against Exito Energy by other parties thereto in accordance with their respective terms; provided that, enforcement thereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction, that the provisions relating to indemnity, contribution and waiver of contribution may be unenforceable and that enforceability is subject to the provisions of the *Limitations Act* (Ontario).

- (x) *Necessary Consents and Approvals.* All consents, approvals, permits, authorizations or filings as may be required under Securities Laws that are necessary for the execution and delivery by Exito Energy of this Agreement, the Arrangement Agreement, the issuance of the Compensation Shares of the Resulting Issuer upon exercise of the Agents' Compensation Options and the consummation of the transactions contemplated hereby and thereby have been made or obtained, as applicable, other than such customary post-closing notices or filings required to be submitted within the applicable timeframe pursuant to Securities Laws in connection therewith.
- (xi) *Material Compliance with Laws.* Exito Energy is, in all material respects, conducting its business in compliance with all Applicable Laws of each jurisdiction in which its business is carried on and is licensed, registered or authorized in all jurisdictions in which it owns, leases or operates its properties or carry on business to enable its business to be carried on as now conducted and their properties and assets to be owned, leased and operated, except as would not reasonably be expected to have a Material Adverse Effect.
- (xii) *Financial Statements.* The Exito Energy Financial Statements (i) have been prepared in accordance with IFRS, applied on a consistent basis throughout the periods involved or as noted therein, (ii) do not contain any misrepresentations with respect to the periods covered therein, and (iii) present fairly, in all material respects, the financial condition of Exito Energy for the periods then ended.
- (xiii) *Internal Controls.* Exito Energy has established and maintains, accurate books and records reflecting its assets and liabilities and maintains proper and adequate internal accounting controls which provide assurance that (i) transactions are executed in accordance with management's authorization; and (ii) transactions are recorded as necessary to permit the preparation of financial statements of Exito Energy and to permit the financial statements to be fairly presented in accordance with IFRS.
- (xiv) *Off-Balance Sheet Arrangements and Liabilities.* There are no material off-balance sheet transactions, arrangements or obligations (including contingent obligations) of Exito Energy which are required to be disclosed and are not disclosed or reflected in the Exito Energy Financial Statements and Exito Energy does not have any material liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Exito Energy Financial Statements.
- (xv) *Accounting Policies.* There has been no change in accounting policies or practices of Exito Energy since the date of its incorporation, other than as required by IFRS and as disclosed in the Exito Energy Financial Statements.
- (xvi) *Independent Auditors.* The auditors of Exito Energy are independent auditors as required by the Canadian Securities Laws and there has not been any "reportable event" (within the meaning of NI 51-102) with respect to the present auditors of Exito Energy.
- (xvii) *No Material Changes.* Since September 30, 2017:
 - (A) other than the entering into of this Agreement, the amendments dated November 30, 2017 and December 31, 2017 to the Arrangement Agreement and the performance of the obligations hereunder and thereunder, there has not been any material change in the assets, liabilities, obligations (absolute, accrued,

- contingent or otherwise), business, condition (financial or otherwise) or results of operations of Exito Energy;
- (B) other than the entering into of this Agreement, the amendments dated November 30, 2017 and December 31, 2017 to the Arrangement Agreement and the performance of the obligations hereunder and thereunder, there has not been any material change in the capital stock or long-term debt of Exito Energy on a consolidated basis; and
 - (C) the Company has carried on its businesses in the ordinary course.
- (xviii) *Purchases and Sales.* Exito Energy has not approved, is not contemplating and has not entered into any agreement in respect of, nor has any knowledge of:
- (A) the purchase of any material property or assets or any interest therein (other than in connection with the Arrangement) or the sale, transfer or disposition of any material property or assets or any interest therein currently owned, directly or indirectly, by Exito Energy whether by asset sale, transfer of shares or otherwise; or
 - (B) the change of control, by sale or transfer of shares or sale of all or substantially all of the property and assets of Exito Energy or otherwise (other than in connection with the Arrangement), of Exito Energy.
- (xix) *Compliance with Exchange Requirements.*
- (A) Exito Energy is in material compliance with all policies and requirements of the Exchange, including without limitation the CPC Policy, and has not carried on any business or activities except as permitted by the CPC Policy.
 - (B) Exito Energy does not own or have any interest in any asset or property of any kind whatsoever, other than cash or deposits with financial institutions, and Exito Energy does not have an Agreement in Principle (as “Agreement in Principle” is defined in the CPC Policy), other than the Arrangement Agreement.
 - (C) Exito Energy has undertaken no business since the date of its incorporation, except as permitted by the CPC Policy.
 - (D) Exito Energy has not made and will not make any payments which are prohibited by the CPC Policy (except as may be permitted by the Exchange).
 - (E) The Exito Energy Common Shares are traded on the Exchange under the trading symbol “EXI.P” but trading has been halted since November 13, 2014 pending completion of a qualifying transaction in accordance with the CPC Policy.
- (xx) *Reporting Issuer Status.* Exito Energy is currently a “reporting issuer” in the provinces of British Columbia and Alberta and is in compliance, in all material respects, with all of its obligations as a reporting issuer and since incorporation has not been the subject of any investigation by any stock exchange or any Securities Regulator, is current with all filings required to be made by it under Securities Laws and other laws, is not aware of any deficiencies in the filing of any documents or reports with any Securities Regulators

and there is no material change relating to Exito Energy which has occurred and with respect to which the requisite news release or material change report has not been filed with the Securities Regulators.

- (xxi) *Exito Energy Material Agreements.* All of the Exito Energy Material Agreements are valid, subsisting, in good standing and in full force and effect, enforceable in accordance with the terms thereof. Exito Energy has performed all obligations (including payment obligations) in a timely manner under, and is in compliance with all terms, conditions and covenants contained in each Exito Energy Material Agreement except for any non-compliance which would not reasonably be expected to have a Material Adverse Effect and, to the knowledge of Exito Energy, no other party is in breach, violation or default of any material term under any such Exito Energy Material Agreement. All of the Exito Energy Material Agreements have been publicly disclosed and filed on Exito Energy's SEDAR profile. Except for the Promissory Note, Exito Energy is not a party to any Debt Instrument or any agreement, Contract or commitment to create, assume or issue any Debt Instrument, other than as a result of the Arrangement.
- (xxii) *No Default or Breach.* Exito Energy is not in breach or default of, and the execution and delivery of this Agreement, the Arrangement Agreement and the performance by Exito Energy of its obligations hereunder or thereunder, the issuance of the Resulting Issuer Shares upon exchange of the Underlying Shares, the issuance of the Compensation Shares of the Resulting Issuer upon exercise of the Agents' Compensation Options do not and will not result in a breach or violation of any of the terms of or provisions of, or constitute a default under, (whether after notice or lapse of time or both), (A) any statute, rule or regulation applicable to Exito Energy, including Canadian Securities Laws; (B) the constating documents, articles or resolutions of Exito Energy which are in effect at the date of hereof; (C) any Governmental License; (D) any Exito Energy Material Agreement; or (E) any judgment, decree or order binding Exito Energy or the properties or assets of Exito Energy; except in the case of (A) and (E) as would not reasonably be expected to have a Material Adverse Effect.
- (xxiii) *No Actions or Proceedings.* There are no actions, proceedings or investigations (whether or not purportedly by or on behalf of Exito Energy) against or affecting or, to the best knowledge of Exito Energy, pending or threatened against Exito Energy at law or in equity (whether in any court, arbitration or similar tribunal) or before or by any federal, provincial, state, municipal or other governmental department, commission, board or agency, domestic or foreign. Exito Energy is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will have a Material Adverse Effect.
- (xxiv) *No Loans.* Except for the Promissory Note, Exito Energy is not a party to any Debt Instrument nor has any material loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at "arm's length" with Exito Energy.
- (xxv) *Fees and Commissions.* Other than the Agents (or any members of its selling group) pursuant to this Agreement, there is no person acting or purporting to act at the request of Exito Energy who is entitled to any brokerage, agency or other fiscal advisory or similar fee in connection with the Offering or the Arrangement.

- (xxvi) *Minute Books.* The minute books and records of Exito Energy which Exito Energy has made available to the Agents and Agents' Counsel in connection with their due diligence investigation of Exito Energy for the period from inception to the date of examination thereof are all of the minute books and all of the records of Exito Energy for such period and contain copies of all constating documents, including all amendments thereto, and all proceedings of securityholders and directors (and committees thereof) and are complete in all material respects.
- (xxvii) *Exito Energy Representations in the Arrangement Agreement.* The representations and warranties of Exito Energy in the Arrangement Agreement, a true copy of which has been provided to the Agents, are true and correct in all material respects, subject to any qualifications set out therein, as of the date hereof.
- (xxviii) *No Breach of the Arrangement Agreement.* To the knowledge of Exito Energy, there has been no (i) actual or alleged breach or default by any party of any provisions of the Arrangement Agreement and no event, condition, or occurrence exists which after the notice or lapse of time (or both) would constitute a breach or default by any party to the Arrangement Agreement; or (ii) dispute, termination, cancellation, amendment or renegotiation of the Arrangement Agreement, and, to the knowledge of Exito Energy, no state of facts giving rise to any of the foregoing exists.
- (xxix) *Completion of the Arrangement.* To the knowledge of Exito Energy, no event has occurred or condition exists which will prevent the Arrangement from being completed prior to the Escrow Release Deadline.

7. REPRESENTATIONS AND WARRANTIES OF THE AGENTS.

(a) Each of the Agents hereby severally represent and warrant to the Company and Exito Energy and acknowledge that the Company and Exito Energy are relying upon such representations and warranties, that:

- (i) *No General Solicitation.* The Agents and their affiliates and representatives have not engaged in or authorized, and will not engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Subscription Receipts in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or otherwise or conducted any seminar or meeting concerning the offer or sale of the Subscription Receipts whose attendees have been invited by any general solicitation or general advertising.
- (ii) *No Prospectus or Registration Statement.* The Agents have not and will not solicit offers to purchase or sell the Subscription Receipts so as to require the filing of a prospectus or registration statement with respect thereto or the provision of a contractual right of action under the laws of any jurisdiction, other than in connection with the Offering Memorandum.
- (iii) *Registration.* Each Agent is duly registered pursuant to the provisions of applicable Securities Laws, and is duly registered or licensed as an investment dealer in those jurisdictions in which it is required to be so registered in order to perform the services contemplated by this Agreement, or if or where not so registered or licensed, each Agent will act only through members of a selling group who are so registered or licensed.

(b) Notwithstanding the provisions of Section 7(a), an Agent will not be liable to the Company under this Section 7 with respect to a default under this Section 7 by another Agent. No Agent will be liable for any act or omission of any other Agent.

8. CLOSING DELIVERIES.

The purchase and sale of the Subscription Receipts shall be completed at the Closing Time at the offices of Company's Counsel in Vancouver, British Columbia, or at such other place as the Agents and the Company may agree upon in writing. At the Closing Time, the Company shall duly and validly deliver to the Agents the Subscription Receipts by way of electronic deposit in CDS, except for physical certificates required for the Direct Settlers and any U.S. Accredited Investors, as directed by the Agents, and all the documents set out in Section 9, against payment and delivery of the Escrowed Proceeds by wire transfer to the Subscription Receipt Agent.

9. CLOSING CONDITIONS.

Each Agent's obligations under this Agreement shall be conditional upon the fulfilment at or before the Closing Time of the following conditions:

(a) **Company Board Approval.** The board of directors of the Company will have authorized and approved this Agreement, the Subscription Agreements, the Subscription Receipt Agreement, the Arrangement Agreement, the sale and issuance of the Subscription Receipts, the issuance of the Agents' Compensation Options, the reservation for issuance of the Underlying Shares and Compensation Shares and all matters relating to the foregoing.

(b) **Exito Energy Board Approval.** The board of directors of Exito Energy will have authorized and approved this Agreement, the Arrangement Agreement, the reservation for issuance of the Compensation Shares of the Resulting Issuer and all matters relating to the foregoing.

(c) **Company Factual Certificate.** The Agents shall have received at the Closing Time, certificates dated the Closing Date, signed by the Chief Executive Officer of the Company and the Chief Financial Officer of the Company, or such other officers as may be acceptable to the Agents, addressed to the Agents and the Agents' Counsel, with respect to the notice of articles and articles of the Company, all resolutions of the Company's board of directors relating to this Agreement, the Subscription Agreements, the Subscription Receipt Agreement, the Arrangement Agreement, the Agents' Compensation Options and the transactions contemplated hereby and thereby, the incumbency and specimen signatures of signing officers in the form of a certificate of incumbency and such other matters as the Agents may reasonably request.

(d) **Exito Energy Factual Certificate.** The Agents shall have received at the Closing Time, certificates dated the Closing Date, signed by the Chief Executive Officer of Exito Energy and the Chief Financial Officer of Exito Energy, or such other officers as may be acceptable to the Agents, addressed to the Agents and the Agents' Counsel, with respect to the articles and by-laws of Exito Energy, all resolutions of Exito Energy's board of directors relating to this Agreement, the Arrangement Agreement, the Agents' Compensation Options and the transactions contemplated hereby and thereby, the incumbency and specimen signatures of signing officers in the form of a certificate of incumbency and such other matters as the Agents may reasonably request.

(e) **Certificates of Compliance.** The Agents shall have received a certificate of compliance or similar certificate with respect to the jurisdiction in which the Company, the Subsidiary and Exito Energy

are organized dated no later than one Business Day immediately prior to the Closing Date, or such other date or dates as the Agents may agree.

(f) **Company Bring Down Certificate.** The Agents shall have received a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of the Company, certifying for and on behalf of the Company (without personal liability), to the best of their knowledge, information and belief, after due inquiry, that:

- (i) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Company has been issued by any Governmental Authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any Governmental Authority;
- (ii) other than in connection with the Arrangement, no transaction not in the ordinary course of business has been entered into or is contemplated by the Company which is or would be material to the Company;
- (iii) since the date hereof, no material change relating to the Company on a consolidated basis, except for the Offering, has occurred that has not been disclosed to the Agents;
- (iv) the Company has duly complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time; and
- (v) the representations and warranties of the Company contained in this Agreement are true and correct in all material respects (or in the case of any representation or warranty containing a materiality or a Material Adverse Effect qualification, in all respects) as of the Closing Time with the same force and effect as if made at and as of the Closing Time (except where a representation or warranty is made as of a specified date, in which case it must be true and correct as of such date) after giving effect to the transactions contemplated by this Agreement.

(g) **Exito Energy Bring Down Certificate.** The Agents shall have received a certificate, dated as of the Closing Date, signed by the Chief Executive Officer and Chief Financial Officer of Exito Energy (without personal liability), or such other director or officer of Exito Energy as the Agents may agree, certifying for and on behalf of Exito Energy, to the best of his knowledge, information and belief, after due inquiry, that;

- (i) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of Exito Energy (other than the current trading halt imposed by the Exchange in respect of Exito Energy Common Shares in connection with the Qualifying Transaction) has been issued by any Governmental Authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any Governmental Authority;
- (ii) since the date hereof, no material change relating to Exito Energy has occurred for which the requisite material change report has not been filed on a non-confidential basis;
- (iii) Exito Energy has duly complied with all the terms, covenants and conditions of this Agreement on its part to be complied with up to the Closing Time; and

- (iv) the representations and warranties of Exito Energy contained in this Agreement are true and correct in all material respects (or in the case of any representation or warranty containing a materiality or a Material Adverse Effect qualification, in all respects) as of the Closing Time with the same force and effect as if made at and as of the Closing Time (except where a representation or warranty is made as of a specified date, in which case it must be true and correct as of such date) after giving effect to the transactions contemplated by this Agreement.

(h) **Opinions with respect to the Company.** The Agents and Agents' Counsel shall have received favourable legal opinions addressed to the Agents, and the Agents' Counsel, in form and substance satisfactory to the Agents' Counsel (acting reasonably), dated the Closing Date, from the Company's Counsel and where appropriate, counsel in the other applicable Selling Jurisdictions, which counsel in turn may rely, as to matters of fact, on certificates of auditors, public officials and officers of the Company, with respect to the following matters:

- (i) as to the incorporation and existence of the Company under the BCBCA and as to the Company having the requisite corporate power and capacity under the BCBCA to carry on its business as presently carried on and to own its properties and assets;
- (ii) that the Subsidiary is a corporation validly existing under the laws of its jurisdiction of incorporation, and has the corporate power to conduct any lawful business;
- (iii) as to the authorized and issued share capital of the Company;
- (iv) as to the corporate power and capacity of the Company to carry out its obligations under this Agreement, the Compensation Option Certificates, the Subscription Agreements, the Subscription Receipt Agreement and the Arrangement Agreement;
- (v) all necessary corporate action has been taken by the Company to authorize the execution and delivery of this Agreement, the Compensation Option Certificates, the Subscription Agreements, the Subscription Receipt Agreement, the Arrangement Agreement and the performance of its obligations hereunder and thereunder, and each of this Agreement, the Compensation Option Certificates, the Subscription Agreements, the Subscription Receipt Agreement and the Arrangement Agreement have been duly executed and delivered by the Company, and constitute a legal, valid and binding obligation of the Company enforceable against it by the other parties thereto in accordance with their respective terms, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to such other customary assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution may be limited by applicable law;
- (vi) the execution and delivery of this Agreement, the Compensation Option Certificate, the Subscription Agreements, the Subscription Receipt Agreement, the Arrangement Agreement and the performance by the Company of its obligations hereunder and thereunder, and the issuance, sale and delivery of the Subscription Receipts at the Closing Time, the issuance of the Underlying Shares upon the exchange of the Subscription Receipts, the issuance and delivery of the Agents' Compensation Options at the Closing Time and the issuance of Compensation Shares upon the exercise of the Agents' Compensation Options do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time

or both, will result in a breach of or constitute a default under (A) any term or provision of the notice of articles or articles of the Company, (B) resolutions of the directors or shareholders of the Company, or (C) the BCBCA;

- (vii) the creation and issuance of the Subscription Receipts has been authorized by all necessary corporate action;
- (viii) the Underlying Shares have been authorized and reserved for issuance upon the exchange of the Subscription Receipts and upon issuance in accordance with the terms of the Subscription Receipt Agreement, the Underlying Shares will be validly issued as fully paid and non-assessable Common Shares;
- (ix) the creation and issuance of the Agents' Compensation Options has been authorized by all necessary corporate action;
- (x) the Compensation Shares have been authorized and reserved for issuance upon the exercise of the Agents' Compensation Options in accordance with the terms of the Compensation Option Certificates, if exercised prior to the completion of the Qualifying Transaction, the Compensation Shares will be validly issued as fully paid and non-assessable Common Shares;
- (xi) the issuance and sale by the Company of the Subscription Receipts, in accordance with the terms of this Agreement, and the issue of the Underlying Shares, are exempt from the prospectus requirements of applicable Canadian Securities Laws and no prospectus or other documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws by the Company, subject to customary filing requirements;
- (xii) the issuance by the Company of the Agents' Compensation Options, in accordance with the terms of this Agreement, and the issue of the Compensation Shares, are exempt from the prospectus requirements of applicable Canadian Securities Laws and no prospectus or other documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws by the Company or the Resulting Issuer, as applicable, subject to customary filing requirements;
- (xiii) the issuance by the Resulting Issuer of the Resulting Issuer Shares to the Purchasers in the Selling Jurisdictions of Canada in exchange for the Underlying Shares underlying the Subscription Receipts in accordance with the terms and conditions of the Arrangement Agreement will be exempt from the prospectus requirements of applicable Securities Laws and no filing, proceeding, approval, consent or authorization is required to be made, taken or obtained by the Resulting Issuer under applicable Securities Laws to permit such issuance;
- (xiv) the first trade by a holder of the Subscription Receipts or the Underlying Shares (other than a trade that is otherwise exempt under Canadian Securities Laws) will be a distribution and will be subject to the prospectus requirements of such Canadian Securities Laws unless
 - (A) the Company is and has been a "reporting issuer" under Canadian Securities Laws for the four months immediately preceding the trade;

- (B) at least four months have elapsed from the “distribution date” (as such term is defined in NI 45-102);
 - (C) the certificates representing the Subscription Receipts and the Underlying Shares, as applicable, carry the legend required by section 2.5(2)3(ii) of NI 45-102;
 - (D) if the Subscription Receipts and the Underlying Shares, as applicable, are entered into a direct registration or other electronic book-entry system, or the Subscriber did not directly receive a certificate representing the Subscription Receipts or the Underlying Shares, as applicable, the Subscriber received written notice containing the legend set out in section 2.5(2)3(ii) of NI 45-102;
 - (E) the trade is not a “control distribution” (as such term is defined in NI 45-102 of the Canadian Securities Administrators);
 - (F) no unusual effort is made to prepare the market or to create a demand for the Subscription Receipts or the Underlying Shares that are subject of the trade;
 - (G) no extraordinary commission or consideration is paid to a person or a company in respect of the trade; and
 - (H) if the selling security holder is an insider or officer of the Company, the selling security holder has no reasonable grounds to believe that the Company is in default of applicable securities legislation;
- (xv) the form and terms of definitive certificates, if any, representing the Subscription Receipts and the Agents’ Compensation Options have been approved by the directors of the Company;
 - (xvi) Computershare Trust Company of Canada at its office in Vancouver, British Columbia, has been duly appointed as the subscription receipt agent and escrow agent under the Subscription Receipt Agreement; and
 - (xvii) such other matters as the Agents or their counsel may reasonably request.

(i) **Opinions with respect to Exito Energy.** The Agents and Agents’ Counsel shall have received favourable legal opinions addressed to the Agents, and the Agents’ Counsel, in form and substance satisfactory to the Agents’ Counsel (acting reasonably), dated the Closing Date, from Gowlings WLG (Canada) LLP, counsel to Exito Energy, and where appropriate, counsel in the other applicable Selling Jurisdictions, which counsel in turn may rely, as to matters of fact, on certificates of auditors, public officials and officers of Exito Energy, with respect to the following matters:

- (i) as to the incorporation and existence of Exito Energy under the *Business Corporations Act* (Alberta) and as to Exito Energy having the requisite corporate power and capacity under the *Business Corporations Act* (Alberta) to carry on its business as presently carried on and to own its properties and assets;
- (ii) as to the authorized and issued share capital of Exito Energy;

- (iii) as to the corporate power and capacity of Exito Energy to carry out its obligations under this Agreement and the Arrangement Agreement;
- (iv) all necessary corporate action has been taken by Exito Energy to authorize the execution and delivery of this Agreement, the Arrangement Agreement and the performance of its obligations hereunder and thereunder, and each of this Agreement and the Arrangement Agreement have been duly executed and delivered by Exito Energy, and constitute a legal, valid and binding obligation of Exito Energy enforceable against it by the other parties thereto in accordance with their respective terms, subject to bankruptcy, insolvency and other laws affecting the rights of creditors generally and subject to such other customary assumptions and qualifications including the qualifications that equitable remedies may be granted in the discretion of a court of competent jurisdiction and that enforcement of rights to indemnity, contribution and waiver of contribution may be limited by applicable law;
- (v) the execution and delivery of this Agreement, the Arrangement Agreement and the performance by Exito Energy of its obligations hereunder and thereunder, the issuance of the Resulting Issuer Shares upon the exchange of the Underlying Shares and the issuance of Compensation Shares of the Resulting Issuer upon the exercise of the Agents' Compensation Options do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under (A) any term or provision of the articles or by-laws of Exito Energy, (B) resolutions of the directors or shareholders of Exito Energy, or (C) the *Business Corporations Act* (Alberta);
- (vi) the Resulting Issuer Shares have been authorized and reserved for issuance upon the exchange of the Underlying Shares and upon issuance in accordance with the terms of the Arrangement Agreement, the Resulting Issuer Shares will be validly issued as fully paid and non-assessable Resulting Issuer Shares;
- (vii) the Compensation Shares of the Resulting Issuer have been authorized and reserved for issuance upon the exercise of the Agents' Compensation Options in accordance with the terms of the Compensation Option Certificates, if exercised following the completion of the Qualifying Transaction, the Compensation Shares of the Resulting Issuer will be validly issued as fully paid and non-assessable Resulting Issuer Shares;
- (viii) the issue of the Compensation Shares of the Resulting Issuer is exempt from the prospectus requirements of applicable Canadian Securities Laws and no prospectus or other documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations obtained under the applicable Securities Laws by the Resulting Issuer, subject to customary filing requirements;
- (ix) the issuance by the Resulting Issuer of the Resulting Issuer Shares to the Purchasers in the Selling Jurisdictions of Canada in exchange for the Underlying Shares underlying the Subscription Receipts in accordance with the terms and conditions of the Arrangement Agreement will be exempt from the prospectus requirements of applicable Securities Laws and no filing, proceeding, approval, consent or authorization is required to be made, taken or obtained by the Resulting Issuer under applicable Securities Laws to permit such issuance;

- (x) the first trade by a holder of the Resulting Issuer Shares issuable upon the exchange of Underlying Shares upon the completion of the Qualifying Transaction in the Canadian Selling Jurisdictions, other than a trade which is otherwise exempt under Canadian Securities Laws, will be a distribution subject to the prospectus requirements of such Canadian Securities Laws, unless at the time of such trade:
- (A) the Resulting Issuer, including its predecessor Exito Energy, is and has been a “reporting issuer” (as such term is defined by Canadian Securities Laws of the Canadian Selling Jurisdictions) in a jurisdiction in Canada for the four months immediately preceding the trade;
 - (B) the trade is not a “control distribution” (as such term is defined in NI 45-102 of the Canadian Securities Administrators);
 - (C) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade;
 - (D) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
 - (E) if the selling security holder is an insider or officer of the Resulting Issuer, the selling security holder has no reasonable grounds to believe that the Resulting Issuer is in default of securities legislation;
- (xi) the first trade by a holder of the Compensation Shares of the Resulting Issuer issuable upon the exercise of the Agents’ Compensation Options upon the completion of the Qualifying Transaction in the Canadian Selling Jurisdictions, other than a trade which is otherwise exempt under Canadian Securities Laws, will be a distribution subject to the prospectus requirements of such Canadian Securities Laws, unless at the time of such trade:
- (A) the Resulting Issuer, including its predecessor Exito Energy, is and has been a “reporting issuer” (as such term is defined by Canadian Securities Laws of the Canadian Selling Jurisdictions) in a jurisdiction in Canada for the four months immediately preceding the trade;
 - (B) the trade is not a “control distribution” (as such term is defined in NI 45-102 of the Canadian Securities Administrators);
 - (C) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade;
 - (D) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
 - (E) if the selling security holder is an insider or officer of the Resulting Issuer, the selling security holder has no reasonable grounds to believe that the Resulting Issuer is in default of securities legislation; and
- (xii) such other matters as the Agents or their counsel may reasonably request.

(j) **U.S. Securities Opinion.** If any Subscription Receipts are being sold to persons in the United States pursuant to Schedule “A” to this Agreement, the Agents shall have received an opinion from Dorsey & Whitney LLP, U.S. legal counsel to the Company, in form and substance reasonably satisfactory to the Agents, to the effect that registration under the U.S. Securities Act is not required in connection with the offer and sale of the Subscription Receipts or the exercise of the Subscription Receipts for the Underlying Shares if no commission or other remuneration is paid or given to solicit such exchange, provided that such offers and sales are made in compliance with Schedule “A” to this Agreement and provided further that it being understood that no opinion is expressed as to any offer or sale of securities of Exito Energy or the Resulting Issuer or any subsequent resale of any Subscription Receipts, Underlying Shares or Resulting Issuer Shares.

(k) **Lock-Up Agreements.** The Agents shall have received from each executive officer, director and shareholder holding 5% or greater of the Common Shares of the Company prior to the Offering, a fully completed and executed lock-up agreement substantially in the form of Schedule “B” attached hereto.

(l) **Executed Transaction Documents.** The Subscription Agreements and the Subscription Receipt Agreement shall have been executed and delivered by the parties thereto in form and substance satisfactory to the Agents and the Agent’s Counsel (acting reasonably).

(m) **Compensation Option Certificates.** The Agents shall have received from the Company on the Closing Date, duly executed Compensation Option Certificates.

(n) **Regulatory Approvals.** The Company having obtained all necessary approvals of any regulatory authority required in connection with the Offering prior to the Closing Time.

(o) **The Arrangement Agreement.** The Arrangement Agreement shall not have been breached, terminated, cancelled, amended or restated and shall remain in full force and effect.

(p) **Due Diligence Matters.** The Agents shall, in their sole discretion, be satisfied with their due diligence review with respect to the business, assets, financial condition, affairs and prospects of the Company, the Subsidiary, Exito Energy and of the Qualifying Transaction.

The foregoing conditions are for the sole benefit of the Agents and may be waived in whole or in part by GMP, on behalf of the Agents, at any time. If any of the foregoing conditions are not met, the Agents may terminate their obligations under this Agreement without prejudice to any other remedies they may have.

10. RIGHTS OF TERMINATION.

(a) Each Agent shall be entitled, at its sole option, to terminate and cancel, without any liability on its part or on the part of the other Agents and the Purchasers, its obligations (and those of any Purchasers arranged by it) under this Agreement, to purchase the Subscription Receipts by written notice to that effect given to the Company at or prior to the Closing Time if:

- (i) *Material Change Out* – there is, in the opinion of the Agents (or any one of them), acting reasonably, a material change or change in a material fact, or a new material fact shall arise which would reasonably be expected to have an adverse change or effect on the business, affairs, or financial condition of the Company or its subsidiaries or on the market price or value of the securities of the Company, Exito Energy or the Resulting Issuer; or

- (ii) *Disaster Out* – there should develop, occur or come into effect any event, action, state, condition or major financial occurrence of national or international consequence, of any nature, including without limitation, accident, act of terrorism, public protest, or any governmental law or regulation (or any change thereto) which in the reasonable opinion of the Agents (or any of them) adversely affects, or involves, or may adversely affect, or involve, the financial markets or the business, operations, affairs, or financial condition of the Company and its subsidiaries, taken as a whole, or the business, operations or affairs of the Company, Exito Energy or the Resulting Issuer or the market price or value of the securities of the Company, Exito Energy or the Resulting Issuer; or
- (iii) *Regulatory Out* – (i) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the Exchange or securities commissions which involves a finding of wrong-doing; which, in the reasonable opinion of the Agents, operates to prevent or restrict the trading of securities of the Company, Exito Energy or the Resulting Issuer or adversely affects or will adversely affect the business, operations or affairs of the Company, Exito Energy or the Resulting Issuer; or (ii) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of any securities of the Company, Exito Energy or the Resulting Issuer, or prohibiting or restricting the distributions of the Subscription Receipts, Underlying Shares, any securities of Exito Energy or the Resulting Issuer Shares, is made, or proceedings are announced, commenced or threatened by any securities commission or similar regulatory authority, or by any other competent authority, and the same has not been rescinded, revoked or withdrawn; or
- (iv) *Market Out* – the state of the financial markets in Canada or elsewhere where the Agents plan to market the Subscription Receipts is such that, in the reasonable opinion of the Agents (or any one of them), the Subscription Receipts cannot be marketed profitably; or
- (v) *Due Diligence Out* – the Agents (or any one of them) are not satisfied, in their sole discretion, acting reasonably, with their due diligence review and investigations of the Company; or
- (vi) *Breach Out* – the Company or Exito Energy is in breach of a material term, condition or covenant of this Agreement or any representation or warranty given by the Company or Exito Energy in this Agreement, the Subscription Receipt Agreement, the Subscription Agreements or the Arrangement Agreement, as applicable, becomes or is false in any material respect.

(b) If this Agreement is terminated by any of the Agents pursuant to Section 10(a), there shall be no further liability on the part of such Agent or of the Company and Exito Energy to such Agent, except in respect of any liability which may have arisen or may thereafter arise under Sections 11 and 13.

(c) The right of the Agents or any of them to terminate their 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 or Exito Energy in respect of any of the matters contemplated by this Agreement. A notice of termination given by one Agent under this Section 10 shall not be binding upon the other Agents.

11. EXPENSES.

The Company shall pay all reasonable expenses and fees (including any associated taxes) in connection with the Offering including, without limitation, listing fees, expenses payable in connection with the sale of the Subscription Receipts, all fees and expenses of counsel (including local counsel) for the Company, all reasonable fees and expenses of counsel for the Agents (provided that before engaging local counsel in any jurisdiction outside of Canada, the Agents shall have notified the Company of their determination to engage such counsel, together with an estimate of the expected fees of such counsel), all fees and expenses of the Company's auditors, all reasonable costs and out-of-pocket expenses of the Agents including, without limitation, costs and expenses invoiced in the marketing of the Subscription Receipts, costs relating to road shows (including the Agents' travel expenses), information meetings and the preparation of audio-visual and other information, meeting materials and costs incurred in connection with preparing, filing, printing and providing commercial copies of the Offering Memorandum, marketing materials, other documents, and all applicable taxes on any of the foregoing. All expenses payable by the Company to the Agents in accordance with this Agreement shall be payable whether or not the Offering is completed and, if the Offering is not completed, upon receiving an invoice therefor from GMP.

12. SURVIVAL.

All representations, warranties, covenants (to the extent such covenants by their terms continue after the Closing) and agreements of the Company and/or Exito Energy herein contained or contained in any documents delivered by the Company and/or Exito Energy pursuant to this Agreement and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Agents or the Purchasers with respect thereto, shall continue in full force and effect for the benefit of the Agents for a period of 24 months following the Closing Date. The representations, warranties, covenants and agreements of the Agents herein contained and in connection with the transactions herein contemplated shall survive the Closing and, notwithstanding such Closing or any investigation made by or on behalf of the Company and/or Exito Energy with respect thereto, shall continue in full force and effect for the benefit of the Company and Exito Energy for a period of 24 months following the Closing Date.

13. INDEMNITY.

(a) The Company and, upon completion of the Qualifying Transaction, the Company and the Resulting Issuer (together, the "**Indemnitors**") jointly and severally, agree to defend, indemnify and hold the Agents and each of their respective subsidiaries and affiliates, directors, officers, employees and agents (hereinafter collectively referred to as the "**Personnel**" and together with the Agents, the "**Indemnified Parties**") harmless to the fullest extent permitted by law from and against any and all losses (other than loss of profits), claims, actions, damages, expenses or liabilities of any nature, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings or claims and fees and expenses of counsel and other reasonable out-of-pocket expenses incurred in investigating and defending any pending or threatened action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity) (collectively, the "**Claims**"), to which the Indemnified Parties may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such Claims arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Indemnitors by the Indemnified Parties hereunder or otherwise in connection with the matters referred to in this Agreement (including, but not limited to: (a) any information or statement contained in the Offering Memorandum, which at the time and in light of the circumstances in which it was made contains or is alleged to contain a misrepresentation; (b) any omission to state in the Offering Memorandum any fact required to be stated to make any statement in the Offering Memorandum not misleading in light of the circumstances in which it was made; (c) the non-compliance

by the Indemnitors with the requirements of applicable securities laws, regulations or rules; and (d) any order made or investigation or proceeding commenced or threatened by any securities commission or other competent authority based upon any untrue statement, omission or misrepresentation (alleged or otherwise) in the Offering Memorandum or based on any failure to comply with securities legislation, in either case, preventing or restricting the trading in or sale of the Common Shares), and including any matter arising prior to the date hereof; provided, however, that this indemnity shall not apply to the extent that any Claims are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have been directly caused by or resulted from the gross negligence, fraudulent act or wilful misconduct of such Indemnified Party.

(b) Promptly after receiving notice of a Claim against any Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitors, the applicable Indemnified Party will notify the Indemnitors in writing of the particulars thereof; provided that the omission to so notify the Indemnitors shall not relieve the Indemnitors of any liability which they may have to any Indemnified Party except and only to the extent that any such delay in or failure to give notice as herein required materially prejudices the defence of such Claim or results in any material increase in the liability which the Indemnitors have under this indemnity. Upon receipt of such notice, the Indemnitors shall promptly retain counsel (who shall be reasonably acceptable to the Indemnified Party) to represent the Indemnitors and Indemnified Party in such matter, and the Indemnitors shall pay the reasonable fees and disbursements of such counsel relating to such matter.

(c) In any such matter, the Indemnified Party shall have the right to retain other counsel to act on his, her or its behalf, and the Indemnitors shall pay the reasonable fees and disbursements of such other counsel if: (a) the Indemnified Party is advised in writing by counsel that there is an actual or potential conflict in the Indemnitors' and Indemnified Party's respective interests or additional defences are available to the Indemnified Party such that representation by the same counsel would be inappropriate; (b) the Indemnitors have not assumed the defence of the claim, action, suit or proceeding within 10 Business Days after receiving notice thereof; or (c) employment of such other counsel has been authorized in writing by the Indemnitors; provided, however, that the Indemnitors shall not, in connection with any one such action or proceeding or separate but substantially similar actions or proceedings arising out of the same general allegations, be liable for the fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties, except to the extent that local counsel, in addition to its regular counsel, is required in order to effectively defend against such action or proceeding.

(d) The Indemnitors agree that the Indemnified Parties shall not have any liability to the Indemnitors or any person asserting claims on behalf of or in right of the Indemnitors in connection with or as a result of either the Indemnified Parties' engagement hereunder or any matter referred to in this Agreement, including, without limitation, related services and activities prior to the date of this Agreement, except, in respect of an Indemnified Party, to the extent that it shall be determined by a court of competent jurisdiction in a judgment that has become final in that it is no longer subject to appeal or other review that any losses, claims, damages, liabilities or expenses incurred by the Indemnitors were directly caused by or resulted from the gross negligence, fraudulent act or wilful misconduct of such Indemnified Person in performing the services that are the subject of this Agreement or arose from information provided by the applicable Agent to the Indemnitors that was included in the Offering Memorandum.

(e) No admission of liability, fault, culpability or failure to act and no settlement of any claim, action, suit or proceeding shall be made without the consent of each Indemnified Party affected, such consent not to be unreasonably withheld unless such admission or settlement includes an unconditional and full release of the Indemnified Person from all liability arising out of such claim, action, suit or proceeding. The Indemnitors shall not be liable for any settlement of any claim, action, suit or proceeding made without

its consent (such consent not to be unreasonably withheld in connection with any settlement involving only the payment of monetary damages).

(f) If the foregoing indemnification is not for any reason available, the Indemnitors agree to contribute to the amount paid or payable by the Indemnified Party as a result of any losses, claims, damages, liabilities and expenses involved (i) in the proportion appropriate to reflect the relative benefits received or sought to be received by the Indemnitors and their affiliates, on the one hand, and any Indemnified Party, on the other hand, in connection with the matters contemplated by this Agreement or (ii) if (but only if and to the extent) the allocation provided for in clause (i) is for any reason held unenforceable, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Indemnitors and their affiliates, on the one hand, and the party entitled to contribution, on the other hand, as well as any other relevant equitable considerations. The Indemnitors agree that for the purposes of this paragraph the relative benefits received, or sought to be received, by the Indemnitors and their affiliates, on the one hand, and the party entitled to contribution, on the other hand, in connection with the matters contemplated by this Agreement shall be deemed to be in the same proportion that the total value received or paid or contemplated to be received or paid by the Indemnitors or their affiliates, as the case may be, as a result of or in connection with the matters (whether or not consummated) for which any Indemnified Party has been retained to perform services bears to the fees paid to any Indemnified Party under this Agreement; provided that, in no event shall the Indemnitors contribute less than the amount necessary to assure that any Indemnified Party is not liable for losses, claims, damages, liabilities and expenses in excess of the amount of fees actually received by any Indemnified Party pursuant to this Agreement. Relative fault shall be determined by reference to, among other things, whether any alleged untrue statement or omission or any other alleged conduct relates to information provided by the Indemnitors or other conduct by the Indemnitors (or its employees or other agents), on the one hand, or by any Indemnified Party, on the other hand. The contribution provisions contained in this paragraph shall cease to be available to an Indemnified Party and shall not apply if and to the extent that any losses, claims, damages, expenses or liabilities are determined by a court of competent jurisdiction in a final judicial determination from which no appeal can be made to have resulted directly from the gross negligence, fraudulent act or wilful misconduct of the applicable Indemnified Party.

(g) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to those of the Indemnified Parties who are not signatories hereto and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor and the Indemnified Parties. The foregoing provisions shall survive the completion of professional services rendered under this Agreement.

(h) With respect to any person who may be indemnified this Section 13 and is not a party to this Agreement, the Agents shall obtain and hold the rights and benefits of this Section 13 in trust for and on behalf of such person.

14. ADVERTISEMENTS.

The Company and Exito Energy acknowledge that the Agents shall have the right, subject always to Sections 2(a), 2(c) and 5 of this Agreement and to prior approval by the Company and Exito Energy, at their own expense, to place such advertisement or advertisements relating to the sale of the Subscription Receipts contemplated herein as the Agents may consider desirable or appropriate and as may be permitted by applicable law, including applicable Securities Laws. The Company, Exito Energy and the Agents 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 requirements of applicable securities legislation in any of the Selling Jurisdictions in which the Subscription Receipts shall be offered or sold not being available.

15. AGENTS' COMMISSION AND AGENTS' COMPENSATION OPTIONS

In consideration of the financial services to be rendered by the Agents in connection with the Offering, the Agents will receive from the Company:

(a) a cash commission (the “**Agents’ Commission**”) equal to 7.0% of the aggregate gross proceeds raised in the Offering, excluding proceeds raised from Direct Settlers pursuant to the President’s List. The Agents’ Commission shall be paid to the Agents upon satisfaction or waiver (to the extent such waiver is permitted) of the Escrow Release Conditions at or before the Escrow Release Deadline; and

(b) non-transferable compensation options (the “**Agents’ Compensation Options**”) equal to 7% of the aggregate number of Subscription Receipts issued, including those Subscription Receipts issued in respect of the Agents’ Option, each being exercisable for one Underlying Share for a period of 24 months from the date on which the Escrow Release Conditions are satisfied at a price equal to the Subscription Price, subject to adjustment in certain customary events, and following completion of the Qualifying Transaction, each Agents’ Compensation Option shall be exercisable for 0.2601 of a Resulting Issuer Share, subject to adjustment in certain customary events (as applicable, when referring to the Company’s Common Shares, the “**Compensation Shares**” and when referring to Resulting Issuer Shares, the “**Compensation Shares of the Resulting Issuer**”). If the Escrow Release Conditions are not satisfied on or before the Escrow Release Deadline, the Agents’ Compensation Options shall be immediately cancelled. At the Closing Time, the Company shall execute and deliver to the Agents certificates evidencing the Agents’ Compensation Options (the “**Compensation Option Certificates**”) to which the Agents are entitled, in a form to be agreed upon by the Agents and the Company, each acting reasonably.

16. SYNDICATION OF THE AGENTS

The obligations of the Agents to solicit offers for the purchase and sale of the Subscription Receipts under the Offering shall be on a “best efforts” agency marketed basis without underwriter liability or obligation and the Subscription Receipts shall be allocated among the Agents based upon the following percentages:

| <u>Name of Agent</u> | <u>Syndicate Position</u> |
|-------------------------------------|---------------------------|
| GMP Securities L.P. | 75% |
| Mackie Research Capital Corporation | 25% |

If any of the Agents fails to sell its applicable percentage of the aggregate amount of the Subscription Receipts at the Closing Time, the other Agents shall have the right, but not the obligation, to sell the Subscription Receipts which would otherwise have been sold by the Agent which fails to sell.

17. ACTION BY GMP

All steps which must or may be taken by the Agents in connection with the closing of the Offering, with the exception of the matters relating to (i) termination of purchase obligations; (ii) waiver and extension; and (iii) indemnification, contribution and settlement, may be taken by GMP, on behalf the Agents and the Purchasers. The execution of this Agreement by the other Agents and by the Company shall constitute the Company’s authority and obligation for accepting notification of any such steps from, and for delivering

the Subscription Receipts by way of electronic deposit or otherwise, to or to the order of, GMP. GMP shall fully consult with the other Agents with respect to all notices, waivers, extensions or other communications to or with the Company. The rights and obligations of the Agents under this Agreement shall be several and not joint nor joint and several.

18. NOTICES.

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

- (a) If to the Company, to it at:

Good Life Networks Inc.
Suite 202 – 499 Broughton Street,
Vancouver V6G 3K1

Attention: Jesse Dylan, Chief Executive Officer
Email: jesse@glinc.ca

with a copy to (which will not constitute delivery):

DuMoulin Black LLP
595 Howe Street, Suite 1000
Vancouver, British Columbia V6C 2T5

Attention: Justin Kates
Email: jkates@dumoulineblack.com

- (b) If to Exito Energy, to it at:

Exito Energy II Inc.
1110, 335 – 8th Avenue St. W.
Calgary, Alberta
T2P 1C9

Attention: Brad Docherty, President and Chief Executive Officer
Email: brad@sourcerockroyalties.com

with a copy to (which will not constitute delivery):

Gowlings WLG (Canada) LLP
1600 – 421 7th Avenue SW
Calgary, Alberta
T2P 4K9

Attention: Frank Sur
Email: frank.sur@gowlingwlg.com

- (c) or if to the Agents (on behalf of the Agents):

GMP Securities L.P.
145 King Street West, Suite 300
Toronto, Ontario M5H 1J8

Attention: Steve Ottaway
Email: steveo@gmpsecurities.com

-and-

Mackie Research Capital Corporation
199 Bay Street, Suite 4500
Toronto, Ontario M5L 1G2

Attention: Jovan Stupar
Email: jstupar@mackieresearch.com

with a copy to (which will not constitute delivery):

Wildeboer Dellelce LLP
365 Bay Street, Suite 800
Toronto, Ontario M5H 2V1

Attention: Charlie Malone
Email: cmalone@wildlaw.ca

or to such other address as any of the parties may designate by notice given to the others.

Each notice shall be personally delivered to the addressee or sent by e-mail transmission to the addressee and (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent by e-mail transmission shall be deemed to be given and received on the first Business Day following the day on which it is confirmed to have been sent.

19. TIME OF THE ESSENCE.

Time shall, in all respects, be of the essence hereof.

20. CANADIAN DOLLARS.

All references herein to dollar amounts are to lawful money of Canada unless otherwise indicated.

21. HEADINGS.

The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

22. SINGULAR AND PLURAL, ETC.

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

23. ENTIRE AGREEMENT.

This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings including, without limitation, the engagement letter between the Company and GMP, on behalf the Agents, dated as of September 27, 2017 in respect of the Offering. This Agreement may be amended or modified in any respect by written instrument only.

24. SEVERABILITY.

If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

25. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of the Company, Exito Energy and the Agents irrevocably submit to the non-exclusive jurisdiction of the courts of Ontario with respect to any matter arising hereunder or relating hereto.

26. SUCCESSORS AND ASSIGNS.

The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Company, Exito Energy and the Agents and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein or in the Subscription Agreements, this Agreement shall not be assignable by any party without the written consent of the others.

27. FURTHER ASSURANCES.

Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

28. EFFECTIVE DATE.

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

29. COUNTERPARTS AND FACSIMILE.

This Agreement may be executed in any number of counterparts and by facsimile, each of which so executed shall constitute an original and all of which taken together shall form one and the same agreement.

[Remainder of Page Intentionally Left Blank]

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 Agents.

GMP SECURITIES L.P.

Per: (signed) "Steve Ottaway"
Name: Steve Ottaway
Title: Managing Director, Investment
Banking

**MACKIE RESEARCH CAPITAL
CORPORATION**

Per: (signed) "Jovan Stupar"
Name: Jovan Stupar
Title: Managing Director, Investment
Banking

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

DATED as of this 18th day of January, 2018.

GOOD LIFE NETWORKS INC.

Per: (signed) "*Jessie Dylan*"

Name: Jessie Dylan

Title: President and CEO

EXITO ENERGY II INC.

Per: (signed) "*Brad Docherty*"

Name: Brad Docherty

Title: President and CEO

SCHEDULE "A"

As used in this Schedule "A", the following terms shall have the following meanings:

"Accredited Investor" has the meaning ascribed thereto in Rule 501(a) of Regulation D;

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

"Disqualification Event" has the meaning set forth in Section A(10) below;

"Foreign Issuer" means a "foreign issuer" as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule, it means any issuer which is (a) the government of any country other than the United States or of any political subdivision of a country other than the United States; or (b) a corporation or other organization incorporated under the laws of any country other than the United States, except an issuer meeting the following conditions as of the last business day of its most recently completed second fiscal quarter: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and (2) any of the following; (i) the majority of the executive officers or directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;

"General Solicitation or General Advertising" means "general solicitation or general advertising", as used in Rule 502(c) of Regulation D, including any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"Offshore Transaction" means "offshore transaction" as that term is defined in Regulation S;

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

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

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

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

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

"Securities" means the Subscription Receipts, the Underlying Shares and the Resulting Issuer Shares for which such Underlying Shares will be exchanged pursuant to the Qualifying Transaction;

“Substantial U.S. Market Interest” means “substantial U.S. market interest” as that term is defined in Regulation S;

“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. Exchange Act” means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

“U.S. Person” means a “U.S. person” as that term is defined in Regulation S;

“U.S. Purchaser” means an original Purchaser of the Subscription Receipts that is either an Accredited Investor or Qualified Institutional Buyer who was, at the time of purchase, (a) a U.S. Person, (b) any person purchasing such Subscription Receipts on behalf of, or for the account or benefit of, any U.S. Person or any person in the United States, (c) any person who receives or received an offer to acquire such Subscription Receipts while in the United States, and (d) any person who was in the United States at the time such person's buy order was made or the Subscription Agreement pursuant to which such Subscription Receipts were acquired was executed or delivered; and

“U.S. Securities Act” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

All other capitalized terms used but not otherwise defined in this Schedule “A” shall have the meanings assigned to them in the agency agreement to which this Schedule “A” is attached.

A. Representations, Warranties and Covenants of the Company

The Company represents and warrants to and covenants with each of the Agents and the U.S. Affiliate that:

1. It is, and on the Closing Date will be, a Foreign Issuer with no Substantial U.S. Market Interest with respect to any of its securities.
2. Except with respect to offers and sales in accordance with this Schedule “A” to (i) U.S. Purchasers in reliance upon the exemption from registration requirements available pursuant to Rule 506(b) of Regulation D, and (ii) persons outside the United States in an Offshore Transaction in reliance upon the exclusion from the registration requirements available pursuant to Rule 903 of Regulation S, neither the Company nor any of its affiliates, nor any person acting on its or their behalf (other than the Agents, the U.S. Affiliate, Exito Energy, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Subscription Receipts to a person in the United States; or (B) any sale of Subscription Receipts unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States or (ii) the Company, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.
3. None of the Company or any person acting on its behalf (other than the Agents, the U.S. Affiliate, Exito Energy, their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has made or will make any Directed Selling Efforts or has engaged or will engage in any form of General Solicitation or General Advertising or has

acted in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in the United States with respect to the Securities.

4. The Company is not, and as a result of the sales of the Subscription Receipts or the issuance of the Underlying Shares contemplated hereby will not be, an open-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered, or closed-end investment company required to be registered, under the United States Investment Company Act of 1940, as amended.
5. The Company has not sold, offered for sale or solicited any offer to buy and will not sell, offer for sale or solicit any offer to buy, during the period beginning six months prior to the start of the Offering of the Subscription Receipts and ending six months after the completion of the Offering of the Subscription Receipts, any of its securities in the United States in a manner that would be integrated with and would cause the exemption from registration provided by Rule 506(b) of Regulation D or the exclusion from registration provided by Rule 903 of Regulation S, to be unavailable with respect to offers and sales of the Subscription Receipts pursuant to this Schedule "A".
6. The Company will not take any action that would cause the exemptions or exclusions provided by Rule 903 of Regulation S or Rule 506(b) of Regulation D to be unavailable with respect to offers and sales of the Subscription Receipts to U.S. Purchasers pursuant to the Agency Agreement including this Schedule "A".
7. Neither the Company nor any of its predecessors or affiliates has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
8. None of the Company, its affiliates or any person on behalf of any of them (other than the Agents, the U.S. Affiliate, Exito Energy, their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with this Offering.
9. The Company will, within prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or applicable state securities laws in connection with the Offering.
10. With respect to the Subscription Receipts to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D, none of the Company, any of its predecessors, any director, any officer, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person" and, together, "Issuer Covered Persons") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the U.S. Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine (i) the identity of each person that is an Issuer Covered Person; and (ii) whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Agents a copy of any disclosures provided thereunder. The Company has not paid and will not pay, nor is it aware of any person that has paid or will pay, directly or indirectly, any remuneration for solicitation of purchasers under Rule 506(b) of

Regulation D to any person other than the Agents.

11. Any offer, sale or solicitation of an offer to buy Subscription Receipts that has been made or will be made by the Company directly, and not through the Agents and the U.S. Affiliate, was or will be made only to (i) Accredited Investors in transactions that are exempt from the registration requirements available pursuant to Rule 506(b) of Regulation D and exempt from registration under all applicable state securities laws, and (ii) persons outside the United States in Offshore Transactions that are exempt from registration pursuant to Rule 903 of Regulation S.

B. Representations, Warranties and Covenants of the Agents and the U.S. Affiliate

Each Agent and the U.S. Affiliate, represents and warrants to and covenants and agrees with the Company and Exito Energy, jointly (and not solidarily, nor jointly and severally), that:

1. It acknowledges that the Securities have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and may not be offered or sold except pursuant to an exclusion or exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. It has offered and sold and will offer and sell the Subscription Receipts only (i) outside the United States in an Offshore Transaction in accordance with Rule 903 of Regulation S, or (ii) in the United States as provided in this Schedule "A". Accordingly, neither the Agent, nor the U.S. Affiliate, nor any persons acting on its or their behalf: (i) have engaged or will engage in any Directed Selling Efforts; or (ii) except as permitted by this Schedule "A", have made or will make (x) any offers to sell Subscription Receipts to U.S. Purchasers or (y) any sale of Subscription Receipts unless at the time the purchaser made its buy order therefor, the Agent, the U.S. Affiliate or other person acting on any of their behalf reasonably believed that such purchaser was outside the United States and not a U.S. Person or acting for the account or benefit of a U.S. Person.
2. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Securities, except with the U.S. Affiliate or with the prior written consent of the Company.
3. It shall require the U.S. Affiliate and each person with whom it has entered into a contractual arrangement with respect to the distribution of the Securities to agree, for the benefit of the Company and Exito Energy, to comply with, and shall use its best efforts to ensure that the U.S. Affiliate complies with, the provisions of this Schedule "A" as if such provisions applied to such person.
4. All offers and sales of the Subscription Receipts to U.S. Purchasers will be effected by it or the U.S. Affiliate in accordance with all applicable U.S. federal and state broker-dealer requirements. Either it or such U.S. Affiliate is, and will be on the date of each offer or sale of Subscription Receipts in the United States, duly registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and the securities laws of each state in which such offer or sale is made (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.
5. Any offer, sale or solicitation of an offer to buy Subscription Receipts that has been made or will be made by it was or will be made only to (i) Accredited Investors in transactions that are exempt from the registration requirements available pursuant to Rule 506(b) of Regulation D and exempt from registration under all applicable state securities laws, and (ii) persons outside the United States in Offshore Transactions that are exempt from registration pursuant to Rule 903 of Regulation S.

6. Offers and sales of Subscription Receipts to U.S. Purchasers have not been and shall not be made by any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act.
7. At least one Business Day prior to the Closing Date, it shall provide the Company's transfer agent with a list of all U.S. Purchasers of the Subscription Receipts, together with their addresses (including state of residence), the number of Subscription Receipts purchased and the registration and delivery instructions for the Subscription Receipts.
8. Prior to any sale of Subscription Receipts to U.S. Purchasers, it shall cause each U.S. Purchaser to execute and deliver to the Company, the Agents and the U.S. Affiliate, the Subscription Agreement, including Annex 1 to Schedule "C" thereto, in the form approved by the Company. Annex 2 to Schedule "C" to the Subscription Agreement will not be used.
9. All U.S. Purchasers of the Subscription Receipts shall be informed that the Securities have not been and will not be registered under the U.S. Securities Act and applicable state securities laws and are being offered and sold to such U.S. Purchasers in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 506(b) of Regulation D.
10. The Agent understands that all Subscription Receipts sold and Underlying Shares issued to U.S. Purchasers in the Offering that are Accredited Investors will be issued in definitive physical form and will bear a restrictive legend substantially in the form set forth Schedule "C" to the Subscription Agreement.
11. Neither it nor any person acting on its behalf has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with this Offering.
12. With respect to the Subscription Receipts, it represents that none of it, the U.S. Affiliate or any of their respective directors, executive officers, other officers participating in the offering of the Subscription Receipts, general partners or managing members, or any of the directors, executive officers or other officers participating in the offering of the Subscription Receipts of any such general partner or managing member (each, a "**Dealer Covered Person**" and, together, "**Dealer Covered Persons**"), is subject to any Disqualification Event except for a Disqualification Event (i) contemplated by Rule 506(d)(2) of the U.S. Securities Act 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 date of any offering of the Subscription Receipts. Neither it nor the U.S. Affiliate has paid or will pay, nor is it aware of any other person that has paid or will pay, directly or indirectly, any remuneration for solicitation of purchasers under Rule 506(b) of Regulation D to any person other than the Agents.
13. At Closing, the Agent, together with the U.S. Affiliate, will provide a certificate, substantially in the form of Exhibit A to this Schedule A, relating to the manner of the offer and sale of the Subscription Receipts to U.S. Purchasers, or will be deemed to have represented that they did not offer or sell Subscription Receipts to U.S. Purchasers.
14. The Agent is not a U.S. Person, did not receive the offer to acquire the Agent's Compensation Options in the United States, it was not in the United States when executing any buy order for the Agent's Compensation Options, and it will not acquire the Agent's Compensation Options for the

account or benefit of a U.S. Person or a person in the United States.

C. Representations, Warranties and Covenants of Exito Energy

Exito Energy represents and warrants to and covenants with the Company, each of the Agents and the U.S. Affiliate that:

1. It is, and on the Closing Date will be, a Foreign Issuer with no Substantial U.S. Market Interest with respect to any of its securities.
2. Except with respect to offers and sales in accordance with this Schedule “A” through the Agents, the U.S. Affiliate and/or the Company, to (i) U.S. Purchasers in reliance upon the exemption from registration requirements available pursuant to Rule 506(b) of Regulation D, and (ii) persons outside the United States in an Offshore Transaction in reliance upon the exclusion from the registration requirements available pursuant to Rule 903 of Regulation S, neither Exito Energy nor any of its affiliates, nor any person acting on its or their behalf (other than the Agents, the U.S. Affiliate, the Company, their respective affiliates or any person acting on their behalf, in respect of which no representation is made), has made or will make any offer or sale of securities in connection with the Offering.
3. None of Exito Energy or any person acting on its behalf (other than the Agents, the U.S. Affiliate, the Company, their respective affiliates or any person acting on their behalf, in respect of which no representation, warranty or covenant is made) has made or will make any Directed Selling Efforts or has engaged or will engage in any form of General Solicitation or General Advertising or has acted in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act in the United States with respect to the Securities.
4. Exito Energy is not, and as a result of the sales of the Subscription Receipts or the issuance of the Underlying Shares or Resulting Issuer Shares contemplated hereby will not be, an open-end investment company, unit investment trust or face-amount certificate company that is or is required to be registered, or closed-end investment company required to be registered, under the United States Investment Company Act of 1940, as amended.
5. Exito Energy has not sold, offered for sale or solicited any offer to buy and will not sell, offer for sale or solicit any offer to buy, during the period beginning six months prior to the start of the Offering of the Subscription Receipts and ending six months after the completion of the Qualifying Transaction, any of its securities in the United States in a manner that would be integrated with and would cause the exemption from registration provided by Rule 506(b) of Regulation D or the exclusion from registration provided by Rule 903 of Regulation S, to be unavailable with respect to offers and sales of the Subscription Receipts pursuant to this Schedule “A”.
6. Exito Energy will not take any action that would cause the exemptions or exclusions provided by Rule 903 of Regulation S or Rule 506(b) of Regulation D to be unavailable with respect to offers and sales of the Subscription Receipts to U.S. Purchasers pursuant to the Agency Agreement including this Schedule “A”.
7. Neither Exito Energy nor any of its predecessors or affiliates has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.

8. None of Exito Energy, its affiliates or any person on behalf of any of them (other than the Agents, the U.S. Affiliate, the Company, their respective affiliates or any person acting on their behalf, in respect of which no representation is made) has engaged or will engage in any violation of Regulation M under the U.S. Exchange Act in connection with this Offering.

9. With respect to the Subscription Receipts and any underlying Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D, none of Exito Energy, any of its predecessors, any director, executive officer, other officer of Exito Energy participating in the offering, any beneficial owner of 20% or more of Exito Energy's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with Exito Energy in any capacity at the time of sale (each, a "Resulting Issuer Covered Person" and, together, "Resulting Issuer Covered Persons") is subject to a Disqualification Event, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). Exito Energy has exercised reasonable care to determine (i) the identity of each person that is a Resulting Issuer Covered Person; and (ii) whether any Resulting Issuer Covered Person is subject to a Disqualification Event. Exito Energy has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Agents and the Company a copy of any disclosures provided thereunder. Exito Energy has not paid and will not pay, nor is it aware of any person that has paid or will pay, directly or indirectly, any remuneration for solicitation of purchasers under Rule 506(b) of Regulation D to any person other than the Agents.

EXHIBIT A
AGENT’S CERTIFICATE

In connection with the private placement in the United States of subscription receipts (the “**Offered Securities**”) of Good Life Networks Inc. (the “**Company**”) pursuant to the Agency Agreement dated January 18, 2018 among the Company, Exito Energy II Inc. and the Agents named therein (the “**Agency Agreement**”), each of the undersigned does hereby certify to the Company as follows:

- (a) • (the “**U.S. Affiliate**”) is, and at all relevant times was, a duly registered broker or dealer with the United States Securities and Exchange Commission and is a member of and in good standing with the Financial Industry Regulatory Authority, Inc. on the date hereof and the date on which each offer was made by it in the United States, and all offers and sales of the Securities in the United States have been effected by the U.S. Affiliate in compliance with all U.S. federal and state broker-dealer requirements;
- (b) immediately prior to making any offers or sales to any U.S. offeree, we had reasonable grounds to believe and did believe that the offeree was an Accredited Investor in reliance upon an exemption from registration available under Rule 506(b) of Regulation D and, on the date hereof, we continue to believe that each such person that is purchasing Offered Securities is an Accredited Investor;
- (c) no form of general solicitation or general advertising (as those terms are used in Regulation D under the U.S. Securities Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television or the internet or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Offered Securities in the United States;
- (d) neither we nor the U.S. Affiliate, have taken or will take any action that would constitute a violation of Regulation M under the U.S. Exchange Act; and
- (e) the offering of the Offered Securities in the United States has been conducted by us in accordance with the terms of the Agency Agreement including Schedule “A” thereto.

Terms used in this certificate have the meanings given to them in the Agency Agreement unless otherwise defined herein.

[Signature page follows]

Dated this ____ day of _____, 2018.

GMP SECURITIES L.P.

[NAME OF U.S. AFFILIATE]

By:

By:

Name:
Title:

Name:
Title:

SCHEDULE "B"

FORM OF LOCK-UP AGREEMENT

**TO: GMP SECURITIES, L.P. ("GMP")
MACKIE RESEARCH CAPITAL CORPORATION**

(together, the "**Agents**")

WHEREAS the undersigned understands that the Agents have entered into an agency agreement dated January ___, 2018 (the "**Agency Agreement**") with Good Life Networks Inc. (the "**Company**") and Exito Energy II Inc. relating to the issue and sale by way of private placement (the "**Offering**") of a minimum of 99,846,390 subscription receipts of the Company (the "**Subscription Receipts**") and a maximum of 122,887,865 Subscription Receipts at a price of \$0.0651 per Subscription Receipt (the "**Subscription Price**") for aggregate gross proceeds of a minimum of \$6.5 million and a maximum of \$8 million (excluding the Agent's Options);

AND WHEREAS in order to induce the Agents to enter into the Agency Agreement and proceed with the Offering, the undersigned is entering into this Lock-Up Agreement to provide that the Locked-Up Securities (as defined below) be subject to the restrictions set forth herein;

NOW THEREFORE in consideration for the Agents completing the Offering and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby enters into this Lock-Up Agreement and covenants and agrees as follows:

1. The undersigned will not, and will not permit any of his, her or its associates or affiliates (as such terms are defined in the *Securities Act* (British Columbia)) to, directly or indirectly, offer, sell, contract to sell, lend, swap, or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, publicly announce any intention to offer, sell, contract to sell, grant or sell any option to purchase, hypothecate, pledge, transfer, assign, purchase any option or contract to sell, lend, swap, or enter into any agreement to transfer the economic consequences of, or otherwise dispose of or deal with (collectively, "**Transfer**"), whether through the facilities of a stock exchange, by private placement or otherwise, any Common Shares or Resulting Issuer Shares, or other securities of the Company or the Resulting Issuer held by the undersigned, directly or indirectly, or any securities convertible into or exchangeable for any securities of the Company or the Resulting Issuer now or hereafter owned by, or under the control or direction of, the undersigned (or an associate or affiliate thereof), directly or indirectly (collectively, the "**Locked-Up Securities**"), for a period (the "**Lock-Up Period**") commencing on the date hereof and ending 18 months following the Escrow Release Date, unless the undersigned first obtains the written consent of GMP (on its own behalf and on behalf of the other Agent). Notwithstanding the foregoing, the undersigned may Transfer without the prior written consent of GMP (i) up to 33.33% of the Locked-Up Securities on or after the date that is 6 months following the Escrow Release Date; (ii) up to an additional 33.33% of the Locked-Up Securities on or after the date that is 12 months following the Escrow Release Date; and (iii) the remainder of the Locked-Up Securities after the end of the Lock-Up Period. For greater certainty, this Lock-Up Agreement shall not amend, limit, alter, reduce or impair the terms of any escrow, standstill and/or lock-up agreement to which the undersigned is currently subject.

2. The undersigned authorizes the Company or the Resulting Issuer, as applicable, during the Lock-Up Period to decline to transfer and/or to note stop transfer restrictions on the transfer books and records of the Company or the Resulting Issuer, as applicable, with respect to any Locked-Up Securities for which the undersigned is the record holder and, in the case of any such Locked-Up Securities for which the undersigned is the beneficial but not the record holder, agrees to use reasonable efforts to cause the record

holder to cause the transfer agent to decline to transfer and/or to note stop transfer restrictions on such books and records with respect to such securities.

3. Notwithstanding anything to the contrary contained herein, during the Lock-Up Period, the undersigned may, without the consent of GMP: (i) transfer, sell or tender any or all of the Locked-Up Securities pursuant to a take-over bid (as defined in the *Securities Act* (British Columbia)) or any other similar transaction, including, without limitation, a merger, arrangement or amalgamation, involving a change of control of the Company (provided, that all Locked-Up Securities that are not so transferred, sold or tendered remain subject to this undertaking; and provided, further, that it shall be a condition of transfer that if such take-over bid or other transaction is not completed, any Locked-Up Securities subject to this Lock-Up Agreement shall remain subject to the restrictions herein); (ii) transfer any or all of the Locked-Up Securities to a tax trust, RRSP or TFSA or to any nominee or custodian (including a trust) where there is no change in beneficial ownership (other than a change in beneficial ownership resulting from a transfer to a trust for the direct or indirect benefit of the immediate family members of the undersigned); (iii) transfer any Locked-Up Securities acquired pursuant to the Offering; (iv) transfer any or all of the Locked-Up Securities by will or intestate succession following the undersigned's death or for the purposes of estate planning; or (v) transfer any or all of the Locked-Up Securities pursuant to a court order or similar decree, provided that any such transferee agrees to assume all obligations of the undersigned under the terms of this Lock-Up Agreement.

4. The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Lock-Up Agreement, and that, upon the reasonable request of the Agents, the undersigned will execute any additional documents necessary or desirable in connection with the enforcement hereof.

5. This Lock-Up Agreement shall not be assigned by the undersigned without the prior written consent of GMP (on behalf of the Agents).

6. This Lock-Up Agreement is irrevocable and will be binding on the undersigned and the undersigned's respective successors, heirs, personal or legal representatives and permitted assigns.

7. This Lock-Up Agreement is governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

8. Capitalized terms used herein and not otherwise defined shall the meanings given to them in the Agency Agreement.

9. This Lock-Up Agreement may be executed by counterpart signatures (including counterparts by facsimile or pdf), each of which shall be effective as original signatures.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

DATED as of this _____ day of January, 2018.

[CORPORATE SHAREHOLDER]

Per: _____

Name:

Title:

Address: _____

Per: _____

[Individual Shareholder]

Witness

Address: _____

SCHEDULE "C"

COMPANY MATERIAL AGREEMENTS

- Arrangement Agreement
- Subscription Receipt Agreement
- Loan agreement dated December 21, 2015, as amended, between GLN, 7032749 Canada Inc. and the group of lenders listed in Schedule "A" thereto
- Employment contract dated January 1, 2016 between GLN and Jesse Dylan
- Employment contract dated January 1, 2016 between GLN and Cliff Dumas
- Employment contract dated January 1, 2016 between GLN and Joel Woodman
- Employment contract dated January 1, 2016 between GLN and Justin Woodman
- Employment contract dated January 1, 2016 between GLN and Josh Woodman
- Significant customer and supplier contracts, copies of which have been provided to the Agents
- Consulting Agreement between the Company and 986992 Alberta Limited dated March 1, 2016
- Intellectual Property Assignment Agreement dated October 5, 2016 among Stella 300 Ltd., Good Life Networks Inc. and Good Life Networks USA Inc.
- Platform Agreement between Good Life Networks Inc. and RLLCLL, LLC dated January 1, 2017
- Consulting Services Agreement between Good Life Networks Inc. and Dew Point Consulting dated January 1, 2017
- Consulting Services Agreement between Good Life Networks Inc. and Gurlach Limited dated January 1, 2017

Debt Instruments

- Secured Subordinated Loan Agreement dated March 30, 2016 between Good Life Networks (USA) Inc., Good Life Networks Inc. and Lernalabs Ltd. for up to USD\$1,000,000 with attached Promissory Note (USD\$1,000,000), Debenture, and General Security Agreement
- Promissory note dated July 11, 2016 in the principal amount of US\$143,564.93 from GLN and its subsidiary Good Life Networks (USA) Inc. to Lernalabs Ltd.
- Unsecured convertible notes in the aggregate principal amount of \$1,542,827.50 issued pursuant to the Company's bridge financing
- Promissory Note dated October 7, 2016, as amended, in the principal amount of \$25,000 from GLN to Exito Energy II Inc.
- Convertible debentures in the aggregate principal amount of \$120,000 convertible into 3,189,998 Common Shares