

This **SHARE PURCHASE AGREEMENT** made this 23 day of October, 2015

Between:

PAUL GREWAL, an individual resident in the Province of Nova Scotia

(the "Purchaser")

-and-

ANTERIOR EDUCATION HOLDINGS LTD., a company incorporated pursuant to the laws of the Province of British Columbia

("Anterior")

-and-

ENGLISH CANADA WORLD ORGANIZATION LIMITED, a company incorporated pursuant to the laws of the Province of Nova Scotia

("English Canada")

(Anterior and English Canada, collectively the "Vendor")

-and-

INTERNATIONAL LANGUAGE INSTITUTE LIMITED, a company incorporated pursuant to the laws of the Province of Nova Scotia

(the "Company")

WHEREAS Anterior owns all of the issued and outstanding shares of the Company (the "Subject Shares");

AND WHEREAS the Company is indebted to Anterior and English Canada (the "Subject Debt")

AND WHEREAS the Vendor desires to sell and the Purchaser desires to purchase the Subject Shares and the Subject Debt, all subject to the terms and conditions set forth herein;

NOW THEREFORE WITNESSETH THAT in consideration of the sum of One Dollar (\$1.00) now paid by each of the parties hereto to each of the others (the receipt and sufficiency of which is hereby acknowledged by all of the parties hereto) and in consideration of the mutual covenants herein contained, the parties agree as follows:

ARTICLE ONE - INTERPRETATION

1.01 Definitions

The following terms, as used herein, having the following meanings:

- (a) "**Agreement**" means this Share Purchase Agreement and the schedules annexed **hereto**;
- (b) "**arm's length**" has the definition set out in subsection 251(1) of the *Income Tax Act* (Canada);
- (c) "**assets**" means all of the assets owned by the Company as of the date of the Financial Statements, including without limitation, all Intellectual Property, the Included DC and Contracts;
- (d) "**Books and Records**" means all books and records of the Company, including the books of account, accounting records and other financial data and information of the Company, all computer manuals, computer data, financial and tax working papers, financial and tax books and records, business reports, business plans and projections, sales and advertising materials, sales and purchases records and correspondence, trade association files, research and development records, lists of present and former customers, students and suppliers, personnel and employment records, school records, student databases, student records, promotional material, personal information (as such term is defined under applicable privacy laws) in whatever form including electronic, digital and other computer-related media and all copies and records of the foregoing;
- (e) "**business**" means the business of providing educational services and carrying on an "English as second language" school and related operations as currently and heretofore carried on by the Company;
- (f) "**Business Day**" means a day other than Saturday, Sunday or other day on which commercial banks in Halifax, Nova Scotia, Canada are authorized or required by law to close;
- (g) "**Closing**" means the completion of the sale to and purchase by the Purchaser of the Subject Shares;
- (h) "**Closing Date**" means the 30th day of October, 2015 or such other date as the parties may mutually agree;
- (i) "**Consent**" means any approval, consent, ratification, waiver or other authorization (including any Governmental Authorization);

- (j) "**Contracts**" means any agreement to which the Company is a party, whether written or oral;
- (k) "**Curriculum**" means all of the teaching and aid materials, and all research and testing materials, and all other information, in digital or written form relating to the programs offered by the Company as of the date of the Financial Statements;
- (l) "**Excluded Digital Curriculum**" means all intellectual property rights (whether registered or not and including applications for registrations of such rights), including, without limitation, patents, trade marks, rights in designs, copyrights (including rights in any computer software) and database rights, provided that such intellectual property right was invented, devised or originated by Anterior or any of its subsidiaries or affiliates, including without limitation, all rights to and in respect of the ILI Cloud Curriculum, but specifically excluding all internet links, domain names, email addresses, passwords and information relating thereto which are used by the Company in its business and all text based curriculum, provided that no intellectual property right shall be considered to be Excluded Digital Curriculum unless such right is specifically listed at Schedule D;
- (m) "**Encumbrance**" means mortgages, charges, pledges, security interests, liens, encumbrances, actions, claims, demands and equities of any nature whatsoever or howsoever arising and any right or privilege capable of becoming any of the foregoing, including any Governmental Charges;
- (n) "**Included DC**" means the current textbook curriculum^{MA}, Intellectual Property and the tradename "International Language Institute", with the exception of the Excluded Digital Curriculum;
- (o) "**Financial Statements**" means the financial statements of the Company as at September 30, 2015 and which are attached hereto as Schedule "B";
- (p) "**Governmental Authorization**" means any consent, approval, permit, license or other authorization granted, made, given or issued by any government body at the municipal, provincial or federal level;
- (q) "**Governmental Charges**" means and includes all Taxes, customs, duties, rates, levies, assessments, reassessments and other charges, together with all penalties, interest and fines with respect thereto, payable to any federal, provincial, municipal, local or other government or governmental agency, authority, board, bureau or commission, domestic or foreign;

- (r) "HST" means all goods and services taxes, harmonized sales taxes or excise taxes, value added taxes or multi-stage taxes and all provincial sales taxes integrated with such federal taxes, assessed, rated or charged upon the Company;
- (s) "**Intellectual Property**" means all trademarks, trade names, business names, domain names, patents, inventions, the Curriculum and supporting materials, know-how, copyrights, service marks, brand names, industrial designs and all other industrial or intellectual property owned or used by the Company in carrying on the business and all applications therefor and all goodwill connected therewith, including, without limitation, all licenses, registered user agreements and all like rights used by or granted to the Company in connection with the business all right to register or otherwise apply for the protection on any of the foregoing;
- (t) "**Knowledge**" means actual knowledge and the knowledge that a reasonably prudent business owner ought to have;
- (u) "**non-arm's length**" means individuals who are not dealing with each other at arm's length;
- (v) "**person**" means and includes any individual, corporation, partnership, firm, joint venture, syndicate, association, trust, government, governmental agency or board or commission or authority, and any other form of entity or organization;
- (w) "**Purchase Price**" means One Hundred Two Dollars (\$102);
- (x) "**Purchaser's Counsel**" means Patterson Law; and
- (y) "**Tax**" means all taxes imposed of any nature including any Canadian (whether federal, territorial, provincial or local) or foreign income tax, alternative or add-on minimum tax, profits or excess profits tax, franchise tax, gross income, adjusted gross income or gross receipts tax, employment related tax (including employee withholding or employer payroll tax or employer health tax), capital tax, real or personal property tax, sales or use tax, excise tax, stamp tax or duty, any withholding or back up withholding tax, HST, severance tax, prohibited tax, premiums tax, occupation tax, customs and import duties, together with any interest or any penalty.

1.02 Currency Used

All references herein to dollars or the use of the symbol "\$" shall be deemed to refer to Canadian dollars.

1.03 Accounting Standards for Private Enterprises

Where Chartered Professional Accountants Canada or any successor thereto ("CPA Canada") includes a statement in its handbook or any successor thereto on a method or alternative methods of accounting or on a standard or standards of auditing, such statement shall be regarded as the only Canadian accounting standard or standards for private enterprise ("ASPE") applicable to the circumstances that it covers, and references herein to "Canadian accounting standards for private enterprises" shall be interpreted accordingly. All accounting and financial terms used herein, unless specifically provided to the contrary, shall be interpreted and applied in accordance with ASPE and in a consistent manner.

1.04 Governing Law

This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of Nova Scotia and the laws of Canada applicable therein (excluding any conflict of laws rule or principle that might refer such interpretation to the laws of another jurisdiction). Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Nova Scotia with respect to any matter arising hereunder or related hereto.

1.05 Headings

The headings herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. All references to an Article or Section include all subparts thereof.

1.06 Gender and Number

In this Agreement, words importing the singular include the plural and vice versa; words importing gender include all genders.

1.07 Severability

The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions of this Agreement and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

ARTICLE TWO - PURCHASE AND SALE

2.01 Purchase of Shares and Debt

At the Closing, on the terms and subject to the conditions set forth herein, the Vendor shall sell, transfer, convey, assign and deliver to the Purchaser the Subject Shares and the Subject Debt, free and clear of all Encumbrances, and the Purchaser shall purchase, acquire and

accept from the Vendor the Subject Shares and the Subject Debt, in exchange for the Purchase Price.

2.02 Closing

The Closing shall take place at the offices of the Purchaser's Counsel on the Closing Date or at such other time and place as the parties may agree.

2.03 Payment of the Purchase Price

The Purchaser shall pay the Purchase Price on the Closing by solicitor's trust cheque, certified cheque, wire transfer or bank draft payable to the Vendor.

2.04 Allocation of Purchaser Price

The Purchase Price shall be allocated as follows:

- (a) \$100 to the Subject Shares;
- (b) \$1 to the Subject Debt held by Anterior;
- (c) \$1 to the Subject Debt held by English Canada;

2.05 Restrictive Covenants

(a) Non-Competition Agreement - Anterior

In order to allow the Purchaser to realize the full benefit of its bargain in connection with the purchase of the Subject Shares, Anterior covenants and agrees that it will enter into a non-compete agreement with the Purchaser and the Company in a form satisfactory to the Purchaser and which agreement shall provide that Anterior shall not, directly or indirectly by way of a subsidiary or affiliate, carry on or be engaged in or be concerned with or interested in, or advise, lend money to, guarantee the debts or obligations of, or permit its name or any part thereof to be used or employed by any person engaged in or concerned with or interested in any business competitive with the business of the Company or the business of the Purchaser, being the operation of private post-secondary educational institutions (the "**Purchaser's Business**"), for a period of two (2) years following Closing (the "**Binding Period**"), in the Provinces of Nova Scotia, New Brunswick, Prince Edward Island or Newfoundland and Labrador (the "**Restricted Area**").

(b) Non-Competition Agreement – Purchaser

The Purchaser shall not, directly or indirectly, and the parties agree that the Company shall not, directly or indirectly, carry on or be engaged in or be

concerned with or interested in, or advise, lend money to, guarantee the debts or obligations of, or permit its name or any part thereof to be used or employed by any person engaged in or concerned with or interested in any business competitive with the business of Anterior, being the operation of teaching English as a second language ("ESL") or developing ESL curriculums for a period of two (2) years following the Closing in the Province of British Columbia.

(c) **Non-Solicitation Agreement**

In order to allow the Purchaser to realize the full benefit of its bargain in connection with the purchase of the Subject Shares, Anterior covenants and agrees that it will each enter into a non-solicitation agreement with the Purchaser and the Company in a form reasonably satisfactory to the Purchaser and providing that Anterior shall not, directly or indirectly, during the Binding Period, in the Restricted Area,

- i. solicit, interfere with or attempt to solicit or interfere with any supplier, employee, customer or client of or to the Company or the Purchaser away from the Company or the Purchaser, provided that nothing herein shall restrict Anterior in soliciting or attempting to solicit the employment of, or employing or seeking to employ, Andrea Thoms, or Jason Deering, or Fergus Fadden; or
- ii. subject to the exception in clause i. , solicit or employ or engage the services of any person that was an employee, agent or sales representative of the Company or the Purchaser at any time during the Binding Period; or
- iii. subject to the exception in clause i. , do any act or thing which results in the relationship between the Company or the Purchaser and any supplier, employee, customer or client of the Company or the Purchaser being diminished or impaired.

2.06 Closing Deliverables - Purchaser

At the Closing, the Purchaser shall deliver the Purchase Price to the Vendor in accordance with section 2.03 of this agreement and the non-competition agreement referred to in section 2.05(b).

2.07 Closing Deliverables - Vendor

At the Closing, the Vendor shall deliver to the Purchaser:

- (a) certificates representing the Subject Shares endorsed in blank for transfer;

- (b) all of the assets of the Company, including without limitation, all corporate records, financial records, Books and Records, computer equipment, the Included DC, Contracts, Intellectual Property and any other property of the Company whether such property is contained at the site of the Company or elsewhere;
- (c) such evidence as the Purchaser's Counsel may reasonably require that all of the Vendor's covenants, warranties and representations are true and correct to the time of Closing and that all conditions precedent to Closing have been met or complied with;
- (d) releases from the Vendor to the Company;
- (e) Assignment of Debt agreements transferring the Subject Debt to the Purchaser;
- (f) Indemnification Agreement pursuant to sections 5.03 through to and including 5.05;
- (g) Resignations of the directors and officers;
- (h) Non-competition Agreement pursuant to section 2.05(a); and
- (i) Non-solicitation Agreement pursuant to section 2.05(c).

2.08 Excluded Digital Curriculum

The parties acknowledge and agree that all right and title in and to and under the Excluded Digital Curriculum is the property of Anterior and shall belong and continue to belong to Anterior and no right, title or interest therein is the property of or belongs to the Company or English Canada, and that, as of the Closing, no license shall be held by the Company to use the same. Prior to the Closing, the Vendor shall cause the Company to irrevocably:

- (a) assign to Anterior all present and future copyright, intellectual property rights or other right, title and interest of whatsoever nature (whether vested or contingent) conferred by any law in force from time to time in any part of the world in and to the Excluded Digital Curriculum, or invented, devised or originated by the Company in relation to the Excluded Digital Curriculum, for Anterior to hold absolutely for the full period of copyright or intellectual property or other relevant rights, including all renewals, reversions, revivals and extensions thereof and thereafter (to the extent possible) in perpetuity, together with all accrued rights, including rights of action, in relation thereto, or in relation to any past or existing infringement of such copyright, intellectual property or other right, title or interest, in such form as Anterior may reasonably require; and

- (b) unconditionally and in perpetuity waive all moral rights in and to the Excluded Digital Curriculum and all similar rights under the laws of any jurisdiction whether now existing or hereafter conferred.

Notwithstanding anything else herein contained, nothing in this Agreement or any other agreement between the parties shall be taken to transfer or assign the rights of the Company to the Included DC to Anterior or permit the transfer or assignment of the rights of the Company to the Included DC to Anterior. For greater certainty, ownership of the Included DC shall remain with the Company and, except as specifically provided in section 2.09, Anterior shall have no rights to or use of the Included DC.

2.09 Included DC

The parties acknowledge and agree that Anterior shall have twelve (12) months from the Closing to use the Included DC and that at the end of the twelve (12) month period immediately following the Closing, Anterior shall have no further rights to use the Included DC and shall deliver to the Purchaser all property relating to the Included DC and shall sign all such documents as the Purchaser may require to waive Anterior's rights to the Included DC and confirm to the Purchaser that Anterior has no further access to the Included DC or property relating to the Included DC in its possession or in the possession of its agents, employees, officers, subsidiaries or advisors.

ARTICLE THREE - REPRESENTATIONS, WARRANTIES AND COVENANTS

3.01 Representations, Warranties and Covenants of the Vendor

Anterior covenants, represents, and warrants the following as of the date hereof, and as of the Closing, and acknowledge that the Purchaser is relying on such covenants, representations and warranties in connection with the purchase of the Subject Shares:

- (a) the Company is incorporated, duly organized and validly existing under the laws of Nova Scotia and it is duly licensed by all necessary governmental authorities, Federal, Provincial or otherwise, and is qualified to carry on the business and own property in those jurisdictions where it carries on business and owns property;
- (b) the Subject Shares and the Subject Debt are free of all Encumbrances whatsoever and that the Vendor has full power and authority to convey, sell, assign and transfer the Subject Shares to the Purchaser;
- (c) the Subject Shares are validly issued and are fully-paid and non-assessable and represent all of the issued and outstanding shares of the Company;
- (d) no person, firm or corporation, other than the Purchaser has an agreement or option or any right capable of becoming an agreement for the purchase from

the Vendor of the Subject Shares or the Subject Debt, or any agreement or option or right capable of becoming an agreement for the purchase, subscription or issuance of any unissued shares in the capital of the Company;

- (e) this Agreement constitutes a legal, valid and binding obligation of the Vendor, enforceable against the Vendor in accordance with its terms;
- (f) the Vendor has the absolute and unrestricted right, power, authority and capacity to execute and deliver this Agreement and to perform their obligations under this Agreement;
- (g) the Company has prepared and filed all tax returns on time which were required to be filed for fiscal periods ending on or before the Closing Date. Each such tax return was correct and complete;
- (h) the Company has paid all Tax due and payable by it and has paid all Tax assessments and reassessments it has received;
- (i) there are no Tax assessments or reassessments against the Company that have been issued and are outstanding;
- (j) except as otherwise disclosed to the Purchaser, the Company holds good and marketable title to its assets free and clear of all Encumbrances and adverse claims, including leases, chattel mortgages, conditional sales contracts, collateral security arrangements and other title or interest retention arrangements;
- (k) Schedule C sets out a listing of all of the material personal property and Intellectual Property and Governmental Authorizations used by the Company in connection with the business and indicates whether such property is owned or leased;
- (l) the Company now holds and at the Closing Date all necessary Governmental Authorizations to carry on its business, being a private language training institute in the Province of Nova Scotia.
- (m) all obligations of the Company with respect to the employees of the Company are up to date and in good standing including any Labour Standards, Worker's Compensation or obligations for Taxes and withholdings for Taxes;
- (n) as of the Closing, the Company has no employees, except Serena Lambert, and all of its obligations, including severance obligations, to former employees are fully satisfied such that the Company shall not be liable to any

employee or former employee as of the Closing other than the obligations with respect to Serena Lambert from October 12, 2015 to after Closing;

- (o) the Company does not own nor have any agreement of any nature to acquire, directly or indirectly, any shares in the capital of any other company, nor any proprietary interest in the business of any other person, firm or company;
- (p) there are no actions, suits or proceedings (whether or not purportedly by or on behalf of the Company) pending or threatened against or affecting the Company by any person before or by any federal, provincial, county, municipal or other governmental or administrative department, commission, board, bureau, agency or instrumentality, domestic or foreign;
- (q) other than a lease for real property, a copy of which has been provided to the Purchaser, the Company is not a party to or subject to any contract, lease, agreement or business arrangement which cannot be terminated on thirty (30) days' notice or less, and the Company is in good standing under all Contracts and entitled to all benefits thereunder and the Purchaser has been provided with copies of all such contracts, leases, agreements or business arrangements;
- (r) the purchase of the Subject Shares by the Purchaser does not:
 - i. contravene or conflict with any law, order or Governmental Authorization to which the Vendor may be subject; or
 - ii. give any person the right to challenge the transactions contemplated pursuant to this Agreement or to exercise any remedy or obtain any relief under any law or order to which the Vendor may be subject;
- (s) neither the execution and delivery of this Agreement nor the consummation or performance of any of the transactions contemplated pursuant to this Agreement will directly or indirectly:
 - i. contravene or conflict with any of the constating documents of the Company or any resolution adopted by or any agreement among the directors or shareholders of the Company;
 - ii. contravene or conflict with any law, order or Governmental Authorization to which the Vendor or the Company may be subject;
 - iii. cause the Purchaser or the Company to become subject to or liable for the payment of any Tax;

- iv. contravene or conflict with any provision of or give any person the right to declare a default or exercise any remedy under or to accelerate the maturity or performance of or to cancel, terminate or modify any Contract;
- v. unless otherwise contemplated hereunder, result in the imposition or creation of any Encumbrance upon or with respect to any of the assets owned by the Company;
- (t) there are no other shareholders' agreements, unanimous shareholders' agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of the shares of the Company;
- (u) the Vendor is not and as of the Closing Date shall not be non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (v) other than Halladay Education Group ("HEG"), no broker, agent or other intermediary acted for the Vendor or the Company in connection with the sale herein (it being acknowledged and agreed between the parties that the Purchaser shall contribute to the commission payable to HEG in connection with the sale herein, an amount equal to 4% of Eighty Thousand Dollars (\$80,000) being Three Thousand Two Hundred Dollars, at the time of Closing by wire transfer to a bank or financial institution designated by HEG) and the Vendor agrees to indemnify and save harmless the Purchaser and the Company from and against any claims whatsoever for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Vendor or the Company except as specifically agreed to herein;
- (w) except the Subject Debt, all indebtedness owed by the Company to a non-arm's length person or a person who owns shares in the capital stock of the Company has been paid in full;
- (x) all amounts owed to the Company by a non-arm's length person, a person who is non-arm's length with the Vendor, or a person who owns shares in the capital stock of the Company have been collected in full;
- (y) the Financial Statements have been prepared in accordance with ASPE applied on a consistent basis, are true and correct as of the date thereof and accurately reflect the position of the Company as of such date;
- (z) the arm's length creditors of the Company are listed at Schedule "A" hereto and in no event shall the aggregate liabilities of the Company owed to arm's length parties, regardless of whether such party is listed on Schedule A or

not, at the time of Closing or as a result of the Closing (or the resulting change of control of the Company) or arising after the Closing but relating to the operations of the Company, including the business, prior to the Closing, exceed Eighty Thousand Dollars (\$80,000) (including liabilities for Taxes) and further provided that in no event shall the aggregate liability for Taxes exceed Five Thousand Dollars (\$5,000) and further provided that in no event shall the aggregate liability to HEG exceed Three Thousand Two Hundred Dollars (\$3,200), not including any debt owing to the Purchaser. All provided, however, that the Vendors make no representations or warranties as to the liabilities of the Company arising from the actions of the Company following the Closing; and

- (aa) the deferred or unearned revenue of the Company, determined in accordance with the regulatory requirements as set by the relevant Governmental Authority which regulates the business of the Company, as of the Closing, shall be less than Five Thousand Dollars (\$5,000)
- (bb) the amount of the Subject Debt is as follows:
 - i. Anterior - \$250,989.74; and
 - ii. English Canada - \$528,179.10.

3.02 Representations, warranties and covenants of the Purchaser

The Purchaser covenants, represents, and warrants the following as of the date hereof, and as of the Closing, and acknowledges that the Vendor is relying on such covenants, representations and warranties in connection with the sale of the Subject Shares:

- (a) the execution, delivery and performance of this Agreement by the Purchaser, and the consummation by the Purchaser of the transactions provided for herein, do not (i) contravene or constitute a default under any material agreement to which the Purchaser is a party, or (ii) contravene or conflict with or constitute a violation of any provision of any applicable law binding upon or applicable to the Purchaser;
- (b) this Agreement constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with the terms of this Agreement; and
- (c) the Purchaser covenants to cause the Company to pay to the arm's length creditors of the Company an aggregate amount of up to Eighty Thousand Dollars (\$80,000), provided that in no event shall the aggregate liability for Taxes exceed Five Thousand Dollars (\$5,000) and further provided that in no

event shall the aggregate liability to HEG exceed Three Thousand Two Hundred Dollars (\$3,200) and such payment shall be made in the following order of preference:

- i. first, payments for Taxes;
- ii. second, payments required to be made under the Government Authorization issued to the Company to operate the business;
- iii. third, payment to Anterior to reimburse Anterior for payments to employees of the Company on or after October 21, 2015 and prior to the Closing, provided that Anterior can provide proof, satisfactory to the Purchaser as the Purchaser in his sole discretion decides, that all Taxes of the Company have been paid in full; and
- iv. fourth, payments to creditors listed in Schedule A.

ARTICLE FOUR - CONDITIONS PRECEDENT

4.01 Conditions Precedent to the Purchaser's Obligation to Close

The Purchaser's obligation to purchase the Subject Shares at the Closing and to take the other actions required to be taken by the Purchaser at the Closing is subject to the satisfaction, at or prior to the Closing, of each of the following conditions (any of which may be waived by the Purchaser, in whole or in part):

- (a) all of Anterior's representations and warranties set forth in Section 3.01 must have been accurate as of the date of this Agreement and must be accurate as of the Closing, as if made at the Closing;
- (b) all of the covenants and obligations that the Vendor and/or the Company are required to perform or comply with pursuant to this Agreement at or prior to Closing must have been duly performed and complied with;
- (c) the Vendor and the Company will have delivered to the Purchaser all documents required by this Agreement to be delivered by the Vendor and the Company;
- (d) the Purchaser shall have completed due diligence searches of such nature and kind as the Purchaser in the Purchaser's sole discretion may determine and the Purchaser shall be satisfied with the results of such searches, as the Purchaser in his sole discretion may determine;
- (e) immediately prior to the Closing, the Purchaser shall have inspected the assets of the Company, regardless of whether such assets are located on the

site of the Company or elsewhere, and shall be satisfied, as the Purchaser in his sole discretion decides, with the results of such inspection;

- (f) all Consents, including all Governmental Authorizations, necessary or desirable to approve the transfer of the Subject Shares to the Purchaser and to ensure that the Company retains all Governmental Authorizations necessary to carry on its business following the Closing, shall have been obtained.

ARTICLE FIVE - SURVIVAL AND INDEMNIFICATION

5.01 Survival of Representations and Warranties

Notwithstanding the right of the Purchaser to investigate the Company and the Subject Shares and the Subject Debt or the knowledge acquired by the Purchaser, the Purchaser's right to rely fully upon the representations and warranties, covenants and agreements of the Vendor contained in this Agreement, and to pursue all rights and remedies in connection therewith shall not be diminished or obviated. The representations and warranties in Article 3 shall survive the Closing Date for a period of six (6) years, the representations and warranties set forth in Sections 3.01 (g), (h) and (i) shall survive until the expiry of the applicable period for any appeal and reassessment under the relevant taxation statute plus Sixty (60) days. All other covenants and agreements of the parties set forth in this Agreement shall survive the Closing without limitation.

5.02 Waiver

The conditions contained in Section 5.01 are inserted for the exclusive benefit of the Purchaser and may be waived in whole or in part by the Purchaser at any time. In the event that any of the conditions shall not be fulfilled or complied with by the Vendor at or prior to the Closing Date, the Purchaser may rescind this Agreement by notice to the Vendor and, in that event, the Purchaser shall be released from all obligations, and, unless the Purchaser can show that the condition or conditions for the non-performance of which the Purchaser have so rescinded this Agreement are or were reasonably capable of being performed or caused to be performed by the Vendor, the Vendor shall be released from all obligations, provided that any condition may be waived in whole or in part by the Purchaser without prejudice to its right of rescission in the event of non-fulfillment of any other condition or conditions and a waiver will be binding on the Purchaser only if it is in writing.

5.03 Indemnification

The Vendor hereby agrees to indemnify and save the Purchaser harmless from and against any claims, demands, actions, causes of action, damage, loss, deficiency, cost, liability and expense which may be made or brought against the Purchaser or which the Purchaser may suffer or incur as a result of, in respect of or arising out of:

- (a) any non-performance or non-fulfilment of any covenant or agreement on the part of the Vendor contained in this Agreement or in any document given in order to carry out the transactions contemplated hereby;
- (b) any misrepresentation, inaccuracy, incorrectness or breach of any representation or warranty made by the Vendor contained in this Agreement or contained in any document or certificate given in order to carry out the transactions contemplated hereby, and
- (c) all costs and expenses including, without limitation, legal fees on a solicitor and client basis, incidental to or in respect of the foregoing.

5.04 Provisions Relating to Indemnity Claims.

The following provisions will apply to any claim by the Purchaser for indemnification by the Vendor pursuant to section 5.03 hereof (hereinafter, in this section, called an "Indemnity Claim"):

- (a) Promptly after becoming aware of any matter that may give rise to an Indemnity Claim, the Purchaser will provide to the Vendor written notice of the Indemnity Claim specifying (to the extent that information is available) the factual basis for the Indemnity Claim and the amount of the Indemnity Claim or, if an amount is not then determinable, an estimate of the amount of the Indemnity Claim, if an estimate is feasible in the circumstances.
- (b) If an Indemnity Claim relates to an alleged liability of the Company to any other person (hereinafter, in this section, called a "**Third Party Liability**"), including without limitation any governmental or regulatory body or any taxing authority, which is of a nature such that the Company is required by applicable law to make a payment to a third party before the relevant procedure for challenging the existence or quantum of the alleged liability can be implemented or completed, then the Company or the Purchaser may, notwithstanding the provisions of paragraphs (c) and (d) of this section, make such payment or cause the Company to make such payment and forthwith demand reimbursement for such payment from the Vendor in accordance with this Agreement; provided that, if the alleged liability to the third party as finally determined upon completion of settlement negotiations or related legal proceedings is less than the amount which is paid by the Vendor in respect of the related Indemnity Claim, then the Company or the Purchaser, as the case may be, shall forthwith following the final determination pay to the Vendor the amount by which the amount of the liability as finally determined is less than the amount which is so paid by the Vendor.

- (c) The Purchaser shall not negotiate, settle, compromise or pay (except in the case of payment of a judgment) any Third Party Liability as to which it proposes to assert an Indemnity Claim, except with the prior consent of the Vendor (which consent shall not be unreasonably withheld or delayed), unless there is a reasonable possibility that such Third Party Liability may materially and adversely affect the Business, the Condition of the Company or the Purchaser, in which case the Purchaser shall have the right, after notifying the Vendor, to negotiate, settle, compromise or pay such Third Party Liability without prejudice to its rights of indemnification hereunder.
- (d) With respect to any Third Party Liability, provided the Vendor first admits the Purchaser's right to indemnification for the amount of such Third Party Liability which may at any time be determined or settled, then in any legal, administrative or other proceedings in connection with the matters forming the basis of the Third Party Liability, the following procedures will apply:
- i. except as contemplated by subparagraph (iii) of this paragraph, the Vendor will have the right to assume carriage of the compromise or settlement of the Third Party Liability and the conduct of any related legal, administrative or other proceedings, but the Purchaser and the Company shall have the right and shall be given the opportunity to participate in the defence of the Third Party Liability, to consult with the Vendor in the settlement of the Third Party Liability and the conduct of related legal, administrative and other proceedings (including consultation with counsel) and to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Vendor and the Purchaser shall be retained by the Vendor;
 - ii. the Vendor will cooperate with the Purchaser in relation to the Third Party Liability, will keep it fully advised with respect thereto, will provide it with copies of all relevant documentation as it becomes available, will provide it with access to all records and files relating to the defence of the Third Party Liability and will meet with representatives of the Purchaser at all reasonable times to discuss the Third Party Liability, and
 - iii. notwithstanding subparagraphs (i) and (ii) of this paragraph, the Vendor will not settle the Third Party Liability or conduct any legal, administrative or other proceedings in any manner which could, in the reasonable opinion of the Purchaser, have a material adverse effect on the Business, the Condition of the Company or the Purchaser, except with the prior written consent of the Purchaser.

- (e) If, with respect to any Third Party Liability, the Vendor does not admit the Purchaser's right to indemnification or declines to assume carriage of the settlement or of any legal, administrative or other proceedings relating to the Third Party Liability, then the following provisions will apply:
- i. the Purchaser, at its discretion, may assume carriage of the settlement or of any legal, administrative or other proceedings relating to the Third Party Liability and may defend or settle the Third Party Liability on such terms as the Purchaser, acting in good faith, considers advisable, and
 - ii. any cost, loss, damage or expense incurred or suffered by the Purchaser and the Company in the settlement of such Third Party Liability or the conduct of any legal, administrative or other proceedings shall be added to the amount of the Indemnity Claim.

5.05 Payment by Anterior

Notwithstanding anything else herein contained, if the aggregate liabilities of the Company at the Closing or a result of the Closing (or the change of control resulting from the Closing) or arising after the Closing but relating to the operations of the Company, including the business, prior to the Closing, exceed Eighty Thousand Dollars (\$80,000), other than the Subject Debt, then the Company, from time to time as demands for payment in relation to such liabilities are made by the creditor, shall make a written demand to Anterior and Anterior covenants that within ten (10) days of the date of such demand, Anterior shall make full payment to such creditor and shall fully indemnify the Company and the Purchaser in relation to any fees, costs or expenses incurred as a result of such liability. Nothing herein shall cause Anterior to indemnify the Company for any liabilities arising from the actions of the Company following the Closing.

ARTICLE SIX - INTENTIONALLY DELETED

ARTICLE SEVEN - TERMINATION

7.01 Termination

Notwithstanding any other provision of this Agreement, this Agreement may be terminated at any time prior to the Closing:

- (a) by mutual written consent of the Purchaser and the Vendor;
- (b) by the Purchaser if the Vendor breaches any of their representations, warranties or obligations hereunder and such breach shall not have been cured or waived by the Purchaser within ten (10) Business Days or the

Closing Date, whichever is earlier, after receipt of written notice of such breach from the Purchaser;

- (c) by the Vendor if the Purchaser breaches any of its representations, warranties or obligations hereunder and such breach shall not have been cured or waived by the Vendor within ten (10) Business Days after receipt of written notice of such breach from the Vendor.
- (d) written notice of such breach from the Vendor.

7.02 Remedies

If this Agreement is terminated by the Vendor or the Purchaser because the other party has breached this Agreement or because a condition to the terminating party's obligations pursuant to this Agreement are not satisfied as a result of the other party's failure to satisfy its obligation pursuant to this Agreement, then the terminating party's right to pursue all legal remedies shall not be prejudiced by and will survive the termination.

ARTICLE EIGHT - GENERAL

8.01 Amendments

Any provision of this Agreement may be amended if, and only if, such amendment is in writing and signed by all parties hereto.

8.02 Waivers

No waiver by a party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent occurrence. No failure or delay by a party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

8.03 Expenses

Except as specifically provided herein, all costs and expenses incurred in connection with this Agreement and enclosing and carrying out the transactions provided for herein shall be paid by the party incurring such cost or expense.

8.04 Time

Time shall be of the essence of this Agreement.

8.05 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and permitted assigns. No party hereto may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written approval of each other party, which approval shall not be unreasonably withheld.

8.06 Counterparts; Effectiveness

This Agreement and the documents relating to the transactions contemplated by this Agreement may be signed in any number of counterparts and signatures may be delivered by electronic copy or PDF, each of which shall be deemed to be an original, with the same effect as if the signatures thereto were upon the same instrument and delivered in person. This Agreement and such documents shall become effective when each party thereto shall have received a counterpart thereof signed by the other parties thereto. In the case of delivery by telecopy by any party, that party shall forthwith deliver a manually executed original to each of the other parties.

8.07 Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings and negotiations, both written and oral, between the parties with respect to the subject matter of this Agreement. Neither this Agreement nor any provision hereof is intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

8.08 Severability

If any provision of this Agreement, or the application thereof to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of the date this Agreement was executed or last amended.

8.09 Arbitration

Any disputes or differences between the parties hereto arising out of this Agreement or the transactions contemplated hereby, which the parties are unable to resolve themselves shall

be submitted to and resolved by arbitration as herein provided. Such arbitration shall be conducted by the appointment of one arbitrator by the parties within Ten (10) days of the determination by one of the parties that the dispute cannot be resolved. In the event an arbitrator is not selected within this time, either party may apply to a Justice of the Supreme Court of Nova Scotia to appoint an arbitrator. Any arbitration shall proceed in accordance with the Commercial Arbitration Act (Nova Scotia), and appeals of any decision shall be limited to matters of law. Fees and costs shall be determined and allocated at the discretion of the arbitrator.

8.10 Cumulative Remedies

The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

8.11 Survival and Merger

All provisions which by their nature are intended to survive the Closing or termination of this transaction shall survive and shall not merge

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have executed and delivered this Share Purchase Agreement as of the date first written above.

**SIGNED, SEALED AND
DELIVERED**
in the presence of

" PAUL GREWAL"

**ANTERIOR EDUCATION HOLDINGS
LTD.**

Per:

Name: "Michael Hunter"

Title: President

**ENGLISH CANADA WORLD
ORGANIZATION LIMITED**

Per:

Name: "Michael Hunter"

Title: President

**INTERNATIONAL LANGUAGE
INSTITUTE LIMITED**

Per:

Name: "Michael Hunter"

Title: President

**SCHEDULE A
-CREDITORS-**

Apple Canada Inc.	-	\$24,590.16
Atlas Electric Limited	-	\$218.50
Backman Vidcom	-	\$2,863.49
Eastlink	-	\$2,081.74
Federal Express Canada Ltd.	-	\$3,856.72
Jostens Canada Ltd.	-	\$1,653.54
Konica Minolta	-	\$757.32
Neopost Canada Ltd.	-	\$827.31
Office Interiors	-	\$258.64
Oxford University Press	-	\$1,111.01
Peak Contact	-	\$169.50
Pearson ERPI	-	\$750.46
Power Security Systems Ltd.	-	\$161.00
Staples Advantage	-	\$1,606.79
Supercity Office Systems	-	\$445.48
The Halifax Herald Limited	-	\$14,877.32
Travel Healthcare Insurance Solutions	-	\$4,225.10
		<hr/>
		\$60,454.08

SCHEDULE B
-FINANCIAL STATEMENTS-

See attached.

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International Language Institute
Balance Sheet
 As of September 30, 2015

Sep 30, 15

ASSETS	
Current Assets	
Chequing/Savings	
10000 · CIBC Chequing	476.83
10100 · CIBC Savings	-32,480.48
10200 · Petty Cash	45.00
10300 · TD Bank	1,526.24
Total Chequing/Savings	-30,432.41
Accounts Receivable	
12000 · Accounts Receivable	18,010.00
Total Accounts Receivable	18,010.00
Other Current Assets	
12400 · Inventory	14,000.00
13100 · Prepaid Expenses	2,194.99
13200 · PPD Digital Curriculum Expenses	31,820.44
Total Other Current Assets	48,015.43
Total Current Assets	35,593.02
Fixed Assets	
15000 · Furniture and Equipment	19,795.67
15900 · Leasehold Improvements	24,768.00
16400 · Computer Equipment	48,835.65
17000 · Accumulated Depreciation	-16,200.23
Total Fixed Assets	77,199.09
TOTAL ASSETS	112,792.11
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	60,454.08
Total Accounts Payable	60,454.08
Other Current Liabilities	
21000 · Due to/From English Canada	250,989.74
22000 · Due to/from Anterior Education	528,179.10
25000 · Deferred Revenue	38,030.00
25500 · GST/HST Payable	2,451.10
26000 · Accrued Liabilities	40,519.81
Total Other Current Liabilities	860,169.75
Total Current Liabilities	920,623.83
Total Liabilities	920,623.83
Equity	
30100 · Capital Stock	101.00
30500 · Contributed Surplus	50,000.00
32000 · Retained Earnings	-218,129.10
Net Income	-639,803.62
Total Equity	-807,831.72
TOTAL LIABILITIES & EQUITY	112,792.11

International Language Institute
Profit & Loss
October 2014 through September 2015

Oct '14 - Sep 15

Income	
41000 · Tuition Income	657,516.79
42000 · Net Host Family Revenue	57,465.05
43000 · Net Health Insurance Revenue	10,872.30
44000 · Registration Revenue	29,517.04
45000 · Text Book Income	-17,852.51
Total Income	737,518.67
Cost of Goods Sold	
50000 · Teaching Wages	436,845.91
50001 · Cost of Goods Sold	4,049.13
51000 · Supplies & Materials	-749.91
52000 · Agent Commissions	-15,240.69
Total COGS	424,904.44
Gross Profit	312,614.23
Expense	
60000 · Advertising and Promotion	30,714.79
60400 · Bank Service Charges	14,309.58
62400 · Depreciation Expense	16,199.86
62500 · Dues & Fees	7,187.30
63300 · Insurance Expense	10,719.91
64900 · Office Supplies	58,522.02
66700 · Professional Fees	16,453.70
67100 · Rent Expense	276,763.09
67200 · Repairs and Maintenance	2,464.39
68100 · Telephone Expense	9,891.34
68400 · Travel Expense	51,576.15
68600 · Wages - Admin Staff	457,615.72
69800 · Uncategorized Expenses	0.00
Total Expense	952,417.85
Net Income	-639,803.62

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SCHEDULE C
-PERSONAL PROPERTY-



SCHEDULE D
- EXCLUDED DIGITAL CURRICULUM-

The ILI Cloud Curriculum associated to a Google Aps for Education account: ilistudent.ca
This account includes all online materials associated with the ILI Cloud Curriculum.

These materials are written to teach "English as a second language" at 6 CEFR levels: A1, A2, B1, B2, C1 and C2. The materials include, but are not limited to Google docs, Google forms and spreadsheets.

There is also support materials which include but are not limited to instructional videos and internet links for teachers and learners (students).

Access to and sharing of the ILI Cloud Curriculum is currently administered from the ilistudent.ca admin account.

The Purchaser agrees that they have no rights to access, edit, amend, use or to claim ownership of anything contained in the Google Aps for Education account: ilistudent.ca account referenced as the *Excluded Digital Curriculum* in this Share Purchase Agreement and that Anterior Education Holdings Ltd. is the sole and exclusive owner of all content and materials contained therein.

