

**SHARE PURCHASE AGREEMENT**

**BETWEEN:**

**MARBLE FINANCIAL INC.**

– and –

**TNA INVESTMENTS LTD.**

– and –

**INVERITE VERIFICATION INC.**

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## SHARE PURCHASE AGREEMENT

**THIS AGREEMENT** is made as of the 12<sup>th</sup> day of April, 2021 between **MARBLE FINANCIAL INC.**, a corporation existing under the laws of the Province of British Columbia (the “**Purchaser**”), **TNA INVESTMENTS LTD.**, a corporation existing under the laws of the Province of British Columbia (the “**Vendor**”) and **INVERITE VERIFICATION INC.**, a corporation existing under the laws of the Province of British Columbia (the “**Company**”).

### RECITALS:

- A. The Vendor is the owner, beneficially and of record, of 100 Class “A” Voting Common Shares and 100 Class “C” Non-Voting Common Shares of the Company (collectively, the “**Purchased Shares**”), representing all of the issued and outstanding shares in the capital of the Company.
- B. The Purchaser wishes to purchase and the Vendor wishes to sell the Purchased Shares, upon and subject to the conditions of this Agreement.

**NOW THEREFORE**, in consideration of the foregoing and the representations, warranties, covenants, conditions, agreements and promises contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties to this Agreement, the Parties agree as follows:

### ARTICLE I INTERPRETATION

#### 1.1 Definitions

Throughout this Agreement, the following words, terms and expressions shall have the following meanings:

“**Accounts Payable**” means all accounts payable of the Company incurred or accrued in the ordinary course of the Business.

“**Accounts Receivable**” means all accounts, notes, bills and other receivables, trade accounts and trade receivables, insurance claims and other amounts owing to the Company, together with any unpaid interest or fees accrued thereon which are outstanding on the Closing Date and the full benefit of all security or collateral for such amounts, including recoverable advances and deposits.

“**Accrued Liabilities**” means ordinarily recurring operating expenses of the Company incurred as of the Closing Time but which are not yet due and payable as of the Closing Time and claims against the Company that are increasing with the passage of time or receipt of goods or services but are not yet due and payable as of the Closing Time, including accruals for vacation pay, customer rebates and allowances for product returns to the extent reflected on the Closing Date Financial Statements.

“**Adjusted Gross Revenues**” means the gross revenue of the Company less any refunds, rebates, reimbursements, or other repayments of fees by the Company to its customers for the relevant period,

“**Affiliate**” means, with respect to any corporation, partnership, limited partnership, trust or joint venture, any other corporation, partnership, limited partnership, trust or joint venture that: (a) Controls, (b) is Controlled by, or (c) is under common Control with, such corporation, partnership, limited partnership, trust or joint venture.

“**Agreed Claims**” has the meaning given to it in Section 7.5(c).

“**Agreement**”, “**this Agreement**”, “**the Agreement**”, “**hereof**”, “**herein**”, “**hereto**”, “**hereby**”, “**hereunder**” and similar expressions mean this Share Purchase Agreement dated the date hereof between the Parties, including all schedules and exhibits, and all instruments supplementing, amending, modifying, restating or otherwise confirming this Agreement. All references to “**Articles**”, “**Sections**”, “**Schedules**” and “**Exhibits**” mean and refer to the specified article, section, schedule and exhibit of this Agreement.

“**Ancillary Agreements**” means the Escrow Agreement, Employment Agreements and Non-Competition Agreements.

“**Annual Incremental Revenue**” means the amount by which the Adjusted Gross Revenues for the applicable Earn-Out Period exceeds the Adjusted Gross Revenues for the previous 12-month period.

“**arm’s length**” has the meaning given to it in the Tax Act.

“**Associate**” where used to indicate a relationship with any Person, means:

- (a) any company of which such Person owns, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all voting securities of the company for the time being outstanding;
- (b) any partner of that Person;
- (c) any trust or estate in which such Person has a substantial beneficial interest or as to which such Person serves as a trustee or in a similar capacity;
- (d) any relative of that Person who resides in the same home as such Person;
- (e) any Person who resides in the same home as that Person and to whom that Person is married or with whom that Person is living in a conjugal relationship outside marriage; or
- (f) any relative of a Person mentioned in clause (e) who has the same home as that Person.

“**Basket Amount**” has the meaning given to it in Section 7.4(d).

**“Books and Records”** means all books and records of the Company or any of its Affiliates pertaining or relating to the Company, including financial, operation and sales books, customer and supplier lists, vendor lists, operating data, files, computer files and programs, retrieval programs, correspondence, credit information, research materials, licences, leases, records of past sales, business plans and projections, environmental studies and plans, deeds and title policies, quality control records and manuals, blueprints, employee documents, inventory data, accounts receivable and payable data, budgets and financial statements, and other data and information, financial or otherwise including all data, information and databases stored on computer-related or other electronic media.

**“Business”** means the business now carried on by the Company specifically:

- (a) *Bank Verification*: providing end users of online banks and credit unions (the **“Customers”**) with an online method of connecting to merchant applications which send financial data from the Customers personal bank accounts and categorized transactions, income verification, and profile information directly to merchants' systems;
- (b) *ID Verification*: providing an automated, real-time system for verifying Customers' age and identity using Canadian government issued identification card data and reporting to merchants;
- (c) *Risk Scoring*: providing Merchants with access to machine learning algorithms which make statistical predictions based on patterns in detected patterns in end-user financial transaction data and past repayment history from Bank Verification Reports; and
- (d) *Consumer Analytics*: providing Consumer Analytics insight into the Bank Verification Reports.

**“Business Day”** means any day which is not a Saturday, a Sunday or a day observed as a statutory or civic holiday under the laws of the Province British Columbia or the federal laws of Canada applicable therein, on which the principal commercial banks in the City of Vancouver, British Columbia are open for business.

**“Certificate”** has the meaning given to it in Section 7.5(a).

**“Claim”** means any claim, demand, complaint, grievance, action, cause or right of action, damage, loss, costs, liability, obligation or expense, assessments or reassessments, including, without limitation, reasonable professional fees and all reasonable costs incurred in investigating or pursuing any of the foregoing, or any proceeding, arbitration, mediation or other dispute resolution procedure relating to any of the foregoing, or any orders, writs, injunctions or decrees of any Governmental Authority.

**“Closing”** means the completion of the transactions contemplated by this Agreement.

**“Closing Date”** means April 1, 2021, or such other date as the Parties may agree upon in writing as the date upon which the Closing shall take place.

**“Closing Date Financial Statement”** means the consolidated balance sheet of the Company as at the Closing Date, showing all of the assets and liabilities of the Company, prepared by the Purchaser on a basis consistent with that used in the Financial Statements, and shall also include a statement of the Closing Net Working Capital, together with an unqualified opinion of the auditor designated by the Purchaser to the effect that the Closing Date Financial Statement has been prepared in accordance with IFRS consistently applied with those used in the Financial Statements and presents fairly in all material respects the assets and liabilities of the Company on a consolidated basis as at the Closing Date.

**“Closing Net Working Capital”** means as at the Closing Date:

- (a) cash in the Bank Accounts of the Company; plus
- (b) the gross value on the books of the Company of Accounts Receivable for which payment would ordinarily be expected to be received within 60 days of the Closing Date, less a proper and reasonable allowance for doubtful accounts; plus
- (c) the value on the books of the Company of prepaid expenses of the Company which would ordinarily be expected to be used or applied within 60 days of the Closing Date; less
- (d) the aggregate value of Accounts Payable and Accrued Liabilities to the extent reflected on the Closing Date Financial Statements, but for greater certainty, excluding Amounts Due to Related Party provided such amount is repaid on the Closing Date.

The Disclosure Letter sets out a calculation of the net working capital of the Company as of February 28, 2021.

**“Closing Time”** means 11:00 a.m. Vancouver time on the Closing Date or such other time on such date as the Parties may agree in writing as the time at which the Closing shall take place.

**“Company”** means Inverite Verification Inc.

**“Consents”** means all consents, approvals, permits, licences, waivers of rights of first refusal or waivers of due on sale clauses or other waivers, as applicable, from: (a) any party to any Contract, and (b) any Governmental Authority necessary or advisable in connection with the execution of this Agreement, the Closing or the performance of any terms thereof or any document delivered pursuant thereto or the completion of any of the transactions contemplated by this Agreement.

**“Contracts”** of any Person means all contracts, Equipment Leases, Real Property Leases, licences, sub-licences, agreements, commitments, entitlements, undertakings, understandings and engagements to which such Person is a party or by which such Person is bound, whether written, oral or otherwise, and includes all quotations, orders or tenders for contracts which remain open for acceptance and any manufacturers’ or suppliers’ warranty, guarantee or commitment (express or implied).

**“Contractual Obligations”** means, with respect to any Person, any provision of any security issued by such Person or of any agreement, undertaking, obligation, contract, indenture, mortgage,



deed of trust or other instrument to which such Person is a party or by which it or any of its property is bound, whether written or oral.

“**Control**” means, when applied to the relationship between a Person and a corporation, the beneficial ownership by that Person at the relevant time of shares of that corporation carrying the greater of (a) a majority of the voting rights ordinarily exercisable at meetings of shareholders of that corporation and (b) the percentage of voting rights ordinarily exercisable at meetings of shareholders of that corporation that are sufficient to elect a majority of the directors, and when applied to the relationship between a Person and a partnership, limited partnership, trust or joint venture, means the beneficial ownership by that Person at the relevant time of more than 50% of the ownership interests of the partnership, limited partnership, trust or joint venture or the contractual right to direct the affairs of the partnership, limited partnership, trust or joint venture; and the words “**Controlled by**”, “**Controlling**” and similar words have corresponding meanings; provided that a Person who Controls a corporation, partnership, limited partnership or joint venture will be deemed to Control a corporation, partnership, limited partnership, trust or joint venture which is Controlled by such Person and so on.

“**CSE**” means the Canadian Securities Exchange.

“**CSE Acceptance**” means the approval or acceptance, as the case may be, by the CSE of the transactions contemplated by this Agreement.

“**Disclosure Letter**” means the letter dated the date of this Agreement from the Vendor and the Company to the Purchaser in respect of the representations and warranties related to the Vendor and the Company.

“**Earn-Out Amount**” has the meaning given to it in Section 2.5(a).

“**Earn-Out Period**” means the First Earn-Out Period or the Second Earn-Out Period, as the case may be.

“**Earn-Out Shares**” has the meaning given to it in Section 2.5(f).

“**Employees**” means all individuals who are employees or independent contractors of the Company and who are employed or report for work in connection with the Business, including those employees of the Company on disability leave, parental leave or other absence.

“**Employment Agreement**” has the meaning given to it in Section 8.2(i).

“**Encumbrance**” means any encumbrance, lien, security interest, option, right of first refusal, adverse claim, easement, mortgage, charge, hypothec, indenture, deed of trust, statutory or deemed trust, right of way, restriction on the use of real property, encroachment, licence to third parties, lease to third parties, security agreement, or any other encumbrance and other restriction or limitation on use of real or personal property or irregularities in title thereto.

“**Equipment**” means all furniture, personal computers, computer hardware, office equipment, office supplies, machinery, equipment, storage tanks, fuel, fixtures, accessories, supplies, spare parts, tools, personal property and other tangible property owned by the Company or used in carrying on the Business.

**“Equipment Leases”** means all Equipment leases and licences, conditional sales contracts, title retention agreements and other similar agreements relating to Equipment used by the Company in carrying on the Business.

**“Escrow Agent”** means Bishop & McKenzie LLP.

**“Escrow Agreement”** has the meaning given to it in Section 2.4(a).

**“Escrow Amount”** means an amount equal to \$300,000.

**“Financial Statements”** means, collectively, (a) the audited statements of financial position of the Company as at December 31, 2020 and December 31, 2019, and the statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows of the Company for the years then ended, and notes to the financial statements, including a summary of significant accounting policies, (b) the statement of financial position of the Company as of February 28, 2021 and the related statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows of the Company for such month.

**“First Earn-Out Period”** means the period beginning on the Closing Date and ending on, and including, the date immediately prior to the one-year anniversary of the Closing Date.

**“Governmental Authority”** means any governmental, regulatory or administrative authority, department, agency, commission, stock exchange, board, panel, tribunal, Crown corporation, Crown ministry or court or other law, rule or regulation-making or enforcing entity having or purporting to have jurisdiction on behalf of any nation, or province, territory or state or other subdivision thereof or any municipality, district or other subdivision thereof.

**“Governmental Authorization”** means any authorization, approval, licence, consent, quota or permit issued by any Governmental Authority.

**“GST”** means goods and services taxes imposed under the GST Legislation which, for greater certainty, includes the provincial component of any harmonized sales tax imposed under the GST Legislation.

**“IFRS”** means International Financial Reporting Standards from time to time issued and approved by the IFRS Foundation and International Accounting Standards Board, or any successor organization, on the date on which such accounting standards are applied.

**“Indebtedness”** of any Person means and includes (a) indebtedness for borrowed money or indebtedness issued or incurred in substitution or exchange for indebtedness for borrowed money, (b) amounts owing as deferred purchase price for property or services, including all seller notes and “earn-out” payments, (c) indebtedness evidenced by any note, bond, debenture, mortgage or other debt instrument or financial debt security, (d) commitments or obligations by which such Person assures a creditor against loss (including contingent reimbursement obligations with respect to letters of credit), (e) indebtedness secured by an Encumbrance on assets or properties of such Person, (f) obligations or commitments to repay deposits or other amounts advanced by and owing to third Persons, (g) obligations under any interest rate, currency or other hedging agreement, (h) obligations or commitments under capitalized leases (capital portion), (i) any change of control payments or prepayment premiums, penalties, charges or equivalents thereof with respect to any

indebtedness, obligation, or liability of the type described in clauses (a) through (i) above, or (j) guarantees or other contingent liabilities (including so called take-or-pay or keep-well agreements) with respect to any indebtedness, obligation, claim or liability of any other Person of a type described in clauses (a) through (i) above. Indebtedness shall not, however, include accounts payable to trade creditors and accrued expenses arising in the ordinary course of business consistent with past practice and shall not include the endorsement of negotiable instruments for collection in the ordinary course of business.

**“Indemnified Party”** has the meaning given to it in Section 7.5(a).

**“Indemnifying Party”** has the meaning given to it in Section 7.5(a).

**“Independent Accountant”** means Dale Matheson Carr-Hilton Labonte LLP or, if such firm is not able to serve as Independent Accountant, an internationally recognized independent public accounting firm as shall be agreed upon by the Vendor and the Purchaser in writing, and if such Parties are unable to agree, then such internationally recognized independent public accountant as may be determined in accordance with the arbitration procedures set out in Section 7.12.

**“Intellectual Property”** means all intellectual property of the Company used by or currently being developed for use in the Business, and all rights of the Company therein, including all claims for past infringement, worldwide, whether registered or unregistered, including, without limitation: (a) all patents, patent applications and other patent rights, including divisional and continuation patents; (b) all registered and unregistered trade-marks, service marks, logos, slogans, corporate names, business names and other indicia of origin, and all applications and registrations therefor; (c) registered and unregistered copyrights and mask works, including all copyright in and to computer software programs, including the Software, and applications and registrations of such copyright; (d) internet domain names, applications and reservations for internet domain names, uniform resource locators and the corresponding Internet sites; (e) industrial designs; (f) trade secrets and proprietary information not otherwise listed in (a) through (d) above, including, without limitation, all inventions (whether or not patentable), invention disclosures, moral and economic rights of authors and inventors (however denominated), confidential information, technical data, customer lists, corporate and business names, trade names, trade dress, brand names, know-how, show-how, mask works, circuit topography, formulae, methods (whether or not patentable), designs, processes, procedures, technology, business methods, source codes, object codes, computer software programs (in either source code or object code form), databases, data collections and other proprietary information or material of any type, and all derivatives, improvements and refinements thereof, howsoever recorded or unrecorded.

**“Interim Balance Sheet”** means the statement of financial position of the Company as of February 28, 2021.

**“Laws”** means all applicable laws, common law, statutes, regulations, by-laws, rules, decrees, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements of any Governmental Authority.

**“Leased Premises”** means the premises which are the subject matter of the Real Property Leases.

**“Marble Shares”** means common shares without par value in the capital of the Purchaser.

**“Material Adverse Change”** or **“Material Adverse Effect”** shall mean, (a) when used with respect to the Company or the Business, any materially adverse change in or effect on the business, assets, liabilities, results of operation, condition (financial or otherwise) or prospects of the Company (as a whole) or the Business since December 31, 2020, or (b) when used with respect to the Purchaser or the Vendor, as the case may be, any materially adverse change in or effect on (including any material delay) the ability of the Purchaser or the Vendor, as the case may be, to perform their respective obligations under this Agreement; provided, that none of the following either alone or in combination, shall be deemed to constitute Material Adverse Change or Material Adverse Effect: (i) changes in the industry in which the Company or the Business operate which do not disproportionately impact the Company (as a whole) or the Business; (ii) Laws or accounting standards, principles or interpretations of general application which do not disproportionately impact the Company (as a whole) or the Business; or (iii) changes or effects that are or result from occurrences relating to the economy in general or the Company’s or the Business’s industry in general and not specifically relating to the Company (as a whole) or the Business.

**“Maximum Earn-Out Amount”** has the meaning given to it in Section 2.5(a).

**“Non-Competition Agreement”** has the meaning given to it in Section 8.2(j).

**“Notice”** shall have the meaning given to it in Section 9.1.

**“Parties”** means, collectively, the Purchaser, the Vendor and the Company and **“Party”** means any of them.

**“Permitted Encumbrances”** means (a) the Encumbrances specifically described in the Financial Statements, (b) Encumbrances for current Taxes, assessments, charges or levies not yet due and payable, and (c) the Encumbrances identified in the Disclosure Letter.

**“Person”** means any individual, sole proprietorship, limited or unlimited liability corporation, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, body corporate, joint venture, trust, pension fund, union, Governmental Authority, and a natural person including in such person’s capacity as trustee, heir, beneficiary, executor, administrator or other legal representative.

**“Personal Information”** means information in the possession of the Company about an identifiable individual, but does not include the name, title or business address or telephone number of an Employee.

**“Plans”** means all plans, arrangements, agreements, programs, policies or practices (whether written or oral, formal or informal, funded or unfunded, insured or self-insured, registered or unregistered) to which the Company is a party or by which the Company is bound or under which the Company has any liability or contingent liability or which has any application to any Company’s employees (including directors, officers, retired employees, employees on leave, former employees, individuals working on contract with the Company or other individuals providing services to the Company of a kind normally provided by employees) or their dependants or beneficiaries and consisting of or relating to, as the case may be, any one or more of the following:

- (a) retirement savings or pensions, including without limitation any defined benefit pension plan, defined contribution pension plan, group registered retirement savings plan, or supplemental pension or retirement plan;
- (b) any bonus, incentive pay or compensation, performance compensation, deferred compensation, profit sharing or deferred profit sharing, share purchase, stock option, stock appreciation, stock purchase, phantom stock, vacation or vacation pay, sick pay, severance or termination pay, employee loans or separation from service benefits, or other type of plan or arrangement providing for compensation or benefits additional to base pay or salary; and
- (c) disability or wage continuation benefits during periods of absence from work (including short-term disability, long-term disability and worker's compensation benefits) or any other benefit, including without limitation supplemental unemployment, hospitalization, health, medical/dental, disability, life insurance, death or survivor benefits, employment insurance, vacation pay, severance or termination pay, and fringe benefits;

and includes all statutory plans with which the Company is required to comply (including, without limitation, the Canada Pension Plan or Québec Pension Plan and plans administered pursuant to applicable provincial health tax, workers compensation and unemployment insurance legislation).

**“Purchase Price”** has the meaning given to it in Section 2.2.

**“Purchased Shares”** means all of the issued and outstanding shares in the capital of the Company.

**“Purchaser”** means Marble Financial Inc.

**“Purchaser Indemnified Parties”** has the meaning given to it in Section 7.4(a)

**“Real Property”** means all lands and all buildings, mechanical and electrical systems used in connection with the operation and maintenance of any Real Property, improvements and fixtures situated on or forming a part of such lands, and all easements, rights of way, privileges and appurtenances belonging to and enuring to the benefit thereof.

**“Real Property Leases”** means those leases, subleases, licences, sublicences and the like of Real Property relating to any Real Property used or occupied by the Company or relating to the Business.

**“Reporting Jurisdictions”** means the Provinces of British Columbia, Alberta and Ontario.

**“Second Earn-Out Period”** means the period beginning on the one-year anniversary of the Closing Date and ending on, and including, the date immediately prior to the second-year anniversary of the Closing Date.

**“Second Earn-Out Period Maximum Earn-Out Amount”** has the meaning given to it in Section 2.5(d).

“**Securities Commissions**” means the applicable securities commission or regulatory authority in each of the Reporting Jurisdictions.

“**Securities Law**” means, collectively, the applicable securities Laws of each of the Reporting Jurisdictions and the respective regulations and rules made thereunder together with all applicable published policy statements, notices, blanket orders and rulings of the Securities Commissions and all discretionary orders or rulings, if any, of the Securities Commissions made in connection with the transactions contemplated hereunder.

“**Software**” means all software computer programs used by the Company including all versions thereof and all related documentation, manuals, source code and object code, program files, data files, computer related data, field and data designations and relationships, data definition specifications, data models, program and system logic, interfaces, program modules, routines, sub-routines, algorithms, program architecture, design concepts, system designs, program structure, sequences and organization, screen displays and report layouts.

“**Tax Act**” means the *Income Tax Act* (Canada) as it may be amended from time to time and the Regulations promulgated thereunder.

“**Tax Returns**” includes, without limitation, all returns, reports, declarations, elections, notices, filings, information returns and statements required to be filed, or in fact filed, in respect of Taxes and any schedules attached thereto.

“**Taxes**” includes, without limitation, all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof, including, without limitation, (a) those levied on, or measured by, or referred to as income, gross receipts, earnings, profits, capital, corporate, transfer, land transfer, sales, goods and services, use, value-added, excise, stamp, withholding, business, licence, franchising, real or personal property, payroll, employment, wage, employer health, social services, severance, utility, occupation, premium, windfall, education and social security taxes, all surtaxes, all custom duties and import and export taxes, all licence, franchise and registration fees and all unemployment insurance, health insurance and Canada, Quebec and other government pension plan premiums, workers’ compensation levies, retirement contributions, including those imposed by any Governmental Authority, and (b) any liability for the payment of any amount of the type described in the immediately preceding clause (a) as a result of being a “transferee” (within the meaning of section 160 of the Tax Act or any other Laws) of another taxpayer or entity or a member of a related, non-arm’s length, affiliated or combined group.

“**Vendor Indemnified Parties**” has the meaning given to it in Section 7.4(b).

“**Vendor**” means TNA Investments Ltd.

“**VWAP**” means the volume-weighted average trading price of the Marble Shares on the CSE (or, if the CSE is not the principal trading market for the Marble Shares, then on the principal securities exchange or securities market on which the Marble Shares are then traded) for the applicable period (which must be calculated utilizing days in which the Marble Shares actually trade). The VWAP shall be determined by dividing the aggregate sale price of all Marble Shares sold on the

CSE (or, if the CSE is not the principal trading market for the Marble Shares, then on the principal securities exchange or securities market on which the Marble Shares are then traded), over the applicable period by the total number of Marble Shares so sold.

## 1.2 Certain Rules of Interpretation

In this Agreement and the Schedules and Exhibits and the Disclosure Letter:

- (a) **Time** – Time is of the essence in and of this Agreement.
- (b) **Calculation of Time** – Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period shall be extended to the next Business Day following the day on which it would otherwise end.
- (c) **Business Days** – Whenever any action to be taken or payment to be made pursuant to this Agreement would otherwise be required to be made on a day that is not a Business Day, such action shall be taken or such payment shall be made on the first Business Day following such day.
- (d) **Currency** – Unless otherwise specified, all references to amounts of money in this Agreement refer to the lawful currency of Canada.
- (e) **Headings** – The descriptive headings preceding Articles and Sections of this Agreement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Agreement into Articles and Sections shall not affect the interpretation of this Agreement.
- (f) **Including** – Where the word “**including**” or “**includes**” is used in this Agreement, it means “including without limitation” or “includes without limitation”.
- (g) **Plurals and Gender** - The use of words in the singular or plural, or referring to a particular gender, shall not limit the scope or exclude the application of any provision of this Agreement to such persons or circumstances as the context otherwise permits.
- (h) **Statutory References** - Any reference to a statute shall mean the statute in force as at the date of this Agreement (together with all regulations promulgated thereunder), as the same may be amended, re-enacted, consolidated or replaced from time to time, and any successor statute thereto, unless otherwise expressly provided.
- (i) **Ordinary Course** – Any reference to an action taken by a Person in the ordinary course means that such action is consistent with past practices of such Person and is taken in the ordinary course of the normal operations of such Person.

### **1.3 Knowledge**

Whenever any Party makes any representation, warranty or other statement to such Party's knowledge, such Party will be deemed to have made due inquiry, including due inquiry by any officer or director of such Party or any other Person who has responsibility with respect to the relevant subject matter, into the subject matter of such representation, warranty or other statement. Without limiting the generality of the foregoing, any representation, warranty or other statement concerning any aspect of any of the Company or the Business made to the Vendor's knowledge shall be deemed to have been made after due inquiry of all relevant officers, directors or responsible employees of the Company by the Vendor.

### **1.4 Entire Agreement**

- (a) This Agreement and the Disclosure Letter together with the agreements and other documents to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral, written or otherwise, of the Parties. There are no representations, warranties, covenants or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement, the Disclosure Letter, the Ancillary Agreements and any document delivered pursuant to this Agreement.
- (b) No supplement, modification, amendment, waiver or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

### **1.5 Applicable Law**

This Agreement shall be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall be treated, in all respects, as a BC contract.

### **1.6 Schedules**

The following Schedules attached to this Agreement form an integral part of this Agreement:

- Schedule 2.5(c) - Sample Earn-Out Calculation
- Schedule 2.9 - Allocation of Purchase Price
- Schedule 5.3 - Purchaser's Capitalization

### **1.7 Exhibits**

The following Exhibits attached to this Agreement form an integral part of this Agreement:

- Exhibit 2.5(g)(iii) - Form of Accredited Investor Certificate



## **ARTICLE II PURCHASE AND SALE**

### **2.1 Purchase and Sale of the Purchased Shares**

Upon the terms and subject to the conditions set out in this Agreement, at the Closing Time, the Vendor shall sell, convey, assign, transfer and deliver to the Purchaser, and the Purchaser shall purchase, acquire and accept from the Vendor, free and clear of any Encumbrances, the Purchased Shares. The Purchaser shall not be obligated to purchase any of the Purchased Shares unless the purchase of all of the Purchased Shares is completed simultaneously.

### **2.2 Purchase Price**

Subject to any adjustments pursuant to Section 2.7, the amount payable by the Purchaser for the Purchased Shares (the “**Purchase Price**”), exclusive of all applicable Taxes, shall be equal to the following amounts:

- (a) the amount of \$1,500,000;
- (b) less the amount of any Indebtedness;
- (c) less the amount by which the Closing Net Working Capital is less than zero; and
- (d) plus the Earn-Out Amount, if any, determined in accordance with Section 2.5.

### **2.3 Estimated Closing Payment**

The “**Estimated Closing Payment**” is equal to the amount of \$1,500,000 (a) less the amount of any estimated Indebtedness (b) less the amount by which the estimated Closing Working Capital is less than zero, and (d) less the Escrow Amount. The “**Estimated Closing Payment**” is \$1,160,000, and has been calculated using the best estimates of the Vendor of the Indebtedness at the Closing Date and is based on the most recent internally prepared balance sheet of the Company and calculated as nearly as possible in the manner in which the Closing Date Financial Statements are prepared.

### **2.4 Satisfaction of Purchase Price**

The Purchaser shall satisfy the Purchase Price as follows:

- (a) at the Closing Time:
  - (i) by payment to the Vendor by certified cheque, bank draft, wire transfer or other immediately available funds of an amount equal to the Estimated Closing Payment; and
  - (ii) by payment to the Escrow Agent by certified cheque, bank draft, wire transfer or other immediately available funds of the Escrow Amount to be held in escrow in accordance with this Agreement and an escrow agreement (the “**Escrow Agreement**”) to be entered into as of the Closing Date by the

Purchaser, the Vendor and the Escrow Agent; such Escrow Agreement to provide for, subject to the satisfaction of any adjustment pursuant to Section 2.7 and any Agreed Claims pursuant to Article VII, the release of 50% of the Escrow Amount on the six-month anniversary of the Closing Date and the release of the balance of the Escrow Amount on the 12-month anniversary of the Closing Date; and

- (b) by payment to (i) the Vendor of the Earn-Out Amount(s), if any, in accordance with Section 2.5 in cash by certified cheque, bank draft, wire transfer or other immediately available funds or shares, as determined in accordance with Section 2.5.

## 2.5 Earn-Out Amount

- (a) The Purchaser shall pay an earn-out (the “**Earn-Out Amount**”), at the sole discretion of the Purchaser, through the issuance of Marble Shares and/or the payment of cash consideration, up to a maximum aggregate amount of \$2,500,000 (the “**Maximum Earn-Out Amount**”), based on the Annual Incremental Revenue for the First Earn-Out Period and for the Second Earn-Out Period calculated in a historically consistent manner and in accordance with IFRS, subject to, and in accordance with, the terms and conditions in this Section 2.5.
- (b) The Purchaser shall cause the Company to calculate the Annual Incremental Revenue for the applicable Earn-Out Period within ten Business Days following the end of the First Earn-Out Period or the Second Earn-Out Period, as the case may be.
- (c) Within five Business Days following the calculation (or such longer period required for any CSE or regulatory approval) of the Annual Incremental Revenue for the First Earn-Out Period, the Purchaser shall pay an amount equal to three times the Annual Incremental Revenue, if any, up to the Maximum Earn-Out Amount. For example, (i) if the Annual Incremental Revenue during the First Earn-Out Period is equal to or less than \$0, then no Earn-Out Amount will be payable in connection with the first Earn-Out Period, (ii) if the Annual Incremental Revenue during the First Earn-Out Period is equal to \$500,000, then the Vendor will be entitled to an Earn-Out Amount of \$1,500,000, and (iii) if the Annual Incremental Revenue during the First Earn-Out Period is equal to or exceeds \$8333,333, then the Vendor will be entitled to the full Maximum Earn-Out Amount (being \$2,500,000) and no more, including to the extent there is Annual Incremental Revenue during the Second Earn-Out Period. An additional example is attached hereto as Schedule 2.5(c) where the Purchaser opts to pay the Earn-Out Amount in Marble Shares.
- (d) If less than the Maximum Earn-Out Amount is paid in connection with the First Earn-Out Period in accordance with Section 2.5(c) (the difference between the Maximum Earn-Out Amount and the Earn-Out Amount paid pursuant to Section 2.5(c) is referred to as the “**Second Earn-Out Period Maximum Earn-Out Amount**”), the Vendor shall have an opportunity to earn an Earn-Out Amount not exceeding the Second Earn-Out Period Maximum Earn-Out Amount subject to, and

in accordance with, this Section 2.5(c). Within five Business Days following the calculation (or such longer period required for any CSE or regulatory approval) of the Annual Incremental Revenue for the Second Earn-Out Period, the Purchaser shall pay an amount equal to three times the Annual Incremental Revenue, if any, up to the Maximum Earn-Out Amount Available for the Second Earn-Out Period.

- (e) For the avoidance of doubt, the aggregate amount of payments made pursuant to Sections 2.5(c) and 2.5(d) shall not exceed the Maximum Earn-Out Amount.
- (f) The effective price of any Marble Shares issued in satisfaction of the payment of any portion of the Earn-Out Amount (“**Earn-Out Shares**”) shall be the greater of (i) the VWAP of the Marble Shares for the 10 consecutive trading days preceding the last day of the applicable Earn-Out Period, and (ii) closing price of the Marble Shares on the CSE on the last trading day prior to the Closing Date, which is \$0.235 per share.
- (g) Any Earn-Out Shares issued to the Vendor in satisfaction of the payment of any portion of the Earn-Out Amount shall be subject to:
  - (i) the receipt of CSE Acceptance for such issuance;
  - (ii) the satisfaction of any requirements or conditions of the CSE imposed on the Vendor and the Purchaser for the issuance of Earn-Out Shares, including the Vendor filing any required personal information forms or other information filings with the CSE;
  - (iii) the execution and delivery of an accredited investor certificate (an “**Accredited Investor Certificate**”) by the Vendor in the form attached hereto as Exhibit 2.5(g)(iii); and
  - (iv) a resale restriction, which will be legended on the Earn-Out Shares to reflect that such Earn-Out Shares will be released from such restriction and be available for resale in accordance with the following schedule:
    - (A) 20% of the Earn-Out Shares after four months and one day from the date of issue;
    - (B) 10% of the Earn-Out Shares after nine months from the date of issue;
    - (C) 15% of the Earn-Out Shares after 14 months from the date of issue;
    - (D) 20% of the Earn-Out Shares after 19 months from the date of issue; and
    - (E) 35% of the Earn-Out Shares after 24 months from the date of issue.
- (h) In addition to resale restriction legend(s) reflecting the conditions in Section 2.5(g)(iv), certificates representing the Earn-Out Shares issued in satisfaction of the

payment of any portion of the Earn-Out Amount shall bear a legend substantially in the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE <insert date that is four months and one day after the date of issuance >.”

and, if applicable:

“WITHOUT PRIOR WRITTEN APPROVAL OF THE CANADIAN SECURITIES EXCHANGE, AS APPLICABLE, AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE CANADIAN SECURITIES EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL <insert date that is four months and one day after the date of issuance >.”

## **2.6 Delivery of Closing Date Financial Statement**

As soon as reasonably practicable after the Closing Date and in any event not later than 45 days thereafter, the Purchaser shall prepare and deliver to the Vendor the Closing Date Financial Statement. The Parties shall cooperate fully in the preparation of the Closing Date Financial Statement.

## **2.7 Net Working Capital Adjustment**

Subject to Section 2.8, within 10 days after delivery by the Purchaser to the Vendor of the Closing Date Financial Statement, if the Closing Net Working Capital is less than \$0, then the Vendor will pay to the Purchaser the amount of such difference as a decrease to the Purchase Price, with the first monies being paid directly by the Escrow Agent from the Escrow Amount held and any balance owing directly from the Vendor.

## **2.8 Objection to Closing Date Financial Statement**

- (a) **Time for Objections** – After the Purchaser has furnished to the Vendor the Closing Date Financial Statement, the Vendor may object thereto by written notice from the Vendor to the Purchaser within 30 days after the Vendor’s receipt of the Closing Date Financial Statement, which notice shall specify in reasonable detail those items or amounts as to which the Vendor objects and the Vendor shall be deemed to have agreed with all other items and amounts contained in the Closing Date Financial Statement. If no such notice is delivered within such 30 day period, or if the Vendor delivers a notice of acquiescence prior to the end of such 30 day period, or if the Purchaser and the Vendor agree upon all matters in dispute within the 45 day period specified in Section 2.8(b), then the Closing Date Financial Statement,

as adjusted to reflect any such agreements, shall be final and binding upon all Parties hereto.

- (b) **Dispute Resolution** – The Purchaser and the Vendor shall in good faith attempt to resolve any matters in dispute with respect to the Closing Date Financial Statement as promptly as practicable. If the Purchaser and the Vendor are unable to resolve all such items in dispute within 45 days after the Purchaser’s receipt of the Vendor’s written objection to the Closing Date Financial Statement pursuant to Section 2.8(a), then those items or calculations in dispute shall be submitted for resolution to the Independent Accountant. The Independent Accountant shall consider only those items or amounts in the Closing Date Financial Statement as to which the Vendor’ Representative has objected in accordance with Section 2.8(a). The Parties shall use their commercially reasonable efforts to cause the Independent Accountant to submit its determination in a written statement delivered to the Purchaser and the Vendor as promptly as practicable, but in no event later than 30 days following submission of the dispute by the Vendor and the Purchaser, and such determination, together with the determinations of the Purchaser and the Vendor with respect to those items accepted by the Vendor or otherwise resolved between the Purchaser and the Vendor in accordance with the first sentence of this Section 2.8(b), shall become the Closing Date Financial Statement and shall be final and binding upon all Parties hereto and shall constitute an arbitral award that is non-appealable and upon which a judgment may be entered by a court having competent jurisdiction.
- (c) **Payment of Fees** – The Vendor shall pay the fees of its accountants and the Purchaser shall pay the fees of its accountants in connection with the preparation and review of the Closing Date Financial Statement. The fees and disbursements of the Independent Accountant shall be borne one-half by the Purchaser and one-half by the Vendor.
- (d) **Post-Closing Payment** – Within 10 Business Days after resolution of the dispute relating to the Closing Date Financial Statement either by agreement of the Parties or in accordance with the final determination by the Independent Accountant, the Vendor or the Purchaser, as the case may be, shall pay to the other the amount owing as a result of such resolution or final determination.

## **2.9 Allocation of Purchase Price**

The amount of the difference, if any, referred to in Section 2.7, shall constitute a reduction of the Purchase Price. The Purchase Price shall be allocated in accordance with Schedule 2.9. The allocation of the Purchase Price shall be binding and the Vendor and the Purchaser shall report the purchase and sale of the Purchased Shares in any Tax Returns or other filings which are necessary or desirable under the Tax Act or any other Laws to give effect to such allocation. Neither any of the Vendor nor the Purchaser shall take a contrary position with respect to such allocation in any Tax proceeding or audit.

## **2.10 Rights Cumulative**

The rights contained in this Article II are cumulative and are in addition to every other right contained in this Agreement.

### **ARTICLE III REPRESENTATION AND WARRANTIES OF THE VENDOR REGARDING THE VENDOR**

The Vendor and the Company have delivered to the Purchaser the Disclosure Letter to be delivered pursuant to this Agreement, which is deemed to constitute an integral part of this Agreement and to modify the representations and warranties of the Vendor contained in this Article III. For greater clarity, all disclosures in the Disclosure Letter will modify each of the representations and warranties of the Vendor contained in this Article III provided that the relevance of such particular disclosure is readily apparent in respect of the applicable representation or warranty. The Vendor makes the following representations and warranties and acknowledges that the Purchaser is relying on such representations and warranties in entering into this Agreement and in purchasing the Purchased Shares from the Vendor:

#### **3.1 Corporate Organization, Execution and Delivery**

The Vendor is a corporation duly incorporated, validly existing and organized and in good standing under the laws of Province of British Columbia and has not been dissolved. The Vendor has the corporate power, authority and capacity, to execute, deliver and perform this Agreement and all of the agreements contemplated hereby to which such the Vendor is a party and to consummate the transactions contemplated hereby and thereby. This Agreement and all of the agreements contemplated hereby to which the Vendor is a party have been duly and validly executed and delivered by the Vendor, and each such agreement constitutes a legal, valid and binding obligation of the Vendor, enforceable against the Vendor in accordance with its terms, except (a) as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar Laws affecting creditors' rights generally, and (b) as such enforceability may be limited by general principles of equity, regardless of whether asserted in a proceeding in equity or law. No further action on the part of the Vendor is or will be required in connection with the transactions contemplated hereby.

#### **3.2 Title to Shares**

The Vendor has good and valid legal and beneficial title to all of the Purchased Shares, free and clear of any Encumbrances. The Vendor has, and at the Closing Time will have, the exclusive right to dispose of such Purchased Shares as provided in this Agreement and, upon delivery and payment for the Purchased Shares as herein provided, the Vendor will convey good and valid title thereto, free and clear of all Encumbrances.

#### **3.3 Consents and Approvals; No Violations**

- (a) Neither the execution and delivery of this Agreement or any other agreement or document to which the Vendor is or will become a party as contemplated by this Agreement, the consummation of the transactions contemplated herein or therein

nor compliance by the Vendor with any provisions hereof or thereof will (i) conflict with or result (with or without notice, lapse of time or both) in a breach of any of the terms, conditions or provisions of the articles, by-laws or other constating documents of the Vendor or the Company, (ii) conflict with or result in a breach or a default (or give rise to any right of termination, cancellation, acceleration, modification or other right) under any of the provisions of any note, bond, mortgage, indenture, franchise, permit, Contract or other instrument or obligation to which the Vendor or the Company is a party, or by which such Vendor or any of the Company is bound or affected, except for such conflict, breach or default as to which requisite waivers or consents shall have been obtained by the Vendor before Closing, (iii) violate any Laws applicable to the Vendor or the Company or any of their respective properties or assets, or (iv) result in the creation or imposition of any Encumbrance upon any of the Purchased Shares or any property or assets used or held by the Company.

- (b) No consent or approval by, or any notification or filing with, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance by the Vendor of this Agreement or any other agreement or document to which the Vendor or any of the Company is or will be a party.
- (c) There is no Claim commenced or in progress or, to the knowledge of the Vendor, pending or threatened against or relating to the Vendor or the Company or any of their respective property or assets that might impair the consummation, or the benefits to the Purchaser, of the transactions contemplated by this Agreement or in any other agreement or document to which the Vendor or any of the Company is or will be a party.

### **3.4 Residence**

The Vendor is not a non-resident of Canada for the purposes of the Tax Act.

## **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE VENDOR AND THE COMPANY REGARDING THE COMPANY**

The Vendor and the Company have delivered to the Purchaser the Disclosure Letter to be delivered pursuant to this Agreement, which is deemed to constitute an integral part of this Agreement and to modify the representations and warranties of the Vendor and the Company contained in this Article IV. For greater clarity, all disclosures in the Disclosure Letter will modify each of the representations and warranties of the Vendor and the Company contained in this Article IV provided that the relevance of such particular disclosure is readily apparent in respect of the applicable representation or warranty. Each of the Vendor and the Company, jointly and severally, makes the following representations and warranties and acknowledges that the Purchaser is relying on such representations and warranties in entering into this Agreement and in purchasing the Purchased Shares from the Vendor:

#### **4.1 Corporate Organization, Standing and Qualifications**

The Company is a corporation duly incorporated, validly existing, organized and in good standing under the laws of the Province of British Columbia and has not been dissolved. The Company has all requisite corporate power, authority and capacity to own, lease and operate its property and assets and to carry on the Business. The Company has made all filings and registrations under all applicable Laws and is duly qualified or licensed as a corporation to carry on business, and is in good standing, in each jurisdiction in which the nature of the Business, or the property owned or leased by the Company, makes such qualification necessary except where the failure to be so qualified may be cured with only immaterial expense and with such failure having no Material Adverse Effect on the Company or the Business. The Disclosure Letter contains (a) a complete list of the jurisdictions in which the Business is carried on by the Company, (b) a list of all of the lines of business in which the Company is participating or engaged, (c) the primary lines of business in which the Company has participated or engaged in the past, and (d) the names (registered or otherwise) under which the Company does as of the date hereof, or has in the past done, business. The Company has not engaged in any other business in the past except as disclosed in the Disclosure Letter.

#### **4.2 Authorization**

The Company has the capacity, authority and power to execute, deliver and perform this Agreement and all of the agreements contemplated hereby to which it is a party and to consummate the transactions contemplated hereby and thereby. This Agreement and all of the agreements contemplated hereby to which the Company is a party have been duly and validly authorized, executed and delivered by the Company, and each such agreement constitutes a legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms, except (a) as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar Laws affecting creditors' rights generally, and (b) as such enforceability may be limited by general principles of equity, regardless of whether asserted in a proceeding in equity or law.

#### **4.3 Capitalization**

The authorized and issued share capital of the Company as of the date of this Agreement and as of the Closing Time is as set out in the Disclosure Letter. All of the issued and outstanding shares in the capital of the Company have been duly and validly issued and are outstanding as fully paid and non-assessable and are not, and at the Closing Time will not be, subject to any pre-emptive rights. There are no shares in treasury or otherwise reserved for issuance by the Company. Other than as disclosed in the Disclosure Letter or as contemplated by this Agreement, the Company does not have any (a) issued or outstanding (i) shares in its capital, or (ii) securities convertible into, or exchangeable or exercisable for, any options, warrants, calls, puts, subscriptions or other rights, (b) agreements or Contractual Obligations relating to any of the issued and outstanding shares in its capital or obligating it or the Vendor to issue or sell any of the shares in its capital or any such securities, options, warrants, calls, puts, subscriptions or other rights, (c) Encumbrances relating to any of the shares in its capital, (d) rights or Contractual Obligations to give funds to or make any investment in any other Person, or (e) rights or Contractual Obligations that give any Person other than the Company or the Vendor any right to reserve or exercise any benefits or rights similar to any rights enjoyed or accruing to the holder of the shares in its capital, including, without limitation, any right to participate in its equity or income or to participate in or direct the election



of any of its board of directors or officers or the manner in which any shares in its capital may be listed or in which the Business is conducted.

#### **4.4 Subsidiaries**

The Company does not have any subsidiaries or own any shares or equity or other interest in any corporation, limited liability company, partnership, limited liability partnership, joint venture or entity or other Person. The Company is not a member of or participant in any partnership, joint venture or similar Person.

#### **4.5 Books and Records; Bank Accounts**

- (a) All of the Books and Records have been delivered or made available to the Purchaser. The Books and Records are duly maintained in accordance with all applicable Laws and contain full and accurate records of all matters required to be dealt with in such records. All material financial transactions relating to the Company and the Business have been accurately recorded in the Books and Records in accordance with IFRS. The minute books of the Company include complete and accurate minutes of all meetings of the directors and shareholders of such Company held to date and resolutions passed by the directors and shareholders on consent since the date of incorporation. The share certificate book (if any), register of shareholders, register of transfers and register of directors of the Company are complete and accurate.
- (b) The Disclosure Letter contains a correct and complete list showing (i) the name of each bank in which the Company has an account or safe deposit box and the names of all Persons authorized to draw on the account or to have access to the safety deposit box, and (ii) the names of all Persons holding powers of attorney from the Company. Copies of all such powers of attorney have been made available to the Purchaser.

#### **4.6 Financial Statements; Certain Financial Information**

- (a) The Company has furnished to the Purchaser true and complete copies of the Financial Statements. Each balance sheet included in the Financial Statements is true, complete and correct and presents fairly the financial condition of the Company as of the respective date of such statement of financial position and each of the statements of loss and comprehensive loss, changes in equity and cash flows included in the Financial Statements is true, complete and correct and presents fairly the results of operations and cash flows of the Company for the periods set forth therein, in each case in accordance with IFRS consistently applied, except as otherwise noted therein, and in each case were compiled from the Books and Records regularly maintained by management and used to prepare financial statements of the Company in accordance with the principles stated therein. The Vendor and the Company have maintained their Books and Records in a manner sufficient to permit the preparation of the Financial Statements in accordance with IFRS, consistently applied. Such Books and Records fairly reflect the income,

expenses, assets and liabilities of the Company and provide a fair and accurate basis for the preparation of the Financial Statements.

- (b) There were no liabilities or obligations (including those that are absolute, accrued, contingent, liquidated, unliquidated or unasserted, and whether due or to become due) of the Company which were not shown or provided for on the statements of financial position of the Company included in the Financial Statements to which such liabilities or obligations relate. All reserves established by the Company are reflected on the Interim Balance Sheet and are adequate and stated in accordance with IFRS and there are no loss contingencies that are required to be accrued pursuant to IFRS which are not provided for on such balance sheet. The Disclosure Letter sets forth the Vendor's best good faith estimates as of the date hereof of the cost to the Company for vacation, sick leave and similar paid leave of the Employees.
- (c) The Company does not have any obligations arising under off balance sheet arrangements or agreements that in substance provide financing to any of the Company.
- (d) The Company has devised and maintain a system of internal control over financial reporting sufficient to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements in accordance with IFRS.

#### **4.7 Absence of Undisclosed Liabilities**

Except as disclosed in the Disclosure Letter, the Company does not have, nor as a result of the transactions contemplated by this Agreement will have, any Indebtedness, Claim, liability, obligation or Contractual Obligation of any nature (whether known or unknown, absolute, accrued, fixed, contingent, liquidated, unliquidated, unasserted or otherwise and whether due or to become due), except for the liabilities and obligations (a) reflected on the Interim Balance Sheet, (b) incurred in the ordinary course of business consistent with past practice since December 31, 2020 and which, individually or in the aggregate, do not exceed \$5,000, and (c) pertaining to Taxes.

#### **4.8 Accounts Payable and Accounts Receivable**

The Disclosure Letter contains a true and complete aged list of all Accounts Payable and a true and complete aged list of all Accounts Receivable, in each case as of February 28, 2021. The Accounts Receivable shown on the Interim Balance Sheet (subject to reserves for non-collectability as reflected therein) and all receivables acquired or generated by the Company since February 28, 2021 are *bona fide* receivables and represent amounts due with respect to actual arm's length transactions entered into in the ordinary course of business consistent with past practice and are collectable at their recorded amounts. Any reserves for non-collectability have been reflected on the Interim Balance Sheet in accordance with IFRS and are adequate. No such receivable has been assigned or pledged to any other Person and no defence of set-off or similar right to any such receivable has been asserted by the account obligor. There has been no Material Adverse Change since the date of the Financial Statements in the amount of Accounts Receivable or other debts

due to the Company or the allowances with respect thereto, or Accounts Payable of the Company, from that reflected in the Financial Statements.

#### **4.9 Suppliers and Customers**

The Disclosure Letter sets out each supplier and customer accounting for more than 10% of the consolidated purchases and sales, as the case may be, of the Business for each of (a) the last three complete fiscal years, and (b) the year to date, and the amounts of such purchases and sales. The relationships of the Company with each such supplier and customer are good commercial working relationships, and except as set out in the Disclosure Letter no such supplier or customer has cancelled or otherwise terminated, or, to the knowledge of the Vendor, threatened to cancel or otherwise terminate, its relationship with any of the Company or the Business. The Company has not received any notice that any such supplier or customer may cancel or otherwise materially and adversely modify its relationship with the Company or the Business or limit its services, supplies or materials to the Company or the Business, or its usage or purchase of the services and products of the Company and the Business either as a result of the transactions contemplated hereby or otherwise. The Vendor has delivered to the Purchaser a copy of the form of Contract with customers and copies of all Contracts with the customers and suppliers listed in the Disclosure Letter. Except as disclosed in the Disclosure Letter, each of the Company's Contracts with its customers are substantially and materially in the same form as the form of Contract with customers provided to the Purchaser. Except as reflected in such Contracts, no customers of the Company are entitled to or customarily receive discounts, allowances, volume rebate or similar reductions in price or other trade terms arising from any agreements or understandings (whether written or oral) with or concessions granted to any customer.

#### **4.10 Interests in Suppliers, Customers, Etc.; Affiliate Transactions**

- (a) Except as set out in the Disclosure Letter, the Company does not have any outstanding Indebtedness, Claim, liability or obligation for amounts owing to (including for cash advances or negative cash balances), or notes or accounts receivable from, or leases, Contracts or other commitments or arrangements with or for the benefit of the Vendor or its Affiliates and Associates or their respective family members, or the directors, officers or employees of any of the Vendor or the Affiliates of any of the foregoing.
- (b) Except as set out in the Disclosure Letter, none of the Vendor, any Affiliate of the Vendor or any officer or director of the Vendor possesses, directly or indirectly, any financial interest in, or is a director, officer or employee of, any Person which is a client, supplier, customer, lessor, lessee or competitor or potential competitor of the Company or the Business. For the purposes of this Section 4.10(b), ownership of securities of a company whose securities are registered under the *Securities Act* (British Columbia) of 1% or less of any class of such securities shall not be deemed to be a financial interest.
- (c) Except as set out in the Disclosure Letter, (i) no Indebtedness, Claim, liability or obligation of the Company in respect of the Business is guaranteed by the Vendor or any Affiliate of the Vendor, or any officer or director of the Vendor, and (ii) the Company is not a guarantor or co-obligor of any Indebtedness, Claim, liability or

obligation of the Vendor or any Affiliates, shareholders, officers or directors of the Vendor, or any of their Affiliates or Associates or family members.

#### **4.11 Absence of Certain Changes or Events**

Except as set out in the Disclosure Letter, since December 31, 2020 there has not been any Material Adverse Change in the condition of the Company or the Business and no such Material Adverse Change is pending or, to the knowledge of the Vendor, threatened. Without limiting the generality of the foregoing, except as disclosed in the Disclosure Letter or as otherwise contemplated by this Agreement, the Company has not:

- (a) made any material change in the operations or in the manner of conducting the Business;
- (b) suffered any event, violation or other matter that could reasonably be expected to have a Material Adverse Effect on the Company or the Business, or suffered any material casualty loss (whether insured or not) or condemnation or other taking adversely affecting the Company or the Business;
- (c) entered into any employment Contract or commitment (whether oral or written) or compensation arrangement or employee benefit plan, or changed or committed to change (including any change pursuant to any bonus, Plan, profit-sharing or other plan, commitment, policy or arrangement) the compensation payable or to become payable to any of its officers, directors, employees, agents or consultants, or made any pension, retirement, profit-sharing, bonus or other employee welfare or benefit payment or contribution;
- (d) declared, paid or made, or set aside for payment or making, any dividend or other distribution in respect of its common shares or other capital or securities, or directly or indirectly redeemed, repurchased or otherwise acquired any of its common shares or other capital or securities or subdivided or in any way reclassified or changed any of the terms or provisions of its common shares or other capital or securities;
- (e) sold, transferred or leased any property or assets to, or entered into or amended any transactions, agreements arrangements with or for the benefit of, the Vendor or any of its Affiliates, Associates or family members or any of the officers or directors of any Affiliate or Associate of any officers or directors of any of the Vendor, except for the reimbursement of business expenses of a usual and customary nature and not exceeding, in the aggregate, \$5,000;
- (f) made or proposed any change in the accounting or Tax principles, practices or methods of the Company, including its practices or terms relating to Accounts Payable or Accounts Receivable or made or proposed any change in any policy or practice relating to pricing, investments, credit, inventory, bad debt, contingency or other reserves, except for such changes which are required by IFRS or any Laws;

- (g) incurred any liability except for current liabilities not constituting Indebtedness that are (i) reflected on the Interim Balance Sheet, or (ii) incurred after February 28, 2021 in the ordinary course of business consistent with past practice;
- (h) cancelled or waived any rights with respect to any material debts or other obligations owed to or Claims held by the Company (including the settlement of any Claims, litigation or other proceeding);
- (i) accelerated or delayed collection of Accounts Receivable generated by the Business in advance of or beyond their regular due dates when the same otherwise would have been collected;
- (j) terminated or amended or suffered the termination or amendment of any Contract pursuant to which the Company would receive in respect of the Business from any Person or pay to any Person more than \$5,000 in any calendar year or disposed of or permitted to lapse any Intellectual Property used by the Company;
- (k) made any capital expenditures or commitments for additions to property, plant or equipment constituting capital assets of the Company except as reflected on the Interim Balance Sheet;
- (l) sold, transferred or leased any property or assets of the Company;
- (m) entered into any transaction involving, or suffered any development affecting, the Company, except in the ordinary course of business consistent with past practice; or
- (n) agreed, whether in writing or otherwise, to take any action described in this Section 4.11.

#### **4.12 Real Property**

- (a) The Company does not own any Real Property. The Disclosure Letter sets out the municipal address and a complete and accurate legal description of all of the Leased Premises. The Company does not have any other place of business other than the Leased Premises.
- (b) The Company has the exclusive right to possess, use and occupy, and has good and marketable legal and beneficial leasehold title in and to, all of the Leased Premises, free and clear of all Encumbrances except Permitted Encumbrances.
- (c) The Company does not have any obligation or liability in respect of real property that was leased in connection with the Business which is no longer occupied or which was disposed of prior to the date hereof or otherwise surrendered.
- (d) The Company has delivered to the Purchaser true, correct and complete copies of the Real Property Leases, including all amendments, modifications, assignments, consents, notices, renewals and supplements thereto or otherwise in respect thereof. There exists no default, or any event which upon the giving of notice or the passage

of time or both, would give rise to any default in the performance of the Company or, to the knowledge of the Vendor, the lessor thereunder, of any obligation under any of the Real Property Leases.

#### **4.13 Title to Assets**

Except as set out in the Disclosure Letter, the Company is the sole legal and beneficial owner and (where its interests are registrable) the sole registered owner of all of its assets and interests in assets, real and personal, as shown on the Interim Balance Sheet, or acquired by the Company since February 28, 2021, with good and valid title, free and clear of all Encumbrances except Permitted Encumbrances. No Person has any agreement, option, understanding, commitment or right, or any right or privilege capable of becoming a right, to purchase any assets from the Company. Subject to Permitted Encumbrances identified in the Disclosure Letter, the Company has good, valid and marketable title to all assets currently used in operating the Business, its assets and interests in assets, real and personal, shown on the Interim Balance Sheet or acquired by the Company since February 28, 2021. There is no basis upon which any of the assets of the Company might become subject to any Encumbrances. The Company possesses its assets. All of the tangible personal property used in the Business is in good operating condition and repair, ordinary wear and tear excepted, and is adequate and suitable for the purposes for which it is presently being used. All items of personal property owned by the Company or relating to the Business with an original cost or book value exceeding \$5,000 are listed in the Disclosure Letter.

#### **4.14 Contracts**

The Disclosure Letter contains a complete and accurate list of all Contracts to which the Company is a party. Each of the Contracts described in the Disclosure Letter (or required to be described in the Disclosure Letter) constitutes a valid and binding obligation of the parties thereto, enforceable in accordance with its terms. None of the parties to any of the Contracts is in breach of its obligations thereunder and no act or event has occurred which, with notice or lapse of time or both, would constitute a breach of any of the Contracts. Each of the Contracts is in full force and effect and constitutes a legal, valid and binding obligation of the Company and the other parties thereto, enforceable in accordance with its terms, and the Company is entitled to all of the benefits, rights and privileges under each such Contract. None of the Company, the Vendor nor their counsel has received notice that any customer, supplier or other Person has breached, intends to breach or intends to discontinue any Contract to which the Company is a party.

#### **4.15 Intellectual Property**

The Disclosure Letter sets out a full, complete and accurate list of all Intellectual Property and identifies the Intellectual Property owned by the Company and the Intellectual Property licensed by the Company from third parties, other than the Software and normal and routine off-the-shelf software licence agreements. Such Intellectual Property is the only intellectual property necessary for and material to the operation of the Business. All of the Intellectual Property is valid, subsisting and enforceable. Except to the extent set out in the Disclosure Letter:

- (a) The Company owns, directly and exclusively, all right, title and interest in and to all Intellectual Property owned by it as identified in the Disclosure Letter, with a good and marketable title, free and clear of all liens, Encumbrances or any other

rights of others. Any third party who has any moral rights or similar rights in or to such Intellectual Property has irrevocably waived such rights in favour of the Company. The Company holds valid licences for all of the Intellectual Property owned by third parties.

- (b) The Company has not, during the past two years, except in the ordinary course of business in connection with the distribution of its products and licences to end users:
  - (i) transferred, conveyed, sold, assigned, pledged, mortgaged or granted a security interest in any Intellectual Property owned by the Company to any third party;
  - (ii) entered into any licence, franchise or other agreement with respect to any Intellectual Property owned by the Company with any third person; or
  - (iii) otherwise encumbered any of the Intellectual Property owned by the Company.
- (c) The Company has taken all steps reasonably necessary to validly maintain, and has not taken any steps that could constitute abandonment of, the Intellectual Property, including paying all necessary fees and filing all appropriate affidavits and renewals with the appropriate Governmental Authorities.
- (d) All of the Intellectual Property owned by the Company was created by employees in the course of their employment or by contractors who have transferred and assigned all of their rights in and to such Intellectual Property to the Company pursuant to written assignment agreements and have waived their moral rights and rights of a similar nature in and to such Intellectual Property.
- (e) To the knowledge of the Vendor, the Intellectual Property owned by the Company and currently used to conduct the Business does not conflict with, misappropriate or infringe upon or otherwise violate any intellectual property rights of any third party. There are no unresolved, pending or, to the knowledge of the Vendor, threatened Claims that allege that the Company has infringed or misappropriated the intellectual property rights of any third party.
- (f) There are no unresolved, pending or, to the knowledge of the Vendor, threatened Claims that challenge or otherwise question the validity, title or ownership of any Intellectual Property, or the right to use any Intellectual Property, that the Company owns and/or currently uses to conduct the Business.
- (g) To the knowledge of the Vendor, there is no, and there has not been any, conflict, unauthorized use, infringement or misappropriation of any of the Intellectual Property owned, used or licensed by or to the Company or any breach at any time of any duty or obligation owed to the Company in respect of any of the Intellectual Property.

- (h) The Company has taken reasonable commercial measures to maintain the secrecy of the Intellectual Property that is considered to be trade secrets or confidential information.
- (i) Each Employee and contractor to the Company or the Business has signed a confidentiality and non-disclosure agreement and, except as disclosed in the Disclosure Letter, to the knowledge of the Vendor there have not been any breaches of such confidentiality and non-disclosure agreements. To the knowledge of the Vendor, the Company's employment of any of its employees or the retainer of any consultant does not violate any non-disclosure or non-competition agreement between any employee or consultant and a third party.
- (j) Neither the Company nor the Business is a party to any agreement, contract or judicial order that in any way limits or restricts any Intellectual Property that the Company owns and/or currently uses to conduct the Business, other than normal and routine off-the-shelf software licence agreements.

#### **4.16 Software**

The Disclosure Letter sets forth a full, complete and accurate list of all of the Software and all components thereof, including all components owned by the Company and all components licensed by the Company from third parties. Except to the extent set out in the Disclosure Letter:

- (a) Other than the Software owned by third parties, the Software does not contain, embody, use or require any third-party software, including development tools and utilities, and the Software constitutes all materials necessary for the continued maintenance, modification, development and enhancement of the Software.
- (b) Copies of all licence and maintenance agreements for the Software owned by third parties have been made available to the Purchaser. No person has been provided a copy of the Software except pursuant to a valid licence.
- (c) All copies of the source code and related documentation for all Software, including original source code, are securely stored in the cloud on servers which are accessible only by the Company. The Vendor has no knowledge of any Software or copies thereof having been downloaded on servers or storage devices that are not in the control of the Company. No source code or related documentation forming part of the Software is subject to escrow. The source code or related documentation has not been disclosed to any third party. None of the Software is subject to an open-source code licence or to any licence requiring the present or future public disclosure of its source code.
- (d) The Company has obtained all applicable approvals from all Governmental Authorities in all jurisdictions where the Software is licensed.
- (e) The Disclosure Letter lists all licences, all installation, implementation, maintenance or support agreements, all development contracts and all other agreements between the Company or the Business and users of the Software, copies



of each of which have been made available to the Purchaser. All such users have non-transferable, non-exclusive licences to use only object code versions of the Software.

- (f) To the knowledge of the Vendor, there are no material problems or defects in the Software including bugs, logic errors or failures of the Software to operate as described in the related documentation and, to the knowledge of the Vendor, the Software operates in accordance with its documentation and specifications and has no other material problems or defects.
- (g) To the knowledge of the Vendor, the Software does not contain any disabling mechanism or protection feature intentionally designed to prevent its use, including any clock, timer, counter, computer virus, worm, software lock, drop dead device, Trojan-horse routine, trap door, time bomb or any other codes or instructions that may be used to access, modify, replicate, distort, delete, damage or disable Software or data, other software, operating systems, computers or equipment with which the Software interacts.
- (h) The Disclosure Letter accurately describes the current state of the Software, together with all current development plans for the Software, including design problems, remedial plans, requests for new features from customers and enhancement plans.
- (i) Neither the Company nor the Business has orally or in writing committed to provide selective special enhancements to any of its Software for any licensees.
- (j) There are no, and there have never been, any distributors, sales agents, representatives or any other Persons, including VARs, OEMs or resellers, who have or had rights to market or license the Software. No person has any exclusive rights in respect of the Software.

#### **4.17 Equipment**

The Disclosure Letter contains a complete and accurate list of all of the Equipment owned, leased or used by the Company in connection with the Business. All of such Equipment is in good condition, repair and (where applicable) proper working order, having regard to their age and reasonable wear and tear. The Equipment is situated at the locations set forth in the Disclosure Letter.

#### **4.18 Insurance**

The Disclosure Letter contains a complete and accurate list of all primary, excess and umbrella policies, bonds and other forms of insurance currently owned or held by or on behalf of, or providing insurance coverage to the Company or the Business and any assets relating thereto, including the following information for each such policy: name of insurer; effective and expiration date; policy number; per occurrence and annual aggregate deductibles or self-insured retention; annual premium and any other fees for the procurement of such insurance; and per occurrence and annual aggregate limits of liability to the extent, if any, to which the limits of liability have been

exhausted. The Company has its assets and the Business insured against loss or damage by all insurable hazards or risks on a replacement cost basis and such insurance coverage will be continued in full force and effect (with all premiums paid) up to and including the Closing Date. The Company is not in default with respect to any of the provisions contained in any such insurance policy and has not failed to give any notice or present any Claim under any such insurance policy in a due and timely fashion. Nothing has been done or omitted to be done by the Company which could make any policy of insurance described in the Disclosure Letter void or voidable. The Disclosure Letter includes a list setting forth any and all claims, with reasonable particulars, made under any policies of insurance maintained by or for the benefit of the Company over the past five years prior to the date of this Agreement.

#### **4.19 Taxes**

- (a) The Company has duly filed on a timely basis with the appropriate Governmental Authority all Tax Returns required to be filed for taxable periods ending on or before the Closing. All such Tax Returns are true, correct and complete in all material respects. No such Tax Return contains any misstatement or omits any statement that should have been included therein. No such Tax Return has been amended.
- (b) The Tax liability of each Company for previous taxation periods is as indicated in its respective Tax Returns. All Taxes shown as due on such Tax Returns or otherwise due or claimed to be due by any Governmental Authority have been paid. All instalments, assessments and reassessments of which the Company are aware or have received notice and all other Taxes which are due and payable, has been paid in full. Reserves and provisions for Taxes accrued but not yet due on or before the Closing Date as reflected in the Financial Statements of the Company are adequate as of the date of the Financial Statements and are in accordance with IFRS. No deficiencies for Taxes have been proposed, asserted or assessed against the Company that are not adequately reserved against. Since February 28, 2021, no material Tax liability of any of the Company has been assessed, proposed to be assessed, incurred or accrued other than in the ordinary course of business. NOA dated February 28, 2021 available
- (c) The Company has made available to the Purchaser complete and correct copies of all Tax Returns that have been filed as of the date hereof (except Tax Returns for periods in respect of which the applicable statutory period of limitations has expired) and copies of all its correspondence with taxing authorities.
- (d) No unresolved assessments, reassessments, audits, claims, actions, suits, proceedings or investigations exist or have been initiated with regard to any Taxes or Tax Returns the Company. To the knowledge of the Company, no assessment, reassessment, audit or investigation by any Governmental Authority is underway, threatened or imminent with respect to Taxes for which the Company may be liable, in whole or part.
- (e) The Company has not requested or entered into any agreement or other arrangement or executed any waiver providing for any extension of time within which (i) to file

any Tax Return in respect of any Taxes for which the Company is or may be liable; (ii) to file any elections, designations or similar filings relating to Taxes for which the Company is or may be liable; (iii) the Company is required to pay or remit any Taxes or amounts on account of Taxes; or (iv) any Governmental Authority may assess or collect Taxes for which the Company is or may be liable.

- (f) All liabilities of the Company in respect of Taxes have been assessed by the relevant Governmental Authority and notices of assessment have been issued for all taxation periods ending on or before February 28, 2021.
- (g) The Company has duly and on a timely basis withheld from any amount paid or credited by it to or for the account or benefit of any Person, including any Employees, officers or directors and any non-resident person, the amount of all Taxes and other deductions required by any Law, rule or regulation to be withheld from any such amount and has duly and on a timely basis remitted the same to the appropriate Governmental Authority.
- (h) No amount in respect of any outlay or expense that is deductible in computing the income of the Company for the purposes of the Tax Act has been owing by the Company for longer than two years to a Person with whom it was not dealing at arm's length (for the purposes of the Tax Act) at the time the outlay or expense was made or incurred.
- (i) The Company has not claimed a deduction with respect to an outlay or expense that may be considered unreasonable under the circumstances.
- (j) The Company has not, directly or indirectly, transferred property to or supplied services to, or acquired property or services from, any Person with whom it was not dealing at arm's length (for the purposes of the Tax Act) for consideration other than consideration equal to the fair market value of the property or services at the time of the transfer, supply or acquisition of such property or services.
- (k) For all transactions between the Company and any non-resident Person with whom the Company was not dealing at arm's length during a taxation year commencing after 1998 and ending on or before the Closing Date, the Company has made or obtained records or documents that meet the requirements of paragraphs 247(4)(a) to (c) of the Tax Act.
- (l) There are no circumstances which exist and would result in, or which have existed and resulted in, the application of any of sections 78, 80, 80.01, 80.02, 80.03 or 80.04 of the Tax Act, or any equivalent provision of the taxation legislation of any province or any other jurisdiction, to the Company at any time up to and including the Closing Date in respect of any transaction entered into.
- (m) There are no Encumbrances for Taxes on the assets of the Company.

- (n) The Company is not a party to, bound by or obligated under any tax sharing agreement, tax indemnification agreement or similar contract or arrangement. The Company does not have any liability for the Taxes of any other Person.
- (o) All Taxes incurred or losses sustained by the Company prior to the Closing Date have arisen in the ordinary course of business, except for Taxes or losses, if any, arising from the transactions contemplated by this Agreement.
- (p) The Company is a registrant for the purposes of the GST Legislation having the registration number 82175 4785 RT0001. The Company is not nor has it been a financial institution within the meaning of the GST Legislation.
- (q) No claim has ever been made by or is expected from any Governmental Authority in a jurisdiction in which the Company does not file Tax Returns that it is or may be subject to taxation in that jurisdiction. Except as disclosed in the Disclosure Letter, the Company is not required to file any Tax Returns in any jurisdiction outside Canada.

#### **4.20 Residence**

The Company is not a non-resident of Canada for the purposes of the Tax Act.

#### **4.21 Employment and Benefit Matters**

- (a) The Disclosure Letter contains a complete and accurate list of all Employees, their respective positions, dates of hire with the Company, current salaries, benefits and other remunerations and dates of last salary increases and indicates which Employees are parties to a written or oral agreement with such applicable Company (including confidentiality and non-competition agreements). Except as disclosed in the Disclosure Letter, the Company is not a party to any agreements with past or present employees, agents or independent contractors in connection with the Business. All written employment contracts with Employees are described in the Disclosure Letter and full and complete copies of such employment contracts have been provided to the Purchaser. Except as disclosed in the Disclosure Letter, there are no written contracts of employment entered into with any Employees or any oral contracts of employment which are not terminable on the giving of reasonable notice in accordance with applicable Laws.
- (b) The Company will not have terminated, laid-off or dismissed (whether such dismissal is actual or constructive) in the four weeks preceding the Closing Date any Employees.
- (c) All liabilities in respect of Employees have or shall have been paid to the Closing Date, including premium contributions, remittance and assessments for unemployment insurance, employer health tax, Canada Pension Plan, income tax, workers' compensation and any other employment related legislation, accrued wages, Taxes, salaries, commissions and employee benefit plan payments. There are no outstanding, pending, threatened or anticipated assessments, actions, causes

of action, Claims, complaints, demands, orders, prosecutions or suits against the Company, its directors, officers or agents pursuant to or under any applicable Laws, including, but not limited to Canada Pension Plan, unemployment insurance, income tax, employer health tax, employment standards, labour relations, occupational health and safety, human rights, workers' compensation and pay equity. The Company does not have any obligation to re-instate any Employees.

- (d) The Company has not made any agreements, whether directly or indirectly, with any labour union, employee association or other similar entity or made commitments to or conducted negotiations with any labour union or employee association or other similar entity with respect to any future agreements. No trade union, employee association or other similar entity has any bargaining rights acquired by either certification or voluntary recognition with respect to the Employees. Neither the Vendor nor the Company is aware of any current attempts to organize or establish any labour union, employee association or other similar entity affecting the Company or the Business.
- (e) All vacation pay, bonuses, commissions and other emoluments relating to the Company and the Employees are accurately reflected in all respects and have been accrued in the Books and Records of the Company.
- (f) The Company does not have and has never had any Plans.
- (g) Any amounts required to be paid by the Company to Lloyd Evetts or any other Employee arising as a result of this Agreement and the transactions contemplated herein have been or will be paid in full by the Vendor.

#### **4.22 Compliance with Laws; Governmental Authorizations**

- (a) The Company has conducted the Business in compliance with all applicable Laws in each jurisdiction in which the Business is carried on except where the failure to so comply would not and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to the Company or the Business. The Company has not received any notice that any violation of any Law is being or may be alleged.
- (b) The Company is duly licensed, registered or qualified and duly possesses all Governmental Authorizations required or necessary to carry on the Business as now conducted in compliance with all applicable Laws other than those the failure of which to obtain, possess or make would not have or reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to the Company or the Business, and all such Governmental Authorizations are described in the Disclosure Letter. All of the Governmental Authorizations described in the Disclosure Letter are valid and subsisting and in good standing and no event has occurred or condition or state of facts exists which constitutes or, after the giving of notice or the passage of time or both, would constitute a breach or default under any of the Governmental Authorizations, or which permits or, after the giving of notice or the passage of time or both, would permit revocation, termination or

modification of any of the Governmental Authorizations except for such violations that would not have or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect with respect to the Company or the Business.

- (c) Neither the Company nor any of its directors, officers, employees, agents or representatives has (i) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (ii) directly or indirectly, paid any fee, commission or other sum of money or item of property, however characterized, to any finder, agent, or other Person acting on behalf of or under the auspices of a government official or Governmental Authority, in Canada or any other country, in any manner related to the Company or the Business, that was illegal under any Laws of Canada or any other country having jurisdiction, or (iii) made any payment to any customer or supplier of the Company or the Business or any officer, director, partner, employee or agent for the unlawful rebating of charges, or engaged in any other unlawful reciprocal practice, or made any other unlawful payment or given any other unlawful consideration to any such customer or supplier or any such officer, director, partner, employee or agent, in respect of any of the Company or the Business.
- (d) Except as disclosed in the Disclosure Letter, (i) the Company, to the extent required by Law, has a written privacy policy which governs its collection, use and disclosure of Personal Information and each of the Company is in compliance with such privacy policy, and (ii) all required consents to the collection, use or disclosure of Personal Information in connection with the conduct of the Business (including disclosure to Affiliates of the Vendor have been obtained.
- (e) The Company is, and have been since inception, conducting the Business in compliance with all applicable Laws governing privacy and the protection of personal information, including the *Personal Information Protection and Electronic Documents Act* (Canada), other than (i) acts of non-compliance which individually or in the aggregate are not material, and (ii) any public disclosure of this Agreement by the Purchaser.

#### **4.23 Litigation**

Except as disclosed in the Disclosure Letter, there is no Claim, arbitration or legal, administrative or other proceeding or investigation by any Governmental Authority or any other Person, including appeals and applications for review pending or, to the best of the Vendor's knowledge, threatened against the Company or relating to the Business. There are no facts known to the Vendor or the Company which are likely to give rise to any such Claims. Except as disclosed in the Disclosure Letter, there is not now, and within the past five years there has not been, outstanding against any of the Company any judgment, execution, order, injunction, decree or rule of any court, administrative agency, Governmental Authority or arbitrator which affects in any way any of the Company or the Business. The Company is not the plaintiff, complainant, defendant or intervener in any action, suit, proceeding, grievance, arbitration or alternative dispute resolution proceeding.

#### **4.24 Brokers**

No agent, broker, Person or firm acting on behalf of the Vendor is, or will be, entitled to any commission or brokers' or finders' fees from the Vendor or from any Affiliate of the Vendor, in connection with any of the transactions contemplated by this Agreement.

#### **4.25 Truth and Accuracy of the Disclosure Letter**

All of the information disclosed in the Disclosure Letter is true and correct.

#### **4.26 Disclosure**

None of this Agreement, the financial statements referred to in Section 4.6 (including the footnotes thereto), the Disclosure Letter, any Exhibit or certificate delivered pursuant to this Agreement or any document or statement in writing which has been supplied to the Purchaser or its representatives by or on behalf of the Vendor or the Company in connection with the transactions contemplated by this Agreement, contains any untrue statement of a material fact, or omits any statement of a material fact necessary to make the statements contained herein or therein not misleading. To the knowledge of the Vendor, there is no fact that would have or would reasonably be expected to have, individually or in the aggregate a Material Adverse Effect with respect to the Company or the Business which has not been set out in this Agreement, the financial statements referred to in Section 4.6 (including the footnotes thereto) or the Disclosure Letter, any Exhibit or certificate delivered pursuant to this Agreement. True and complete copies of all agreements, instruments and documents referred to in this Agreement, or described in the Disclosure Letter, have been provided to the Purchaser.

### **ARTICLE V REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser makes the following representations and warranties and acknowledges that the Vendor is relying on such representations and warranties in entering into this Agreement and in selling the Purchased Shares to the Purchaser:

#### **5.1 Corporate Organization**

The Purchaser is a corporation duly incorporated, validly existing, organized and in good standing under the federal laws of Canada and has not been dissolved. The Purchaser has all requisite corporate power, authority and capacity to own, lease and operate its property and assets, to carry on its business as presently conducted, to purchase the Purchased Shares and otherwise perform its obligations pursuant to this Agreement.

#### **5.2 Authorization**

- (a) The Purchaser has the capacity, authority and power to execute, deliver and perform this Agreement and all of the agreements contemplated hereby to which it is a party and to consummate the transactions contemplated hereby and thereby. This Agreement and all of the agreements contemplated hereby to which the Purchaser is a party have been duly and validly authorized, executed and delivered by the Purchaser, and each such agreement constitutes a legal, valid and binding obligation

of the Purchaser, enforceable against it in accordance with its terms, except (a) as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar Laws affecting creditors' rights generally, and (ii) as such enforceability may be limited by general principles of equity, regardless of whether asserted in a proceeding in equity or law.

- (b) The Earn-Out Shares that may be issued by the Purchaser to the Vendor pursuant to this Agreement have been duly authorized and at the time of issuance will be duly issued as fully-paid and non-assessable shares, free and clear of any Encumbrances, other than restrictions contained in its constating documents and pursuant to applicable securities Laws, and good and marketable title to the Earn-Out Shares shall vest in the Vendor upon issuance thereof.

### **5.3 Capitalization**

The authorized and issued share capital of the Purchaser consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares of which, as of the date hereof, 75,270,673 Marble Shares are duly and validly issued and are outstanding as fully paid and non-assessable. Other than as disclosed in Schedule 5.3 or as contemplated by this Agreement, the Purchaser does not have any (a) issued or outstanding (i) shares in its capital, or (ii) securities convertible into, or exchangeable or exercisable for, any options, warrants, calls, puts, subscriptions or other rights, (b) agreements or Contractual Obligations relating to any of the issued and outstanding shares in its capital or obligating it to issue or sell any of the shares in its capital or any such securities, options, warrants, calls, puts, subscriptions or other rights, (c) Encumbrances relating to any of the shares in its capital, (d) rights or Contractual Obligations to give funds to or make any investment in any other Person, or (e) rights or Contractual Obligations that give any Person other than the Vendor any right to reserve or exercise any benefits or rights similar to any rights enjoyed or accruing to the holder of the shares in its capital, including, without limitation, any right to participate in its equity or income or to participate in or direct the election of any of its board of directors or officers or the manner in which any shares in its capital may be listed or in which the Business is conducted.

### **5.4 Securities Laws Matters**

The Purchaser is a reporting issuer, or equivalent thereof, under the Securities Laws of each of the Reporting Jurisdictions. The Marble Shares are, and at the Closing Time, will be listed on the CSE. The Purchaser is not currently in default of any requirement of the Securities Laws of the Reporting Jurisdictions and the Purchaser is not included on a list of defaulting reporting issuers maintained by any of the securities commissions or similar regulatory authorities in any of the Reporting Jurisdictions. In particular, without limiting the generality of the foregoing, the Purchaser is in compliance at the date hereof with its obligations to make timely disclosure of all material changes relating to it and no such disclosure has been made on a confidential basis and there is no material change relating to the Purchaser which has occurred and with respect to which the requisite material change report has not been filed. The Purchaser is not in default of any of the material listing requirements of the CSE. No Securities Commission has issued any order having the effect of suspending or ceasing the trading of the Marble Shares.



## **5.5 Consents and Approvals; No Violations**

Neither the execution and delivery of this Agreement or any other agreement or document to which the Purchaser is or will become a party as contemplated by this Agreement, the consummation of the transactions contemplated herein or therein nor compliance by the Purchaser with any provisions hereof or thereof will (a) conflict with or result (with or without notice, lapse of time or both) in a breach of any of the terms, conditions or provisions of the articles, by-laws or other constating documents of the Purchaser, (b) conflict with or result in a breach or a default under any of the provisions of any note, bond, lease, mortgage, indenture, licence, franchise, permit, agreement, Contract or other instrument or obligation to which the Purchaser is a party, or by which the Purchaser is bound or affected, except for such conflict, breach or default which would not have or would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect on the Purchaser or its business or any of its assets, or (c) violate any Laws applicable to the Purchaser or any of its properties or assets. Except for the CSE Acceptance, no consent or approval by, or any notification or filing with, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance by the Purchaser of this Agreement or any other agreement or document to which the Purchaser is or will be a party. There is no Claim commenced or in progress or, to the knowledge of the Purchaser, pending or threatened against or relating to the Purchaser or any of its property or assets that might otherwise impair the consummation, or the benefits to the Vendor, of the transactions contemplated by this Agreement or in any other agreement or document to which the Purchaser is or will be a party.

## **5.6 Litigation**

There are no Claims, arbitration or legal, administrative or other proceedings or investigations by any Governmental Authority, including appeals and applications for review pending or, to the best of the Purchaser's knowledge, threatened against the Purchaser which, if determined adversely to the Purchaser, would (a) prevent the Purchaser from paying the Purchase Price to the Vendor, (b) enjoin, restrict or prohibit the transfer of all or any part of the Purchased Shares as contemplated by this Agreement, or (c) delay, restrict or prevent the Purchaser from fulfilling any of its obligations set out in this Agreement or arising from this Agreement.

## **5.7 Brokers**

No agent, broker, person or firm acting on behalf of the Purchaser is, or will be, entitled to any commission or brokers' or finders' fees from the Purchaser or from any Affiliate of the Purchaser, in connection with any of the transactions contemplated by this Agreement.

# **ARTICLE VI COVENANTS OF THE VENDOR, THE COMPANY AND THE PURCHASER**

## **6.1 Confidentiality**

After the Closing, the Vendor shall keep confidential all Personal Information it disclosed to the Purchaser and all information relating to the Business, except information (other than Personal Information) which (i) is part of the public domain; (ii) becomes part of the public domain other than as a result of a breach of these provisions by the Vendor; (iii) was received in good faith after Closing from an independent Person who was lawfully in possession of such information free of

any obligation of confidence; or (iv) is released from the provisions of this Agreement by the written authorization of Purchaser.

## **6.2 Disclosure of Transaction**

Neither the Vendor, the Company nor the Purchaser shall, nor shall any of their respective Affiliates, agents, employees, officers and directors, without the prior written consent of the other Party, disclose or permit to be disclosed to anyone any information relating to the other Party, this Agreement or the transactions contemplated by this Agreement. This Section 6.2 does not prohibit disclosure to the professional advisors, bankers and employees of either Party who need to know such information, or to the extent necessary to authorize the purchase and sale of the Purchased Shares pursuant to this Agreement, or to obtain the CSE Acceptance or as may be required by any Law.

## **6.3 Commercially Reasonable Efforts**

Subject to the terms and conditions contained herein, the Parties shall cooperate and use their respective commercially reasonable efforts to take, or cause to be taken, all appropriate actions, and to make, or cause to be made, all filings necessary, proper or advisable under applicable Laws and to consummate and make effective the transactions contemplated by this Agreement, including their respective commercially reasonable efforts to obtain, prior to the Closing, the actions, consents and approvals listed in the Disclosure Letter and the CSE Acceptance.

## **6.4 Interim Financial Statements**

The Vendor and the Company shall, at least five Business Days prior to the Closing Date, deliver to the Purchaser the balance sheet of the Company as of the end of each month for the period from February 28, 2021 through February 28, 2021 and the related statements of operations and retained earnings of the Company for each month during such period, including any interim balance sheets.

## **6.5 Board of the Purchaser**

The Purchaser shall reconstitute its board of directors to consist of five members, four of which shall be nominees of the Purchaser and one of which shall be the nominee of the Vendor who, initially, shall be Alan Evetts (subject to the acceptance of Alan Evetts of such directorship), unless otherwise agreed and subject to CSE approval, including clearance of personal information forms and background checks.

## **6.6 Notification of Certain Matters**

Each Party shall give prompt notice to the other Party of any of the following which occurs, or of which it becomes aware, following the date hereof: (a) any notice of, or other communication relating to, a default or event that, with notice or lapse of time or both, would become a default under any Contract disclosed (or required to be disclosed) in the Disclosure Letter; (b) the occurrence or existence of any fact, circumstance or event which would reasonably be expected to result in (i) any representation or warranty made by such Party in this Agreement or in the Disclosure Letter, any Exhibit or certificate delivered herewith, to be untrue or inaccurate in any material respect or (ii) the failure of any condition precedent to either party's obligations; and (c)

any notice or other communication from any third Person alleging that the consent of such third Person is or may be required in connection with the transactions contemplated by this Agreement.

## **6.7 Litigation Support**

In the event and for so long as any Party actively is contesting or defending against any Claim, action, suit, proceeding, hearing, investigation, charge, complaint or demand in connection with (a) any transaction contemplated by this Agreement or (b) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event, incident, action, failure to act, or transaction on or prior to the Closing Date involving the Company or the Business, the other Party shall cooperate with the contesting or defending Party or its counsel in the defence or contest, make available its personnel, and provide such testimony and access to its books and records as shall be necessary in connection with the defence or contest, all at the sole cost and expense of the contesting or defending party (unless the contesting or defending party is entitled to indemnification therefor under Article VII).

## **6.8 Tax Matters**

- (a) The Vendor and the Company shall, and shall cause the Company to, timely file all Tax Returns and pay all Taxes relating to the Company and the Business arising from or relating to any pre-Closing Tax period, and the Vendor shall be liable for and shall pay any liability for Taxes incurred as a result of the transfer of the Purchased Shares, the payment of the Purchase Price and the other transactions contemplated by this Agreement.
- (b) The Purchaser and the Vendor agree to furnish or cause to be furnished to each other, upon request, as promptly as practicable, such information and assistance relating to the Company and the Business as is reasonably necessary for the filing of all Tax Returns and making of any election related to Taxes, the preparation for any audit by any Governmental Authority, and the prosecution or defence of any Claim relating to any Tax Return. The Purchaser and the Vendor shall cooperate with each other in the conduct of any audit or other proceeding related to Taxes involving the Company or the Business and each shall execute and deliver such powers of attorney and other documents as are necessary to carry out the intent of this Section 6.8. In addition, the Purchaser and the Vendor agree to maintain or arrange for the maintenance of all records necessary to comply with this Section 6.8 for a period of seven years from the Closing Date (or such longer period as may be reasonably requested in writing by the Purchaser or the Vendor) and each Party agrees to afford the other reasonable access to such records during normal business hours.

## **ARTICLE VII SURVIVAL AND INDEMNIFICATION**

### **7.1 Survival of Vendor's and Company Representations and Warranties**

The representations and warranties of the Vendor and the Company contained in this Agreement or any document or certificate given pursuant to this Agreement shall survive the Closing for the benefit of the Purchaser as follows:

- (a) as to the representations and warranties contained in Sections 3.1, 3.2, 4.1, 4.3, 4.13 and 4.24, indefinitely;
- (b) as to Tax matters, until 90 days after the expiration of all periods allowed for objecting and appealing the determination of any proceedings relating to any assessment or reassessment of the Purchaser, the Company or the Vendor, as the case may be, by any Governmental Authority in respect of any taxation period ending on or prior to the Closing or in which the Closing occurs unless a *bona fide* notice of a Claim shall have been made in writing before the expiry of that period, in which case the representation and warranty to which such notice applies shall survive in respect of that Claim until the final determination or settlement of that Claim; and
- (c) as to all other matters, for a period of 24 months, unless a *bona fide* notice of a Claim for indemnity shall have been given in writing before the expiry of that period, in which case the representation and warranty to which such notice applies shall survive in respect of that Claim until the final determination or settlement of that Claim.

### **7.2 Survival of Purchaser's Representations and Warranties**

The representations and warranties of the Purchaser contained in this Agreement or any document or certificate given pursuant to this Agreement shall survive the Closing for the benefit of the Vendor as follows:

- (a) as to the representations and warranties contained in Sections 5.1 and 5.3, indefinitely; and
- (b) as to all other matters, for a period of 24 months, unless a *bona fide* notice of a Claim for indemnity shall have been given in writing before the expiry of that period, in which case the representation and warranty to which such notice applies shall survive in respect of that Claim until the final determination or settlement of that Claim.

### **7.3 Survival of Covenants**

Except as otherwise provided in this Agreement, all covenants of the Vendor and the Company, on the one hand, and the Purchaser, on the other hand, as the case may be, contained in this Agreement or any document or certificate given pursuant to this Agreement shall survive the

Closing for the benefit of the Purchaser or the Vendor, as the case may be, for the period of such covenant, subject only to applicable limitation periods imposed by applicable Law.

#### 7.4 Indemnification

- (a) The Vendor indemnifies and holds the Purchaser and each of its shareholders, officers, directors, employees, agents, successors and assigns (collectively, the “**Purchaser Indemnified Parties**”), harmless from and against any Claim, demand, action, cause of action, damage, loss (including lost profits), cost, liability or expense (including legal fees) which may be made or brought against the Purchaser Indemnified Parties or which the Purchaser Indemnified Parties may suffer or incur, directly or indirectly, in respect of, as a result of, or arising out of:
  - (i) any non-fulfillment of any covenant on the part of the Vendor or the Company contained in this Agreement or any document or certificate given pursuant to this Agreement; and
  - (ii) the failure of any representation or warranty made by the Vendor or the Company in this Agreement (whether or not contained in Article III or Article IV) or in any Schedule, Exhibit, document or certificate delivered pursuant to this Agreement, including the Disclosure Letter, to be true and correct in all respects as of the date of this Agreement and as of the Closing Date.
- (b) The Purchaser indemnifies and holds the Vendor and its shareholders, officers, directors, employees, agents, successors and assigns (collectively, the “**Vendor Indemnified Parties**”), harmless from and against any Claim, demand, action, cause of action, damage, loss (including lost profits), cost, liability or expense (including legal fees) which may be made or brought against the Vendor Indemnified Parties or which the Vendor Indemnified Parties may suffer or incur, in respect of, or arising out of:
  - (i) any non-fulfillment of any covenant on the part of the Purchaser contained in this Agreement or any document or certificate given pursuant to this Agreement; and
  - (ii) the failure of any representation or warranty made by the Purchaser in this Agreement or in any Schedule, Exhibit, document or certificate delivered pursuant to this Agreement to be true and correct in all respects as of the date of this Agreement and as of the Closing Date.
- (c) The obligations to indemnify and hold harmless pursuant to Section 7.4 shall survive the consummation of the transactions contemplated by this Agreement for the time periods set out in Section 7.1, except for Claims for indemnification asserted prior to the end of such periods, which Claims shall survive until final resolution thereof.

- (d) The obligations to indemnify and hold harmless pursuant to Section 7.4(a)(ii) and 7.4(b)(ii) shall be limited to an aggregate amount of \$1,500,000 and no Person shall be entitled to recovery for losses pursuant to such Sections until the total amount of losses exceeds \$25,000 (the “**Basket Amount**”), provided, that to the extent the amount of losses exceeds the Basket Amount, the Indemnified Party shall be entitled to recover the Basket Amount, as well as the amount of losses in excess of the Basket Amount; provided that the limitation on indemnification contained in this Section 7.4(d) shall not apply to losses which arise from a breach of representations and warranties contained in Sections 3.1, 3.2, 3.4, 4.1, 4.2, 4.3, 4.19, 4.20 and 4.24 or with respect to a breach of representation and warranty of the Vendor hereunder where the Vendor has knowledge or reasonable belief at the time such representation and warranty was made that such representation and warranty was not true and correct.

## 7.5 Procedure for Indemnification

- (a) Within 30 days after the incurrence of any losses by any Person entitled to indemnification pursuant to Section 7.4 hereof (an “**Indemnified Party**”), including any Claim by a third Person described in Section 7.6, which might give rise to indemnification hereunder, the Indemnified Party shall deliver to the party from which indemnification is sought (the “**Indemnifying Party**”) and, if applicable, the Escrow Agent a certificate (the “**Certificate**”), which Certificate shall:
- (i) state that the Indemnified Party has paid or properly accrued losses or anticipates that it will incur liability for losses for which such Indemnified Party is entitled to indemnification pursuant to this Agreement; and
  - (ii) specify in reasonable detail each individual item of loss included in the amount so stated, the date such item was paid or properly accrued, the basis for any anticipated liability and the nature of the misrepresentation, breach of warranty, breach of covenant or claim to which each such item is related and the computation of the amount to which such Indemnified Party claims to be entitled hereunder.
- (b) In the event that the Indemnifying Party shall object to the indemnification of an Indemnified Party in respect of any claim or claims specified in any Certificate, the Indemnifying Party shall, within 10 days after receipt by the Indemnifying Party of such Certificate, deliver to the Indemnified Party a notice to such effect and the Indemnifying Party and the Indemnified Party shall, within the 30 day period beginning on the date of receipt by the Indemnified Party of such objection, attempt in good faith to agree upon the rights of the respective parties with respect to each of such Claims to which the Indemnifying Party shall have so objected. If the Indemnified Party and the Indemnifying Party shall succeed in reaching agreement on their respective rights with respect to any of such Claims, the Indemnified Party and the Indemnifying Party shall promptly prepare and sign a memorandum setting forth such agreement. Should the Indemnified Party and the Indemnifying Party be unable to agree as to any particular item or items or amount or amounts, then the

Indemnified Party and the Indemnifying Party shall submit such dispute for arbitration in accordance with Section 7.12. The party which receives a final judgment in such dispute shall be indemnified and held harmless for all reasonable attorney and consultant's fees or expenses by the other party.

- (c) Claims for losses specified in any Certificate to which an Indemnifying Party shall not object in writing within 10 days of receipt of such Certificate, Claims for losses the validity and amount of which have been the subject of arbitration as described in Section 7.5(b) and Claims for losses the validity and amount of which shall have been the subject of a final arbitration, or shall have been settled with the consent of the Indemnifying Party, as described in Section 7.6 below, are hereinafter referred to, collectively, as "**Agreed Claims**". Within 10 days of the determination of the amount of any Agreed Claims, the Indemnifying Party shall pay to the Indemnified Party (except in the case where a payment has been already effected pursuant to the Escrow Agreement but only to the extent of such payment) an amount equal to the Agreed Claim by wire transfer in immediately available funds to the bank account or accounts designated by the Indemnified Party in a notice to the Indemnifying Party not less than two Business Days prior to such payment; provided that a Vendor may satisfy any portion of the Agreed Claim by returning for cancellation such number of Consideration Shares valued at the issue price therefor.

## **7.6 Third Party Claims**

If a Claim by a third Person is made against any Indemnified Party, and if such Indemnified Party intends to seek indemnity with respect thereto under this Article VII, such Indemnified Party shall promptly notify the Indemnifying Party of such Claim; provided that the failure to so notify shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent that the Indemnifying Party is actually and materially prejudiced thereby. The Indemnifying Party shall have thirty (30) days after receipt of such notice to assume the conduct and control, through counsel reasonably acceptable to the Indemnified Party at the expense of the Indemnifying Party, of the settlement or defence thereof and the Indemnified Party shall cooperate with it in connection therewith; provided that (a) the Indemnifying Party shall permit the Indemnified Party to participate in such settlement or defence through counsel chosen by such Indemnified Party, provided that the fees and expenses of such counsel shall be borne by such Indemnified Party, and (b) the Indemnifying Party shall promptly be entitled to assume the defence of such action only to the extent the Indemnifying Party acknowledges its indemnity obligation and assumes and holds such Indemnified Party harmless from and against the full amount of any loss resulting therefrom; and provided further that the Indemnifying Party shall not be entitled to assume control of such defence and shall pay the fees and expenses of counsel retained by the Indemnified Party if: (i) the parties agree, reasonably and in good faith, that such third Person Claim would give rise to losses which are more than twice the amount indemnifiable by such Indemnifying Party pursuant to this Article VII; (ii) the Claim for indemnification relates to or arises in connection with any criminal proceeding, action, indictment, allegation or investigation; (iii) the Claim seeks an injunction or equitable relief against the Indemnified Party; (iv) the Indemnified Party has been advised in writing by counsel that a reasonable likelihood exists of a conflict of interest between the Indemnifying Party and the Indemnified Party; (v) the Indemnified Party reasonably believes an adverse determination with respect to the action, lawsuit, investigation, proceeding or other claim giving rise to such Claim for indemnification would be detrimental to or injure the Indemnified

Party's reputation or future business prospects; or (vi) upon petition by the Indemnified Party, the appropriate arbitrator decides that the Indemnifying Party failed or is failing to vigorously prosecute or defend such claim. Any Indemnified Party shall have the right to employ separate counsel in any such action or Claim and to participate in the defence thereof, but the fees and expenses of such counsel shall not be at the expense of the Indemnifying Party unless (x) the Indemnifying Party shall have failed, within a reasonable time after having been notified by the Indemnified Party of the existence of such Claim as provided in the preceding sentence, to assume the defence of such Claim, (y) the employment of such counsel has been specifically authorized in writing by the Indemnifying Party, which authorization shall not be unreasonably withheld, conditioned or delayed, or (z) the named parties to any such action include both such Indemnified Party and the Indemnifying Party and such Indemnified Party shall have been advised in writing by such counsel that there may be one or more legal defences available to the Indemnified Party which are not available to the Indemnifying Party, or available to the Indemnifying Party the assertion of which would be adverse to the interests of the Indemnified Party. So long as the Indemnifying Party is reasonably contesting any such Claim in good faith, the Indemnified Party shall not pay or settle any such Claim. Notwithstanding the foregoing, the Indemnified Party shall have the right to pay or settle any such Claim, provided that in such event it shall waive any right to indemnity therefor by the Indemnifying Party for such Claim unless the Indemnifying Party shall have consented to such payment or settlement. If the Indemnifying Party does not notify the Indemnified Party within thirty (30) days after the receipt of the Indemnified Party's notice of a Claim of indemnity hereunder that it elects to undertake the defence thereof, the Indemnified Party shall have the right to contest, settle or compromise the Claim but shall not thereby waive any right to indemnity therefor pursuant to this Agreement. The Indemnifying Party shall not, except with the consent of the Indemnified Party, enter into any settlement that is not entirely indemnifiable by the Indemnifying Party pursuant to this Article VII and does not include as an unconditional term thereof the giving by the Person or Persons asserting such Claim to all Indemnified Parties of an unconditional release from all liability with respect to such Claim or consent to entry of any judgment. Notwithstanding any of the foregoing, in the event that the Indemnified Party is a Purchaser Indemnified Party and it is reasonably foreseeable that the amount of any loss to be incurred by the Indemnified Party with respect to any third Person Claim is more than twice the amount indemnifiable by any Indemnifying Party, the Indemnified Party shall be entitled to conduct and control the defence and/or settlement of any such Claim without the consent of the Indemnifying Party. The Indemnifying Party and the Indemnified Party shall cooperate with each other in all reasonable respects in connection with the defence of any Claim, including making available records relating to such Claim and furnishing, without expense to the Indemnifying Party and/or its counsel, such employees of the Indemnified Party as may be reasonably necessary for the preparation of the defence of any such Claim or for testimony as witnesses in any proceeding relating to such claim.

## **7.7 Additional Rules and Procedures**

The obligation of the parties to indemnify each other pursuant to this Article VII shall also be subject to the following:

- (a) if any third Person Claim is of a nature such that the Indemnified Party is required by applicable Law to make a payment to any Person with respect to such third Person Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may make such payment and the Indemnifying



Party shall, forthwith after demand by the Indemnified Party, reimburse the Indemnified Party for any such payment. If the amount of any liability under the third Person Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Party to the Indemnified Party, the Indemnified Party shall, forthwith after receipt of the difference from such third Person, pay such difference to the Indemnifying Party; and

- (b) the Indemnifying Party and the Indemnified Party shall provide each other on an ongoing basis with all information which may be relevant to the other's liability hereunder and shall supply copies of all relevant documentation promptly as they become available.

### **7.8 Rights Cumulative**

The rights of indemnification contained in this Article VII are cumulative and are in addition to every other right or remedy of the Parties contained in this Agreement or otherwise.

### **7.9 Insurance and Other Recoveries**

- (a) All indemnification payments payable hereunder shall be reduced by the amount of insurance proceeds actually received by the Indemnified Party for such loss for which the Indemnified Party is seeking indemnification. Each Party agrees to promptly make a Claim against any applicable insurance with respect to any loss that would otherwise be payable pursuant to this Article VII.
- (b) Any indemnification payment made under this Article VII shall be treated by the Vendor and the Purchaser as an adjustment to the Purchase Price.

### **7.10 Exclusion of Other Remedies**

Except as provided in this Section 7.10, and if the Closing occurs, the indemnities provided in Section 7.4 shall constitute the only remedies of the Purchaser or the Vendor, respectively, against a Party in the event of any breach of a representation, warranty, covenant or agreement of such Party contained in this Agreement. The Parties may exercise their rights of indemnity in Article VII and may also exercise any remedies available for claims based on fraudulent acts or fraudulent misrepresentation and any equitable remedies. The Parties acknowledge that the failure to comply with a covenant or obligation contained in this Agreement or any Ancillary Agreement may give rise to an irreparable injury to a Party inadequately compensable in damages. Accordingly, a Party may seek to enforce the performance of this Agreement by injunction or specific performance upon application to a court of competent jurisdiction. Each of the Purchaser and the Vendor expressly waives and renounces any other remedies whatsoever, whether at law or in equity, which it would otherwise be entitled to as against a Party.

### **7.11 One Recovery**

Any Indemnified Party shall not be entitled to double recovery for any claim even though the claim may have resulted from the breach of more than one of the representations, warranties, agreements and covenants made by the Indemnifying Party in this Agreement.

## **7.12 Arbitration Procedures**

- (a) If any dispute or controversy shall occur between the parties relating to the interpretation or implementation of any of the provisions of this Agreement, such dispute shall be resolved by arbitration by a single arbitrator, if the Parties can agree upon one arbitrator, or otherwise by three arbitrators, of whom one shall be appointed by the Purchaser and one shall be appointed by the Vendor and the third shall be appointed by the two named arbitrators.
- (b) The arbitration shall be held in the City of Vancouver. The arbitration shall proceed in accordance with the provisions of the *Arbitration Act* (British Columbia).
- (c) The arbitrator shall have the power to proceed with the arbitration and to deliver his or her award notwithstanding the default by any Party in respect of any procedural order made by the arbitrator. The decision arrived at by the arbitrator shall be final and binding and no appeal shall lie therefrom. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.
- (d) If a single arbitrator is used, all of the costs and expenses of the arbitration shall be borne equally by the Parties or in such other manner as the arbitrator may determine to be appropriate. If three arbitrators are used the costs and expenses of the third arbitrator and of any experts engaged by such arbitrator shall be borne equally by the Parties and each Party shall pay the costs and expenses of the arbitrator appointed by it. Arbitration under this Section 8.11 shall be in substitution for and precludes the bringing of any action in any court by either Party.

## **ARTICLE VIII CLOSING**

### **8.1 Place of Closing**

The Closing shall take place at the Closing Time virtually or at the offices of Meretsky Law Firm, 121 King Street West, Suite 2150, Toronto, Ontario, M5H 3T9, or at such other place as may be agreed upon by the Vendor and the Purchaser.

### **8.2 Vendor and Company Closing Deliveries**

The Vendor and the Company shall deliver to the Purchaser:

- (a) the Purchased Shares accompanied by irrevocable share transfer powers of attorney duly executed in blank;
- (b) a certificate dated within two days before the Closing Date from the appropriate office of the jurisdiction of organization of each of the Vendor and the Company, certifying that the Vendor and the Company, respectively, is validly existing and in good standing under the laws of such jurisdiction;
- (c) a certificate of a senior officer of the Vendor (in such capacity and without personal liability), in form and substance reasonably satisfactory to the Purchaser certifying:

- (i) as to the articles of the Vendor; (ii) that the board of directors (and, if required, shareholders) of the Vendor has adopted resolutions (in a form attached to such certificate) authorizing the execution, delivery and performance of this Agreement and the transactions contemplated herein, which resolutions are in full force and effect and have not been superseded, amended or modified as of the Closing Date; and (iii) as to the incumbency and signatures of the officers of the Vendor executing this Agreement and the other transaction documents contemplated herein;
- (d) a certificate of a senior officer of the Company (in such capacity and without personal liability), in form and substance reasonably satisfactory to the Purchaser certifying: (i) as to the articles of the Company; (ii) that the board of directors (and, if required, shareholders) of the Company has adopted resolutions (in a form attached to such certificate) authorizing the execution, delivery and performance of this Agreement and the transactions contemplated herein, which resolutions are in full force and effect and have not been superseded, amended or modified as of the Closing Date; and (iii) as to the incumbency and signatures of the officers of the Company executing this Agreement and the other transaction documents contemplated herein;
- (e) from each of the directors, officers of the Company, a resignation from his positions with such Company and releases in favour of the Company and the Purchaser in form and substance satisfactory to the Purchaser;
- (f) the consents of all parties to the Contracts other than the Company to the change in control of the Company, each in a form satisfactory to the Purchaser;
- (g) the Escrow Agreement duly executed by the Vendor;
- (h) a release agreement by Lloyd Evetts in favour the Purchaser and the Company release all of his rights to be paid additional compensation equal to 20% of the net proceeds from the sale of the Company pursuant to the employment agreement dated May 1, 2018 between the Company and Lloyd Evetts, as amended;
- (i) an employment or consulting agreement (an “**Employment Agreement**”) duly executed by Lloyd Evetts, in form and substance satisfactory to the Purchaser;
- (j) a restrictive covenants agreement (a “**Restrictive Covenants Agreement**”) duly executed by Alan Evetts and Tani Hosokawa, each in form and substance satisfactory to the Purchaser;
- (k) the minute books, share certificate books and corporate seal (if any) of the Company; and
- (l) such other documents as may be reasonably necessary and consistent with the terms of this Agreement in order to complete the transactions contemplated herein.

### **8.3 Purchaser Closing Deliveries**

- (a) The Purchaser shall have delivered to the Vendor:

- (i) the Estimated Closing Payment in accordance with Article II;
  - (ii) a certificate dated within 2 days before the Closing Date from the appropriate office of the jurisdiction of organization of the Purchaser, certifying that the Purchaser is validly existing and in good standing under the laws of such jurisdiction;
  - (iii) a certificate of a senior officer of the Purchaser (in such capacity and without personal liability), in form and substance reasonably satisfactory to the Vendor certifying: (i) as to the articles of the Purchaser; (ii) that the board of directors (and, if required, shareholders) of the Purchaser has adopted resolutions (in a form attached to such certificate) authorizing the execution, delivery and performance of this Agreement and the transactions contemplated herein, which resolutions are in full force and effect and have not been superseded, amended or modified as of the Closing Date; and (iii) as to the incumbency and signatures of the officers of the Purchaser executing this Agreement and the other transaction documents contemplated herein;
  - (iv) the Escrow Agreement duly executed by the Purchaser; and
  - (v) such other documents as may be reasonably necessary and consistent with the terms of this Agreement in order to complete the transactions contemplated herein.
- (b) The Purchaser shall deliver to the Escrow Agent the Escrow Amount in accordance with Article II.

## **ARTICLE IX GENERAL**

### **9.1 Notices**

All notices, requests, demands or other communications required or permitted to be given by one Party to another under this Agreement (each, a “**Notice**”) shall be given in writing and delivered by personal delivery or delivery by recognized national courier, sent by facsimile transmission or delivered by registered mail, postage prepaid, or by electronic communication (including e-mail but excluding Internet or intranet websites addressed as follows:

- (a) If to the Purchaser:

999 Canada Place, Suite 404  
Vancouver, British Columbia V6C 3E2

Attention: Karim Nanji, CEO  
E-mail: [karim.nanji@marblefinancial.ca](mailto:karim.nanji@marblefinancial.ca)

With a copy to (which shall not constitute notice):

Meretsky Law Firm  
121 King Street West, Suite 2150  
Toronto, Ontario M5H 3T9

Attention: Jason D. Meretsky  
Facsimile: 416.943.0811  
E-mail: [jason@meretsky.com](mailto:jason@meretsky.com)

(b) If to the Vendor:

#425 - 15225 104th Avenue,  
Surrey, BC, V3R 6Y8  
Attention: Alan Evetts  
E-mail: [alan@tnaventures.com](mailto:alan@tnaventures.com)

With a copy to (which shall not constitute notice):

Bishop McKenzie LLP  
Suite 2300, 10180 - 101 St. NW  
Edmonton, Alberta T5J 1V3

Attention: Norman Bishop  
Facsimile: 780.426.1305  
E-mail: [nbishop@bmlp.ca](mailto:nbishop@bmlp.ca)

(c) If to the Company:

#425 - 15225 104th Avenue,  
Surrey, BC, V3R 6Y8  
Attention: Alan Evetts, President  
E-mail: [alan@tnaventures.com](mailto:alan@tnaventures.com)

With a copy to (which shall not constitute notice):

Bishop McKenzie LLP  
Suite 2300, 10180 - 101 St. NW  
Edmonton, Alberta T5J 1V3

Attention: Norman Bishop  
Facsimile: 780.426.1305  
E-mail: [nbishop@bmlp.ca](mailto:nbishop@bmlp.ca)

or at such other address or facsimile number or e-mail address at which the addressee may from time to time notify the addressor. Any Notice delivered by personal delivery or by courier to the Party to whom it is addressed as provided above shall be deemed to have been given and received on the day it is so delivered at such address. If such day is not a Business Day, or if the Notice is received after 4:00 p.m. (addressee's local time), then the Notice shall be deemed to have been given and received on the next Business Day. Any Notice sent by prepaid registered mail shall be deemed to have been given and received on the fourth Business Day following the date of its

mailing. Any Notice transmitted by facsimile shall be deemed to have been given and received on the day in which transmission is confirmed. If such day is not a Business Day or if the facsimile transmission is received after 4:00 p.m. (addressee's local time), then the Notice shall be deemed to have been given and received on the first Business Day after its transmission. Notices sent to an e-mail address shall be deemed to be received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such Notice is not sent on a Business Day or is sent after 4:00 p.m. (addressee's local time) on a Business Day, such Notice shall be deemed to have been given and received on the first Business Day after its transmission.

## **9.2 Waiver**

Except as otherwise expressly set out herein, no waiver of any provision of this Agreement shall be binding unless it is in writing. No indulgence, forbearance or other accommodation by a Party shall constitute a waiver of such Party's right to insist on performance in full and in a timely manner of all covenants in this Agreement or in any document delivered pursuant to this Agreement. Waiver of any provision shall not be deemed to waive the same provision thereafter, or any other provision of this Agreement at any time.

## **9.3 Severability**

If any provision of this Agreement or portion thereof or the application thereof to any Person or circumstance shall to any extent be illegal, invalid or unenforceable: (a) the remainder of this Agreement or the application of such provision or portion thereof to any other Person or circumstance shall not be affected thereby; and (b) the Parties will negotiate in good faith to amend this Agreement to implement the intentions set forth in this Agreement. If the Parties cannot agree on an appropriate amendment, any Party may refer the matter for determination pursuant to and in accordance with Section 7.12. Each provision of this Agreement shall be legal, valid and enforceable to the fullest extent permitted by law.

## **9.4 Assignment and Enurement**

Neither this Agreement nor any benefits or burdens under this Agreement shall be assignable by any Party, without the prior written consent of each of the other Parties, which consent shall not be unreasonably withheld or delayed. Subject to the foregoing, this Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns hereunder.

## **9.5 Expenses**

Each Party to this Agreement shall pay its respective legal, accounting and other professional advisory fees, costs and expenses incurred in connection with the negotiation, preparation and execution of this Agreement and all documents and instruments executed or delivered pursuant to this Agreement, as well as any other fees, costs and expenses incurred, unless otherwise specifically set out in this Agreement.

## **9.6 Further Assurances**

The Parties shall do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions.

## **9.7 Jurisdiction**

Each of the Parties to this Agreement irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia, in the City of Vancouver.

## **9.8 Public Notices**

All public notices to third parties and all other publicity concerning the matters contemplated by this Agreement shall be jointly planned and coordinated by the Parties and no Party shall act unilaterally in this regard without the prior written approval of the other Parties, except where the Party making such notice is required to do so by Law or any Governmental Authority, or any stock exchange, in circumstances where prior consultation with the other Parties is not practicable.

## **9.9 Non-Merger**

Except as otherwise expressly provided in this Agreement, the representations, warranties, covenants and agreements shall not merge on and shall survive Closing and, notwithstanding Closing or any investigation made by or on behalf of any party, shall continue in full force and effect.

## **9.10 No Presumption**

The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favouring or disfavouring either Party by virtue of the authorship of any provision of this Agreement or the payment of any legal services associated therewith.

## **9.11 Execution by Electronic Transmission**

The signature of any of the Parties may be evidenced by a facsimile, scanned email or internet transmission copy of this Agreement bearing such signature.

## **9.12 Counterparts**

This Agreement may be signed in one or more counterparts, each of which so signed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument. Notwithstanding the date of execution or transmission of any counterpart, each counterpart shall be deemed to have the effective date first written above.

*[Remainder of page intentionally left blank.]*



**IN WITNESS WHEREOF** the Parties have duly executed this Agreement as of the date first written above.

**MARBLE FINANCIAL INC.**

Per: “Michele N. Marrandino”  
Michele N. Marrandino  
Executive Chairman

Per: “Karim Nanji”  
Karim Nanji  
Chief Executive Officer

**TNA INVESTMENTS LTD.**

Per: “Alan Evetts”  
Alan Evetts  
Director

**INVERITE VERIFICATION INC.**

Per: “Alan Evetts”  
Alan Evetts  
Director