AGENCY AGREEMENT

April 19, 2021

Stem Holdings, Inc.
2201 NW Corporate Blvd.
Suite 205
Boca Raton, FL 33431

Attention: Adam Berk, Chief Executive Officer

Dear Sir:

Stem Holdings, Inc. (the "**Company**") hereby engages Canaccord Genuity Corp. (the "**Agent**") to act as its exclusive agent to offer and sell on a "commercially reasonable efforts" agency basis a minimum of 16,363,636 and a maximum of 17,272,728 units of the Company (the "**Initial Units**"), at an offering price of $0.55 per Initial Unit (the "**Issue Price**"), for aggregate gross proceeds of a minimum of $9,000,000 and a maximum of $9,500,000, upon and subject to the terms and conditions contained herein (the "**Offering**"). Each Initial Unit shall consist of one Common Share (as defined below) (each an "**Initial Share**" and collectively the "**Initial Shares**") and one Common Share purchase warrant of the Company (each an "**Initial Warrant**" and collectively, the "**Initial Warrants**").

The Warrants shall be created and issued pursuant to a warrant indenture (the "**Warrant Indenture**") to be dated as of the Closing Date between the Company and Odyssey Trust Company, in its capacity as warrant agent thereunder (the "**Warrant Agent**"). Each Warrant will entitle the holder thereof to purchase one Common Share (each a "**Warrant Share**" and collectively the "**Warrant Shares**") at an exercise price of $0.68 per Warrant Share at any time until 5:00 p.m. (Toronto time) on the date that is 24 months following the Closing Date, subject to adjustment in certain circumstances in accordance with the Warrant Indenture. The description of the Warrants herein is a summary only and is subject to the specific attributes and detailed provisions of the Warrants to be set forth in the Warrant Indenture. In case of any inconsistency between the description of the Warrants in this Agreement and the terms of the Warrants set forth in the Warrant Indenture, the provisions of the Warrant Indenture will govern.

Upon and subject to the terms and conditions herein set forth and in reliance upon the representations and warranties herein contained, the Company hereby grants to the Agent an over-allotment option (the "**Over-Allotment Option**") to sell up to an additional 15% of the number of Initial Units sold pursuant to the Offering (the "**Additional Units**") at the Issue Price, which Over-Allotment Option shall be exercisable, in whole or in part and at any time and from time to time, on or before 5:00 p.m. (Toronto time) on the date that is 30 days after and including the Closing Date (as defined below). Each Additional Unit shall consist of one Common Share (each an "**Additional Share**" and collectively the "**Additional Shares**") and one Common Share purchase warrant of the Company (each an "**Additional Warrant**" and collectively the "**Additional Warrants**").

Delivery of and payment for any Additional Units, will be made at the time and on the date (each an "**Option Closing Date**") as set out in a written notice of the Agent referred to below, which Option Closing Date may occur on the Closing Date but will in no event occur earlier than the Closing Date, nor earlier than two Business Days (as defined below) or later than seven Business Days after the date upon which the Company receives a written notice from the Agent setting out the number of Additional Units to be purchased by the Agent. Any such notice must be received by the Company not later than 5:00 p.m. (Toronto time) on the date that is 30 days after the Closing Date. Upon the furnishing of such a notice, the Company will be committed to sell and deliver to the Agent in accordance with and subject to the provisions of this Agreement (as defined below), the number of Additional Units indicated in such notice.

Unless the context otherwise requires or unless otherwise specifically stated, all references in this Agreement to (i) the "**Offering**" shall be deemed to include the Over-Allotment Option, (ii) the "**Offered Units**" shall mean, collectively, the Initial Units and the Additional Units, (iii) the "**Shares**" shall mean, collectively, the Initial Shares, the Additional Shares, the Warrant Shares (as defined below), the Broker Shares (as defined below) and the Corporate Finance Shares (as defined below), and (iv) the "**Warrants**" shall mean, collectively, the Initial Warrants and the Additional Warrants.

In consideration of the Agent's services to be rendered in connection with the Offering, the Company agrees: (A) to pay to the Agent (i) at the Closing Time (as defined below) on the Closing Date, an aggregate cash fee (the "**Agent's Fee**") equal to 7% of the gross proceeds from the sale of the Initial Units, with the exception of gross proceeds raised from persons included in the Company's president's list (the "**President's List**") which shall be subject to a reduced cash fee equal to 1% of the aggregate gross proceeds of sales from the President's List, and (ii) at the Closing Time on the Option Closing Date, an aggregate cash fee equal to 7% of the gross proceeds from the sale of the Additional Units purchased at that time, which shall be subject to a reduced cash fee equal to 1% of the aggregate gross proceeds of sales from the President's List (the fees referred to in (A)(i) and (A)(ii) are collectively the "**Agent's Fee**"); and (B) to issue to the Agent (i) at the Closing Time on the Closing Date and the Option Closing Date, as applicable, broker warrants ("**Broker Warrants**") equal to 7% of the number of Initial Units (and any Additional Units purchased in connection with the Over-Allotment Option), which shall be subject to a reduced number of Broker Warrants equal to 3.5% of the Initial Units (and any Additional Units purchased in connection with the Over-Allotment Option) sold to purchasers on the President's List. Each Broker Warrant will be exercisable for one Common Share (each a "**Broker Share**" and collectively, the "**Broker Shares**") at a price of $0.55 per Broker Share, for a period of 24 months following the Closing Date, subject to adjustment in certain events. At the Closing Time, the Company shall also (i) pay the Agent a corporate finance fee of $100,000 (the "**Corporate Finance Fee**"), such Corporate Finance Fee to be payable as to $50,000 in cash and as to $50,000 by the issuance of 90,909 Common Shares (the "**Corporate Finance Shares**").

The Agent understands the Company is proposing to issue and sell, on a non-brokered basis, in the United States, concurrently with the Offering, units of the Company (each comprised of one Common Share and one Common Share purchase warrant of the Company) at the Issue Price (the "**U.S. Offering**"), it being understood and agreed that the Agent shall not be acting as agent in respect of the U.S. Offering and shall not be paid a fee in respect thereof. The gross proceeds of the U.S. Offering, when combined with the gross proceeds of the Offering (including any gross proceeds raised upon exercise of the Over-Allotment Option), shall not exceed $11,000,000.

The Company agrees that the Agent will be permitted to appoint, at the sole cost and expense of the Agent, other registered dealers (or other dealers duly qualified in their respective jurisdictions) as its agents to assist in the Offering, and that the Agent may determine the remuneration payable to such other dealers appointed by it, such remuneration to be the sole responsibility of the Agent.

The Agent understands (i) the Company has prepared and filed a Preliminary Prospectus (as defined below) to qualify the distribution of the Offered Units in each of the Qualifying Jurisdictions (as defined below) and has received the Preliminary Receipt (as defined below) therefor; (ii) the Company has prepared and filed an Amended and Restated Preliminary Prospectus (as defined below) to qualify the distribution of the Offered Units in each of the Qualifying Jurisdictions and has received the Amended and Restated Receipt (as defined below) therefor; (iii) the Company has prepared and will file the Final Prospectus (as defined below) with the Securities Commissions (as defined below) in each of the Qualifying Jurisdictions to qualify the distribution of the Offered Units promptly after the execution of this Agreement; and (iv) the Company has prepared and filed a post-effective amendment(s) (the "**Post-Effective Amendment**") to its registration statement filed with the SEC (as defined below) on January 5, 2021, as amended, on Form S-1

with respect to the securities of the Company to be qualified for distribution pursuant to the Final Prospectus.

The Offering is conditional upon and subject to the additional terms and conditions set forth below. The following are additional terms and conditions of the agreement between the Company and the Agent:

1. Definitions

In addition to the terms previously defined and terms defined elsewhere in this Agreement, where used in this Agreement or in any amendment hereto, the following terms shall have the following meanings, respectively:

"**Agent's Information**" means the disclosure relating solely to the Agent provided to the Company by or on behalf of the Agent in writing for inclusion in any of the Offering Documents;

"**Agreement**" means this agency agreement dated April 19, 2021 between the Company and the Agent, as the same may be supplemented, amended and/or restated from time to time;

"**Amended and Restated Preliminary Prospectus**" means the amended and restated preliminary short form prospectus of the Company dated December 15, 2020 relating to the qualification in all of the Qualifying Jurisdictions of the distribution of the Offered Units under the Applicable Securities Laws of the Qualifying Jurisdictions, including all of the Documents Incorporated by Reference;

"**Amended and Restated Receipt**" means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Amended and Restated Preliminary Prospectus in each of the Qualifying Jurisdictions;

"**Ancillary Documents**" means all agreements, indentures (including the Warrant Indenture), certificates (including the certificates, if any, representing the Offered Units, and the Broker Warrants), officer's certificates, notices and other documents executed and delivered, or to be executed and delivered, by the Company in connection with the Offering, whether pursuant to Applicable Securities Laws, U.S. securities laws or otherwise;

"**Applicable Anti-Money Laundering Laws**" has the meaning ascribed thereto in Section 8(llll) of this Agreement;

"**Applicable Laws**" means, in relation to any person or persons, the Applicable Securities Laws and all other statutes, regulations, rules, orders, by-laws, codes, ordinances, decrees, the terms and conditions of any grant of approval, permission, authority or licence, or any judgment, order, decision, ruling, award, policy or guidance document that are applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a Governmental Authority having jurisdiction over the person or persons or its or their business, undertaking, property or securities, including, without limitation, U.S. Cannabis Laws;

"**Applicable Securities Laws**" means, collectively, the applicable securities laws of each of the Qualifying Jurisdictions and their respective regulations, rulings, rules, blanket orders, instruments (including national and multinational instruments), fee schedules and prescribed forms thereunder, the applicable policy statements issued by the Securities Commissions and the rules and policies of the CSE;

"**Assets and Properties**" with respect to any person means all assets and properties of every kind, nature, character and description (whether real, personal or mixed, tangible or intangible, choate or inchoate, absolute, accrued, contingent, fixed or otherwise, and, in each case, wherever situated), including the goodwill related thereto, operated, owned, licensed or leased by or in the possession of the Company in connection with the Business;

"**Broker Warrant Certificates**" means the certificates representing the Broker Warrants and containing the terms thereof;

"**Business**" means the business of the Company as currently conducted by itself and through the Subsidiaries, including, without limitation, the manufacture, possession, use, sale, distribution or branding of cannabis pursuant to licenses in the adult use and/or medical cannabis marketplace in the states of Oregon, Nevada, California, Oklahoma and Massachusetts;

"**Business Day**" means a day, other than a Saturday, a Sunday or a day on which chartered banks are not open for business in Toronto, Ontario;

"**CDS**" means CDS Clearing and Depository Services Inc.;

"**Claims**" and "**Claim**" have the meanings ascribed thereto in Section 14(a) of this Agreement;

"**Closing**" means the closing of the Offering;

"**Closing Date**" means April 23, 2021, or such earlier or later date (not to exceed 90 days from the date of the Final Receipt) as may be agreed to in writing by the Company and the Agent, each acting reasonably;

"**Closing Time**" means the time of Closing on the Closing Date or Option Closing Date, as applicable;

"**Common Shares**" means the shares of common stock of the Company;

"**Contract**" means all agreements, contracts or commitments of any nature, written or oral, including, for greater certainty and without limitation, licenses, leases, loan documents and security documents;

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

"**Debt Instrument**" means any agreement, note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability to which the Company or a Subsidiary is a party or to which its properties or assets are otherwise bound and which is material to the Company on a consolidated basis, and related security documentation;

"**Disclosure Record**" means the Company's prospectuses, annual reports, annual and interim financial statements, annual information forms, business acquisition reports, management discussion and analysis of financial condition and results of operations, information circulars, material change reports, press releases and all other information or documents filed or furnished by the Company with the SEC and the relevant Securities Commission under Applicable Securities Laws and U.S. securities laws;

"**distribution**" means distribution or distribution to the public, as the case may be, for the purposes of the Applicable Securities Laws;

"**Documents Incorporated by Reference**" means the documents specified in the Preliminary Prospectus, Amended and Restated Preliminary Prospectus, Final Prospectus or any Supplementary Material, as the case may be, as being incorporated therein by reference or which are deemed to be incorporated therein by reference pursuant to Applicable Securities Laws;

"**Driven**" means Driven Deliveries, Inc.

"**Eligible Issuer**" means an issuer which meets the criteria and has complied with the requirements of NI 44-101 so as to be qualified to offer securities by way of a short form prospectus under Applicable Securities Laws;

"**Encumbrance**" means any charge, mortgage, hypothec, lien, pledge, claim, restriction, security interest or other encumbrance whether created or arising by agreement, statute or otherwise pursuant to any Applicable Laws, attaching to property, interests or rights;

"**Environmental Laws**" means all applicable federal, provincial, state, local, municipal or foreign statute, law, rule, regulation, ordinance, code, legally binding policy or rule of common law or civil law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, occupational health and safety, product safety or liability, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of Hazardous Materials or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials;

"**Environmental Permits**" includes all orders, permits, certificates, approvals, consents, registrations and licences issued by any authority of competent jurisdiction under any Environmental Law;

"**Final Prospectus**" means the (final) short form prospectus of the Company relating to the qualification in all of the Qualifying Jurisdictions of the distribution of the Offered Units under the Applicable Securities Laws of the Qualifying Jurisdictions, including all of the Documents Incorporated by Reference;

"**Final Receipt**" means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Final Prospectus in each of the Qualifying Jurisdictions;

"**Financial Statements**" means the audited consolidated financial statements of the Company incorporated by reference in the Offering Documents as at and for the financial year ended September 30, 2020 and 2019, and related notes thereto, together with the independent auditors report thereon;

"**Governmental Authority**" means any governmental authority and includes, without limitation, any international, national, federal, state, provincial or municipal government or other political subdivision of any of the foregoing, any entity exercising executive, legislative, judicial, regulatory or administrative functions on behalf of a governmental authority or pertaining to government and

any corporation or other entity owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing;

"**Indemnified Parties**" and **"Indemnified Party**" have the meanings ascribed thereto in Section 14(a) of this Agreement;

"**Intellectual Property**" means all of the following used for the conduct of the Business as presently conducted or as proposed to be conducted (i) patent rights, issued patents, patent applications, patent disclosures, and registrations, inventions, discoveries, developments, concepts, ideas, improvements, processes and methods, whether or not such inventions, discoveries, developments, concepts, ideas, improvements, processes, or methods are patentable or registrable, anywhere in the world, (ii) copyrights (including performance rights) to any original works of art or authorship, including source code and graphics, which are fixed in any medium of expression, including copyright registrations and applications therefor, anywhere in the world, whether or not registered or registrable, (iii) any and all common law or registered trade-mark rights, trade names, business names, trade-marks, proposed trade-marks, certification marks, service marks, distinguishing marks and guises, logos, slogans, goodwill, domain names and any registrations and applications therefor, anywhere in the world, whether or not registered or registrable, (iv) know-how, show-how, confidential information, trade secrets, (v) any and all industrial design rights, industrial designs, design patents, industrial design or design patent registrations and applications therefor, anywhere in the world, whether or not registered or registrable, (vi) any and all integrated circuit topography rights, integrated circuit topographies and integrated circuit topography applications, anywhere in the world, whether or not registered or registrable, (vii) any reissues, re-examinations, divisions, continuations, continuations-in-part, renewals, improvements, translations, derivatives, modifications and extensions of any of the foregoing, (viii) any other industrial, proprietary or intellectual property rights, anywhere in the world, and (ix) proprietary computer software (including but not limited to data, data bases and documentation);

"**Leased Premises**" has the meaning ascribed thereto in Section 8(m) of this Agreement of this Agreement;

"**Licensed IP**" means the Intellectual Property that is used for the conduct of the Business as presently conducted or as proposed to be conducted and that is owned by any person other than the Company or any Subsidiary;

"**Losses**" has the meaning ascribed thereto in Section 14(a) of this Agreement;

"**marketing materials**" and "**template version**" shall have their respective meanings ascribed thereto in NI 41-101;

"**Material Adverse Effect**" means any change (including a decision to implement such a change made by the board of directors or by senior management who believe that confirmation of the decision by the board of directors is probable), fact, event, violation, inaccuracy, circumstance, state of being or effect that (a) is materially adverse (actually or anticipated, whether financial or otherwise) to the Business, assets (including intangible assets), affairs, operations, prospects, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise), results of operations or control of the Company and the Subsidiaries, on a consolidated basis or (b) results in the Final Prospectus containing a misrepresentation; but "**Material Adverse Effect**" will not include any fact, event, violation, inaccuracy, circumstance, state of being or effect relating to: (i) the global economy or securities markets in general; (ii) the announcement of the transactions contemplated hereby; (iii) any outbreak or escalation of war or any act of terrorism; or (iv) any fact,

circumstance, event, change, effect, occurrence or event affecting the industry in which the Company or its Subsidiaries operates in general and which, in each case, does not have a materially disproportionate effect on the Company and its Subsidiaries, on a consolidated basis;

"**material change**" has the meaning ascribed thereto in the Applicable Securities Laws of the Qualifying Jurisdictions;

"**Material Contract**" means any debt instrument, contract, commitment, agreement (written or oral), instrument, lease, or other document, to which the Company or any Subsidiary is a party or otherwise bound which is material to the Company or any Subsidiary (on a consolidated basis) and the conduct and operations of its Business, including this Agreement and the Ancillary Documents, or involve any of the officers, consultants, directors, employees or shareholders of the Company or any Subsidiary, other than ordinary course agreements relating to employment, confidentiality, Intellectual Property or stock options;

"**material fact**" has the meaning ascribed thereto in the Applicable Securities Laws of the Qualifying Jurisdictions;

"**Material Subsidiaries**" means NVD RE Corp., YMY Ventures, LLC, 7LV USA Corporation, Western Coast Ventures, Inc., Stem Holdings Oregon, Inc., Opco Holdings, Inc., Opco Production 1, LLC, Opco Production 2, LLC, JV Foods, LLC, JV Extraction, LLC, JV Applegate, LLC, JV Foods, LLC, JV Production 3, LLC, Consolidated Ventures of Oregon, Inc., Stem Group Oklahoma, Inc., JV Retail 2 LLC, Opco Retail 1 LLC, JV Wholesale LLC and Driven; and "**Material Subsidiary**" means any one of the them;

"**Merger**" means the merger transaction of the Company and Driven pursuant to the Merger Agreement;

"**Merger Agreement**" means the Agreement and Plan of Merger dated October 5, 2020 among the Company, Driven and Stem Driven Acquisition, Inc.;

"**misrepresentation**" has the meaning ascribed thereto in the Applicable Securities Laws of the Qualifying Jurisdictions;

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements* of the Canadian Securities Administrators;

"**NI 44-101**" means National Instrument 44-101 – *Short Form Prospectus Distributions* of the Canadian Securities Administrators;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators;

"**Offering Documents**" means, collectively, the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplementary Material;

"**person**" shall be broadly interpreted and shall include an individual, firm, corporation, syndicate, partnership, trust, association, unincorporated organization, joint venture, investment club, government or agency or political subdivision thereof and every other form of legal or business entity of whatsoever nature or kind;

"**Passport System**" means the passport system procedures provided for under National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions* of the Canadian Securities Administrators;

"**Preliminary Prospectus**" means the preliminary short form prospectus of the Company dated December 14, 2020 relating to the qualification in all of the Qualifying Jurisdictions of the distribution of the Offered Units under the Applicable Securities Laws of the Qualifying Jurisdictions, including all of the Documents Incorporated by Reference;

"**Preliminary Receipt**" means the receipt issued by the Principal Regulator, evidencing that a receipt has been, or has been deemed to be, issued for the Preliminary Prospectus in each of the Qualifying Jurisdictions;

"**Principal Regulator**" means the Ontario Securities Commission;

"**Qualification**" has the meaning given to it in Section 8(qq);

"**Qualifying Jurisdictions**" means each of the provinces of Canada except Québec;

"**Real Property**" has the meaning ascribed thereto in Section 8(l) of this Agreement;

"**Regulation S**" means Regulation S adopted by the Securities and Exchange Commission under the U.S. Securities Act;

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

"**Securities Commission**" means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions and "**Securities Commissions**" means all of them;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Selling Firm**" has the meaning ascribed thereto in Section 4(a) of this Agreement;

"**Subsequent Disclosure Documents**" means any annual and/or interim financial statements, management's discussion and analysis of financial condition and results of operations, information circulars, annual information forms, material change reports or other documents issued by the Company after the date of this Agreement that are required by Applicable Securities Laws of the Qualifying Jurisdictions to be incorporated by reference into the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and/or any Supplementary Material;

"**Subsidiaries**" means the subsidiaries of the Company; and "**Subsidiary**" means any one of them;

"**Supplementary Material**" means, collectively, any amendment to the Final Prospectus, and any amendment or supplemental prospectus or ancillary materials that may be filed or prepared by or on behalf of the Company under Applicable Securities Laws relating to the distribution of the Offered Units thereunder;

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

"**U.S. Cannabis Laws**" means the Controlled Substances Act of 1970, 21 U.S.C. Section 801, et seq., any regulations promulgated pursuant thereto, with respect to cannabis and any U.S. federal laws implicated by violating the Controlled Substance Act, including, without limitation, laws related to aiding and abetting, conspiracy (21 U.S.C. § 804); Racketeer Influenced and Corrupt Organizations Act (18 U.S.C. §1961 et seq.): The Travel Act (18 U.S.C. § 1952); and Anti-Money Laundering (18 U.S.C. §1956);

"**U.S. GAAP**" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board and rules promulgated by the SEC and its related interpretations or in such other statements by such other entity as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination;

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

"**U.S. Securities Act**" means the *United States Securities Act of 1993*, as amended.

(a) Capitalized terms used but not defined herein have the meanings ascribed to them in the Amended and Restated Preliminary Prospectus or, upon filing of the Final Prospectus, the Final Prospectus.

(b) Any reference in this Agreement to a Section shall refer to a section of this Agreement.

(c) All words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties referred to in each case require and the verb shall be construed as agreeing with the required word and/or pronoun.

(d) Any reference in this Agreement to "$" or to "dollars" shall refer to the lawful currency of Canada, unless otherwise specified.

(e) Where any representation or warranty contained in this Agreement or any Ancillary Document is expressly qualified by reference to the "**knowledge**" of the Company or "**the best of the Company's knowledge**", or where any other reference is made herein or in any Ancillary Document to the "**knowledge**" of the Company, it shall be deemed to refer to the actual knowledge of (i) Adam Berk, Chief Executive Officer, and (ii) Steve Hubbard, Chief Financial Officer, of the facts or circumstances to which such phrase relates, after having made reasonable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made by officers of similar sized companies.

2. The Offering

(a) Each purchaser who is resident in a Qualifying Jurisdiction shall purchase the Offered Units pursuant to the Final Prospectus. Each other purchaser not resident in a Qualifying Jurisdiction, or located outside of a Qualifying Jurisdiction, shall purchase Offered Units, which have been qualified by the Final Prospectus in Canada, only on a private placement basis under the applicable securities laws of the jurisdiction in which the purchaser is resident or located, in accordance with such procedures as the Company and the Agent may mutually agree, acting reasonably, in order to fully comply with Applicable Laws and the terms of this Agreement.

(b) The Company hereby agrees to comply with all Applicable Securities Laws in the Qualifying Jurisdictions on a timely basis in connection with the distribution of the Offered Units and the Company shall execute and file with the Securities Commissions all forms, notices and certificates relating to the Offering required to be filed pursuant to Applicable Securities Laws in the Qualifying Jurisdictions within the time required, and in the form prescribed, by Applicable Securities Laws in the Qualifying Jurisdictions.

(c) The Agent shall use its "commercially reasonable efforts" to arrange for the purchase of the Offered Units for sale:

(i) in the Qualifying Jurisdictions and

(ii) subject to the consent of the Company, acting reasonably, in such other jurisdictions outside of the Qualifying Jurisdictions and the United States where permitted by and in accordance with Applicable Securities Laws and the applicable securities laws of such other jurisdictions, and provided that in the case of jurisdictions other than the Qualifying Jurisdictions, the Company shall not be required to become registered or file a prospectus or registration statement or similar document in such jurisdictions and the Company will not be subject to any continuous disclosure requirements in such jurisdiction.

3. Filing of Prospectus and Registration Matters

(a) As of the date of this Agreement, the Company has (i) prepared and filed the Preliminary Prospectus and other required documents with the Securities Commissions under the Applicable Securities Laws pursuant to the Passport System and NI 44-101, and has obtained the Preliminary Receipt; (ii) prepared and filed the Amended and Restated Preliminary Prospectus and other required documents with the Securities Commissions under the Applicable Securities Laws pursuant to the Passport System and NI 44-101, and has obtained the Amended and Restated Receipt; (iii) addressed the comments made by such Securities Commissions in respect of the Amended and Restated Preliminary Prospectus and has been cleared by all of the Securities Commissions to file the Final Prospectus; and (iv) prepared and filed the Post-Effective Amendment and addressed comments provided by the SEC.

(b) The Company shall use commercially reasonable efforts to, not later than 5:00 p.m. (Toronto time) on April 19, 2021 (or such later date as may be agreed to in writing by the Company and the Agent, each acting reasonably), have prepared and filed the Final Prospectus and other required documents with the Securities Commissions under the Applicable Securities Laws pursuant to the Passport System and NI 44-101, and shall have obtained a Final Receipt and otherwise fulfilled all legal requirements to qualify the Offered Units for distribution to the public in the Qualifying Jurisdictions through the Agent or any other registered dealer in the applicable Qualifying Jurisdictions.

(c) The Company shall cause the Post-Effective Amendment to be declared effective prior to the Closing Date, and shall maintain its effectiveness until six months following the expiration of the term of the Warrants.

(d) During the period of distribution of the Offered Units, the Company will promptly take, or cause to be taken, any additional steps and proceedings that may from time to time be

required under the Applicable Securities Laws or the U.S. Securities Act, or reasonably requested by the Agent, to continue to qualify the distribution of the Offered Units.

(e) Prior to the filing of the Final Prospectus and thereafter, during the period of distribution of the Offered Units, including prior to the filing of any Supplementary Material, the Company shall allow the Agent and its counsel to review and comment on such documents and shall allow the Agent to conduct all due diligence investigations (including through the conduct of oral due diligence sessions at which management of the Company, its auditors, legal counsel and other applicable experts) which it may reasonably require in order to fulfill its obligations as agent in order to enable it to execute the certificate required to be executed by it at the end of the Offering Documents. Without limiting the scope of the due diligence inquiry the Agent (or its counsel) may conduct, the Company shall use its best efforts to make available its directors, senior management, auditors and legal counsel to answer any questions which the Agent may have and to participate in one or more due diligence sessions to be held prior to filing of each of the Final Prospectus and any Supplementary Material.

4. Distribution and Certain Obligations of the Agent

(a) The Agent shall, and shall require any investment dealer (other than the Agent) with which the Agent has a contractual relationship in respect of the distribution of the Offered Units (each, a "**Selling Firm**") to agree to, comply with the Applicable Securities Laws in connection with the distribution of the Offered Units and shall offer the Offered Units for sale to the public directly and through Selling Firms upon the terms and conditions set out in the Final Prospectus and this Agreement. The Agent shall, and shall require any Selling Firm to, offer for sale to the public and sell the Offered Units only in those jurisdictions where they may be lawfully offered for sale or sold and shall seek the prior consent of the Company, such consent not to be unreasonably withheld, regarding the jurisdictions other than the Qualifying Jurisdictions where the Offered Units are to be offered and sold. The Agent shall: (i) use all commercially reasonable efforts to complete and cause each Selling Firm to complete the distribution of the Offered Units as soon as reasonably practicable but in any event no later than 90 days after the date of the Final Receipt; and (ii) as soon as practicable after the completion of the distribution of the Offered Units, and in any event within 30 days after the later of the Closing Date or the last Option Closing Date, notify the Company thereof and provide the Company with a breakdown of the number of Offered Units distributed in the Qualifying Jurisdictions.

(b) The Agent shall, and shall require any Selling Firm to agree to, distribute the Offered Units only through appropriately registered investment dealers or brokers and in a manner which complies with and observes all Applicable Securities Laws in each jurisdiction into and from which they may offer to sell the Offered Units or distribute any Offering Document or marketing materials in connection with the distribution of the Offered Units and will not, directly or indirectly, offer, sell or deliver any Offered Units or deliver any Offering Documents or marketing materials to any person in any jurisdiction other than in the Qualifying Jurisdictions except in such other jurisdictions as may be agreed in writing by the Company and in a manner which will not require the Company to comply with the registration, prospectus, filing, continuous disclosure or other similar requirements of such other jurisdictions or pay any unreasonable filing fees which relate to such other jurisdictions.

(c) Neither the Agent, nor any Selling Firm or investment dealer with which the Agent has a contractual relationship in respect of the distribution of the Offered Units, has made or will make any offer to sell, or any solicitation of an offer to buy, any Offered Units to a person in the United States or to, or for the account or benefit of, a U.S. Person.

(d) The Agent and any Selling Firm shall be entitled to offer and sell the Offered Units to purchasers in such jurisdictions outside of Canada and the United States as agreed to between the Company and the Agent, acting reasonably, in accordance with any applicable securities and other laws in the jurisdictions in which the Agent and/or Selling Firms offer the Offered Units.

(e) For the purposes of this Section 4, the Agent shall be entitled to assume that the Offered Units are qualified for distribution in any Qualifying Jurisdiction where a Final Receipt or similar document for the Final Prospectus shall have been obtained from or deemed issued by the applicable Securities Commission (including a Final Receipt issued under the Passport System) following the filing of the Final Prospectus unless otherwise notified in writing by the Company.

(f) During the distribution of the Offered Units, other than the Offering Documents, a press release complying with Rule 134 of the U.S. Securities Act announcing the Offering and the marketing materials, the Company and the Agent shall not provide any potential investor with any materials or written communication in relation to the distribution of the Offered Units. The Company and the Agent covenant and agree (i) not to provide any potential investor of Offered Units with any marketing materials unless a template version of such marketing materials has been filed by the Company with the Securities Commissions on or before the day such marketing materials are first provided to any potential investor of Offered Units, (ii) not to provide any potential investor in the Qualifying Jurisdictions with any materials or information in relation to the distribution of the Offered Units or the Company other than (a) such marketing materials that have been approved and filed in accordance with NI 44-101, (b) the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplementary Material, and (c) any "standard term sheets" (within the meaning of Applicable Securities Laws) approved in writing by the Company and the Agent, and (iii) that any marketing materials approved and filed in accordance with NI 44-101 and any standard term sheets approved in writing by the Company and the Agent shall only be provided to potential investors in the Qualifying Jurisdictions.

5. Deliveries on Filing and Related Matters

(a) The Company shall deliver to the Agent:

(i) concurrently with the filing of the Final Prospectus, a copy of the Final Prospectus, signed by the Company as required by Applicable Securities Laws;

(ii) concurrently with the filing thereof, a copy of any Supplementary Material required to be filed by the Company in compliance with Applicable Securities Laws;

(iii) concurrently with the filing thereof, a copy of the Post-Effective Amendment;

(iv) concurrently with the filing of the Final Prospectus with the Securities

Commissions, a "long form" comfort letter dated the date of the Final Prospectus, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent and the directors of the Company from the current auditor of the Company with respect to certain financial and accounting information relating to the Company contained or incorporated by reference in the Offering Documents, which letter shall be based on a review by such auditors within a cut-off date and based on a review of not more than two Business Days prior to the date of the letter, which letter shall be in addition to any auditors' comfort and consent letters addressed to the Securities Commissions in the Qualifying Jurisdictions;

(v) concurrently with the filing of the Final Prospectus with the Securities Commissions, a "long form" comfort letter dated the date of the Final Prospectus, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent and the directors of the Company from the auditor of Driven with respect to certain financial and accounting information relating to Driven contained or incorporated by reference in the Offering Documents, which letter shall be based on a review by such auditors within a cut-off date and based on a review of not more than two Business Days prior to the date of the letter, which letter shall be in addition to any auditors' comfort and consent letters addressed to the Securities Commissions in the Qualifying Jurisdictions;

(vi) prior to the filing of the Final Prospectus with the Securities Commissions, copies of correspondence demonstrating that the Company has filed all required documentation to ensure the listing and posting for trading of the Shares on the CSE on or before the Closing Time, subject only to the satisfaction by the Company of the customary post-closing filings with the CSE; and

(vii) copies of all other documents resulting or related to the Company taking all other steps and proceedings that may be necessary in order to qualify the Offered Units for distribution in each of the Qualifying Jurisdictions by the Agent and other persons who are registered in a category permitting them to distribute the Offered Units under Applicable Securities Laws and who comply with such Applicable Securities Laws.

(b) If applicable, the Company shall also prepare and deliver promptly to the Agent signed copies of all Supplementary Material. Concurrently with the delivery of any Supplementary Material or the incorporation or deemed incorporation by reference in the Final Prospectus of any Subsequent Disclosure Document, the Company shall deliver to the Agent, with respect to such Supplementary Material or Subsequent Disclosure Document, comfort letters from the Company's current auditor and Driven's auditor substantially similar to the letters referred to in Sections 5(a)(iv) and 5(a)(v).

(c) Each delivery to the Agent of any Offering Document or the Post-Effective Amendment by the Company shall constitute the representation and warranty of the Company to the Agent that:

(i) all information and statements (except for the Agent's Information) contained and incorporated by reference in such Offering Documents and the Post-Effective Amendment, are, at their respective dates, and, if applicable, the respective dates of filing, of such Offering Documents or Post-Effective Amendment, as applicable, true and correct in all material respects and contain no misrepresentation and, on

the respective dates of such Offering Documents or Post-Effective Amendment, constitute full, true and plain disclosure of all material facts relating to the Company and the Subsidiaries (on a consolidated basis), the Merger and the Offered Units, Shares and Warrants as required by Applicable Securities Laws of the Qualifying Jurisdictions;

(ii) no material fact or information (except for the Agent's Information) has been omitted from any Offering Document or the Post-Effective Amendment which is required to be stated therein or is necessary to make the statements therein not misleading in the light of the circumstances in which they were made; and

(iii) each of such Offering Documents and the Post-Effective Amendment complies with the requirements of the Applicable Securities Laws of the Qualifying Jurisdictions or U.S. securities laws, as applicable.

Such deliveries shall also constitute the Company's consent to the Agent and any Selling Firm's use of the Offering Document in connection with the distribution of the Offered Units in compliance with this Agreement.

(d) The Company will cause to be delivered to the Agent, at those delivery points as the Agent reasonably requests, as soon as possible and in any event no later than 12:00 noon (Toronto time) on the next Business Day (or by 12:00 noon (Toronto time) on the second Business Day for deliveries outside of Toronto), in each case following the day on which the Company has obtained the Final Receipt for the Final Prospectus, and thereafter from time to time during the distribution of the Offered Units, as many commercial copies of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus and/or the Final Prospectus, as applicable, as the Agent may reasonably request. Each delivery of any of the Offering Documents will have constituted or will constitute, as the case may be, consent of the Company to the use by the Agent and any Selling Firms of those documents in connection with the distribution and sale of the Offered Units in all of the Qualifying Jurisdictions.

(e) Neither the Company, nor the Agent, shall make any public announcement in connection with the Offering, except if the other party has consented to such announcement or the announcement is required by applicable laws or stock exchange rules. For greater certainty, during the period commencing on the date hereof and until completion of the distribution of the Offered Units, the Company will promptly provide to the Agent drafts of any press releases of the Company for review and comment by the Agent and the Agent's counsel prior to issuance, provided that any such review will be completed in a timely manner, and the Company will incorporate in such press releases all reasonable comments of the Agent. Any such press release shall comply with Rule 134 of the U.S. Securities Act.

(f) In connection with any marketing materials:

(i) each of the Company and the Agent have approved in writing the marketing materials, the Company has filed the marketing materials with the Securities Commissions and the Company has incorporated by reference into the Final Prospectus the marketing materials, all in accordance with Applicable Securities Laws;

(ii) during and prior to the completion of the period of distribution, the Company and the Agent will not provide any potential investor of Offered Units with any marketing materials except for the marketing materials and such other marketing materials that comply with Applicable Securities Laws and the versions (or template versions) of which have been approved in writing by each of the Company and the Agent; and

(iii) during and prior to the completion of the period of distribution, in addition to the marketing materials, the Company will cooperate with and assist, acting reasonably, the Agent in preparing and approving in writing the versions (or template versions) of any other marketing materials to be used by the Agent in connection with the Offering and will file with and deliver to the Securities Commissions such versions (or template versions) as may be required by Applicable Securities Laws.

6. Material Change

(a) The Company shall promptly inform the Agent (and promptly confirm such notification in writing) during the period prior to the Agent notifying the Company of the completion of the distribution of the Offered Units in accordance with Section 4(a) hereof of the full particulars of:

(i) any material change whether actual, anticipated, contemplated, or to the knowledge of the Company, threatened or proposed in the Company or any Subsidiary or in any of their respective businesses, assets (including intangible assets), affairs, operations, prospects, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise) or results of operations or in the Offering;

(ii) any material fact which has arisen or has been discovered or any new material fact that would have been required to have been stated in the Offering Documents had that fact arisen or been discovered on or prior to the date of any of the Offering Documents;

(iii) any change in any material fact (which for the purposes of this Agreement shall be deemed to include the disclosure of any previously undisclosed material fact) contained or incorporated by reference in the Offering Documents or whether any event or state of facts has occurred after the date hereof, which, in any case, is, or may be, of such a nature as to render any of the Offering Documents untrue or misleading in any material respect or to result in any misrepresentation in any of the Offering Documents, including as a result of any of the Offering Documents containing or incorporating by reference therein an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make any statement therein not false or not misleading in the light of the circumstances in which it was made, or which could result in any of the Offering Documents not complying with the Applicable Securities Laws of any Qualifying Jurisdiction;

(iv) any notice by any governmental, judicial or regulatory authority requesting any information, meeting or hearing relating to the Company, any Subsidiary or the Offering, except for those received in the ordinary course of business; or

(v) any other event or state of affairs that would reasonably be expected to be relevant to the Agent's due diligence investigations in respect of the Offering.

(b) Subject to Section 6(d), the Company will prepare and file promptly (and, in any event, within the time prescribed by Applicable Securities Laws) any Supplementary Material which may be necessary under the Applicable Securities Laws, and the Company will prepare and file promptly at the request of the Agent any Supplementary Material which, in the opinion of the Agent, acting reasonably, may be necessary or advisable, and will otherwise comply with all requirements under Applicable Securities Laws necessary, to continue to qualify the Offered Units for distribution in each of the Qualifying Jurisdictions.

(c) During the period commencing on the date hereof until the Agent notifies the Company of the completion of the distribution of the Offered Units, the Company will promptly inform the Agent in writing of the full particulars of:

(i) any request of any Securities Commission for any amendment to any Offering Document or for any additional information in respect of the Offering;

(ii) the receipt by the Company of any material communication, whether written or oral, from any Securities Commission, the CSE or any other competent authority, relating to any Offering Document or the distribution of the Offered Units;

(iii) any notice or other correspondence received by the Company from any Governmental Authority and any requests from such bodies for information, a meeting or a hearing relating to the Company, any Subsidiary, the Offering, the issue and sale of the Offered Units, the Shares, the Warrants, or any other event or state of affairs that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; or

(iv) the issuance by any Securities Commission, the SEC, the CSE or any other competent authority, including any other Governmental Authority, of any order to cease or suspend trading or distribution of any securities of the Company (including the Offered Units, the Shares or the Warrants) or of the institution, threat of institution of any proceedings for that purpose or any notice of investigation that could potentially result in an order to cease or suspend trading or distribution of any securities of the Company (including the Offered Units, the Shares or the Warrants).

(d) In addition to the provisions of Sections 6(a), 6(b) and 6(c) hereof, the Company shall in good faith discuss with the Agent any circumstance, change, event or fact contemplated in Sections 6(a), 6(b) or 6(c) which is of such a nature that there is or could be reasonable doubt as to whether notice should be given to the Agent under Sections 6(a), 6(b) or 6(c) hereof and shall consult with the Agent with respect to the form and content of any Supplementary Material proposed to be filed by the Company, it being understood and agreed that no such Supplementary Material shall be filed with any Securities Commission prior to the review and approval thereof by the Agent and its counsel, acting reasonably.

7. Regulatory Approvals

(a) In connection with the filing of the Final Prospectus with the Securities Commissions, the Company shall file or cause to be filed with the CSE all necessary documents and shall take or cause to be taken all necessary steps to ensure that the Company has obtained all necessary approvals for the Shares to be listed on the CSE, subject only to the satisfaction by the Company of the customary post-closing filings with the CSE.

(b) The Company will make all necessary filings and obtain all necessary regulatory consents and approvals (if any), and the Company will pay all filing, exemption and other fees required to be paid in connection with the transactions contemplated in this Agreement.

8. Representations and Warranties of the Company

The Company represents and warrants to the Agent, and acknowledges that the Agent is relying on such representations and warranties, that, as of the date hereof:

(a) the Company: (i) has been duly incorporated, amalgamated, continued or organized and is validly existing as a company in good standing under the laws of its jurisdiction of incorporation, amalgamation, continuation or organization, and has the corporate power, capacity and authority to own, lease and operate its Assets and Properties, to conduct its Business as now conducted and as currently proposed to be conducted and to carry out the provisions hereof; and (ii) where required, has been duly qualified as an extra-provincial or foreign corporation for the transaction of business and is in good standing under the laws of each jurisdiction in which it owns or leases property, or conducts any Business;

(b) other than the Material Subsidiaries, the Company has no subsidiaries and no investment in any person which is or would be material to the Business and affairs of the Company;

(c) each Subsidiary: (i) has been duly incorporated, amalgamated, continued or organized and is validly existing as a company or other legal entity in good standing under the laws of its jurisdiction of incorporation, amalgamation, continuation or organization and has the corporate power, capacity and authority to own, lease and operate its Assets and Properties, to conduct its Business as now conducted and as currently proposed to be conducted and to carry out the provisions hereof; and (ii) where required, has been duly qualified as a foreign corporation for the transaction of Business and is in good standing under the laws of each other jurisdiction in which it owns or leases property, or conducts any Business and is not precluded from carrying on Business or owning property in such jurisdictions by any other commitment, agreement or document;

(d) other than in respect of U.S. Cannabis Laws, the Company and each Subsidiary (i) has conducted and has been conducting its Business in compliance in all material respects with all Applicable Laws of each jurisdiction in which its Business is carried on or in which its services are provided, including but not limited to all ethical standards applicable to the Company and each Subsidiary's industry and promulgated by any Governmental Authority or otherwise, and has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such Applicable Laws, (ii) is not in breach or violation of any judgment, order or decree of any Governmental Authority or court having jurisdiction over the Company or any Subsidiary, as applicable, (iii) holds all, and is not in breach of any, material Governmental Licences that enable its Business to be carried on as now conducted in each

of the jurisdictions it carries on Business and enable it to own, lease or operate its Assets and Properties, and none of the Subsidiaries nor, to the knowledge of the Company, any other person, has taken any steps or proceedings, voluntary or otherwise, requiring or authorizing such Subsidiaries' dissolution or winding up;

(e) other than as described in the Disclosure Record, the Company is the direct or indirect registered and beneficial owner of all of the issued and outstanding shares and other voting securities of each Subsidiary, in each case free and clear of all Encumbrances, and no person, firm, corporation or entity has any agreement, option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement or option, for the purchase from the Company or any Subsidiary of any of the shares or other securities of any Subsidiary;

(f) neither the Company nor any Subsidiary is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Company or any Subsidiary to compete in any line of business, transfer or move any of its assets or operations or which would have a Material Adverse Effect;

(g) the Company is authorized to issue 300,000,000 Common Shares, 50,000,000 shares of series A preferred stock and 50,000,000 shares of series B preferred stock, of which 181,737,253 Common Shares and no shares of series A preferred stock and series B preferred stock are issued and outstanding as of the date hereof, and all such issued Common Shares are validly issued and outstanding, and no person, firm or corporation has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option or privilege (whether pre-emptive or contractual), for the issue or allotment of any unissued shares in the capital of the Company or any Subsidiary or any other security convertible into or exchangeable for any such shares, or to require the Company or any Subsidiary to purchase, redeem or otherwise acquire any of the outstanding securities in the capital of the Company or any Subsidiary, except as disclosed in the Disclosure Record, the Offering Documents and pursuant to the Offering;

(h) the Company is not a party to, nor is the Company aware of, any shareholders' agreements, pooling agreements, voting agreements or voting trusts or other similar agreements with respect to the ownership or voting of any of the securities of the Company, with respect to the nomination or appointment of any directors or officers of the Company, with respect to observer or information rights related to the proceedings or operations of the Company or pursuant to which any person may have any right or claim in connection with any existing or past equity interest in the Company;

(i) the Company has not adopted a shareholders' rights plan or any similar plan or agreement;

(j) none of the Company or any Subsidiary has been served with or otherwise received notice of any legal or governmental proceedings and there are no legal or governmental proceedings (whether or not purportedly on behalf of the Company) pending to which the Company or any Subsidiary is a party or of which any Assets and Properties of the Company or any Subsidiary is the subject which is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect, or which might reasonably be expected to materially and adversely affect the consummation by the Company of the transactions contemplated by this Agreement and, to the best of the Company's knowledge, no such

proceedings have been threatened or contemplated by any Governmental Authority or any other parties;

(k) all product research and development activities, including quality assurance, quality control, clinical trial, testing, and research and analysis activities, conducted by the Company or any Subsidiary in connection with the Business have in all material respects been and are being conducted in accordance with sound industry practices and in compliance, in all material respects, with all industry, laboratory, clinical, safety, management and training standards and regulations applicable to the Business, and all processes, procedures and practices, required in connection with such activities, are in place as necessary to satisfy sound industry practices and are being complied with, in all material respects;

(l) with respect to any real property which is material to the Company or any Subsidiary and which the Company or any Subsidiary owns (the "**Real Property**"), the Company or the Subsidiary (as applicable) is the legal and beneficial owner of the Real Property and has good and marketable title in fee simple to all Real Property, free from all Encumbrances except as disclosed in the Disclosure Record;

(m) with respect to each premises which is material to the Company or any Subsidiary and which the Company or any Subsidiary occupies as tenant (the "**Leased Premises**"), the Company or the Subsidiary (as applicable) occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises and neither the Company nor any Subsidiary is in material breach or violation of or in material default under any of the leases pursuant to which the Company or the Subsidiary (as applicable) occupies the Leased Premises and to the best of the Company's knowledge, such leases are valid, in good standing and in full force and effect;

(n) the Company and each Subsidiary is the absolute legal and beneficial owner, and has good and valid title to, all of the material Assets and Properties thereof as described in the Offering Documents free and clear of all Encumbrances and defects of title except such as are disclosed in the Disclosure Record, Offering Documents or such as are not material, individually or in the aggregate, to the Company or any Subsidiary, and except as set out in the Disclosure Record or any Offering Document (i) no other material property or assets are necessary for the conduct of the Business, (ii) the Company has no knowledge of any claim or the basis for any claim that might or could materially and adversely affect the right of the Company or any Subsidiary to use, transfer or otherwise exploit such Assets and Properties, (iii) neither the Company nor the Subsidiary has any responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the Assets and Properties thereof, and (iv) there are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any person to acquire any of the rights, title or interests in such Assets and Properties;

(o) the Financial Statements:

(i) have been prepared in accordance with Applicable Securities Laws, U.S. securities laws and U.S. GAAP, applied on a consistent basis throughout the periods referred to therein, except as otherwise disclosed therein;

(ii) present fairly, in all material respects, the financial position and condition of the Company and the Subsidiaries on a consolidated basis as at the dates thereof and

the results of its operations and the changes in its shareholder's equity and cash flows for the periods then ended, and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Company and the Subsidiaries on a consolidated basis in accordance with U.S. GAAP, and do not contain a misrepresentation; and

(iii) have been audited by independent public accountants within the meaning of U.S. securities laws and the rules and regulations of the SEC and the Public Company Accounting Oversight Board (United States);

(p) the audited financial statements of Driven for the years ended December 31, 2019 and 2018, and related notes thereto, together with the independent auditors report thereon, and the unaudited condensed interim consolidated financial statements of Driven for the three and nine months ended September 30, 2020, and the related notes thereto;

(i) to the knowledge of the Company, have been prepared in accordance with U.S. securities laws and U.S. GAAP, applied on a consistent basis throughout the periods referred to therein, except as otherwise disclosed therein;

(ii) to the knowledge of the Company, present fairly, in all material respects, the financial position and condition of Driven as at the dates thereof and the results of its operations and the changes in its shareholder's equity and cash flows for the periods then ended, and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of Driven in accordance with U.S. GAAP, and do not contain a misrepresentation; and

(iii) have been audited (in the case of the annual financial statements) or reviewed (in the case of the interim financial statements) by independent public accountants within the meaning of U.S. securities laws and the rules and regulations of the SEC and the Public Company Accounting Oversight Board (United States);

(q) the accountants who audited or reviewed (as the case may be) the Financial Statements are independent with respect to the Company within the meaning of Applicable Securities Laws and U.S. securities laws and there has not been any disagreements required to be disclosed under U.S. securities laws with the current auditors or any former auditors of the Company during the past two financial years;

(r) to the knowledge of the Company, the accountants who audited or reviewed (as the case may be) the audited financial statements of Driven for the years ended December 31, 2019 and 2018, and related notes thereto, and the unaudited condensed interim consolidated financial statements of Driven for the three and nine months ended September 30, 2020 are independent with respect to Driven within the meaning of U.S. securities laws;

(s) there are no material off-balance sheet transactions, arrangements, obligations or liabilities of the Company whether direct, indirect, absolute, contingent or otherwise which are not disclosed or reflected in the Financial Statements, except for liabilities incurred in the ordinary course of business since October 1, 2020, and which liabilities would not, individually or in the aggregate, have a Material Adverse Effect;

(t) all disclosures in the Disclosure Record regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the SEC) comply in all material respects to Applicable Securities Laws and U.S. securities laws, to the extent applicable;

(u) the Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, and (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. GAAP and to maintain asset accountability;

(v) the Company's board of directors has appointed an audit committee whose composition satisfies the requirements under U.S. securities laws;

(w) except as disclosed in the Disclosure Record or Offering Documents, the Company is not party to any Debt Instrument or any Contract or commitment to create, assume or issue any Debt Instrument and does not have any loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at arm's length with the Company (as such term is defined in the *Income Tax Act* (Canada)), and the Company has not guaranteed the obligations of any person;

(x) except as disclosed in the Disclosure Record or Offering Documents, none of the directors, executive officers or shareholders who beneficially own, directly or indirectly, or exercise control or direction over, more than 10% of the outstanding Shares or any known associate or affiliate of any such person, had or has any material interest, direct or indirect, in the Merger or any other transaction or any other proposed transaction (including, without limitation, any loan made to or by any such person) with the Company which, as the case may be, materially affects, is material to or will materially affect the Company and its Subsidiaries on a consolidated basis;

(y) the Company and each Subsidiary has duly and on a timely basis filed all foreign, federal, state, provincial and municipal tax returns required to be filed by it, has paid, collected, withheld and remitted all taxes due and payable or required to be collected, withheld and remitted by the Company and the Subsidiaries, respectively, and has paid all assessments and reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which are claimed by any Governmental Authority to be due and owing, except where the failure to pay would not, individually or in the aggregate, have a Material Adverse Effect, and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required to be filed; there are no agreements, waivers or other arrangements providing for an extension of time with respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by the Company or by any Subsidiary; there are no actions, suits, proceedings, investigations or claims pending or, to the best of the Company's knowledge, threatened against the Company or any Subsidiary in respect of taxes, governmental charges or assessments; and there are no matters under discussion with any Governmental Authority relating to taxes, governmental charges or assessments asserted by any such authority;

(z) the Company and each of the Subsidiaries have established on their books and records reserves that are adequate for the payment of all taxes not yet due and payable and there are no liens for taxes on the assets of the Company or any of the Subsidiaries, and, to the best of the Company's knowledge, there are no audits pending of the tax returns of the

Company or any of the Subsidiaries (whether federal, state, provincial, local or foreign) and there are no claims which have been or may be asserted relating to any such tax returns, which audits and claims, if determined adversely, would result in the assertion by any Governmental Authority of any deficiency that could, individually or in the aggregate, have a Material Adverse Effect;

(aa) the Company and/or the Subsidiaries own, or have obtained valid and enforceable licenses for, or other rights to use, the Intellectual Property including, for greater certainty, the Intellectual Property described in the Disclosure Record; the Company has no knowledge that the Company or any Subsidiary lacks or will be unable to obtain any rights or licenses to use all Intellectual Property essential for the conduct of the Business (including the commercialization of the Company's products and services candidates) as described in the Offering Documents; no third parties have rights to any Intellectual Property of the Company or any Subsidiary, except for the ownership rights of the owners of the Licensed IP or except for any licenses of use granted by the Company and/or any Subsidiary therein; there is no pending or, to the best of the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or enforceability of any Intellectual Property or the Company's or any Subsidiary's rights in or to any Intellectual Property or suggesting that any other person has any claim of legal or beneficial ownership or other claim or interest with respect thereto, the Company has no knowledge of any facts which form a reasonable basis for any such claim, and to the best of the Company's knowledge, there has been no finding of unenforceability or invalidity of the Intellectual Property; to the best of the Company's knowledge, there is no patent or published patent application that contains claims that interfere with the issued or pending claims of any of the Intellectual Property of the Company or any Subsidiary; and to the best of the Company's knowledge, there is no prior art that necessarily renders any patent application owned by the Company or any Subsidiary unpatentable that has not been disclosed to the US Patent and Trademark Office or any similar office in Canada or any other jurisdiction;

(bb) other than Licensed IP, the Company and/or the Subsidiaries are the legal and beneficial owners of, have good and marketable title to, and own all right, title and interest in and to all Intellectual Property free and clear of all Encumbrances or adverse interests whatsoever, covenants, conditions, options to purchase and restrictions or other adverse claims of any kind or nature other than the Licensed IP, no consent of any person is necessary to make, use, reproduce, license, sell, modify, update, enhance or otherwise exploit any Intellectual Property and none of the Intellectual Property of the Company or any Subsidiary comprises an improvement to Licensed IP that would give any person any rights to any such Intellectual Property, including, without limitation, rights to license any such Intellectual Property;

(cc) the Company and its Subsidiaries have used commercially reasonable efforts to maintain and protect the Intellectual Property owned by the Company and/or any Subsidiary (including, unless otherwise specified, making filings and payments of registration, maintenance, renewal or similar fees and to obtain ownership of such Intellectual Property developed for the Company and/or any Subsidiary by its employees, consultants and contractors); there are no oppositions, cancellations, invalidity proceedings, interferences or re-examination proceedings pending with respect to any Intellectual Property owned by the Company and/or any Subsidiary or, to the best of the Company's knowledge, threatened; all applications for registration of any Intellectual Property owned by the Company and/or any Subsidiary have been properly filed and have been pursued by the Company and the Subsidiaries in the ordinary course of business, and neither the Company

nor any of the Subsidiaries has received any notice (whether written, oral or otherwise) indicating that any application for registration of the Intellectual Property owned by the Company and/or any Subsidiary has been finally rejected or denied by the applicable reviewing authority except for any rejection or denial that would not, individually or in the aggregate, have a Material Adverse Effect;

(dd) to the best of the Company's knowledge, the conduct of the Business (including, without limitation, the sale of their respective products and services, or the use or other exploitation of the Intellectual Property by the Company, the Subsidiaries or any customers, distributors or other licensees thereof) has not infringed, violated, misappropriated or otherwise conflicted with any Intellectual Property right of any person; there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others alleging that any current or proposed conduct of their respective businesses (including, without limitation, the sale of their respective products and services, or use or other exploitation of any Intellectual Property by the Company, the Subsidiaries or any customers, distributors or other licensees) infringes, violates, misappropriates or otherwise conflicts with (or would infringe, violate, misappropriate or otherwise conflict with) any Intellectual Property of others, and the Company has no knowledge of any facts which form a reasonable basis for any such claim;

(ee) to the best of the Company's knowledge, no person has infringed or misappropriated, or is infringing or misappropriating, any rights of the Company and/or any Subsidiary in or to the Intellectual Property;

(ff) the Company has entered into valid and enforceable written agreements pursuant to which the Company has been granted all licenses and permissions to use, reproduce, sub-license, sell, modify, update, enhance or otherwise exploit the Licensed IP to the extent required for the conduct of the Business as currently conducted or as proposed to be conducted (including, if required, the right to incorporate such Licensed IP into the Intellectual Property), except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect. All license agreements in respect to Licensed IP are in full force and effect and none of the Company, any of the Subsidiaries or to the best of the Company's knowledge, any other person, is in default of its obligations thereunder;

(gg) to the extent that any of the Intellectual Property is licensed or disclosed to any person or any person has access to such Intellectual Property (including but not limited to any employee, officer, shareholder, consultant, systems-integrator, distributor, Contract counterparty, or other customer of the Company or any of the Subsidiaries), the Company has entered into a valid and enforceable written agreement which contains terms and conditions prohibiting the unauthorized use, reproduction, disclosure or transfer of such Intellectual Property by such person, except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect. Other than such agreements that have expired in accordance with their respective terms, all such agreements are in full force and effect and none of the Company, any of the Subsidiaries or, to the best of the Company's knowledge, any other person, is in default of its obligations thereunder except for any default which is immaterial;

(hh) the Company, and to the best of the Company's knowledge, the Subsidiaries have (i) security measures and safeguards in place consistent with generally accepted industry practice to protect the personal information they collect from illegal or authorized access or use by their personnel or third parties or access or use by their personnel or third parties

in a manner that violates the privacy rights of third parties, (ii) complied, in all material respects, with all applicable privacy and consumer protection legislation and, to the best of the Company's knowledge, neither has collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws, whether collected directly or from third parties, in an unlawful manner, and (iii) taken all reasonable steps consistent with the generally accepted industry practice to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse;

(ii) the Company is a reporting issuer in each of the provinces of British Columbia, Alberta and Ontario, is not in default under the Applicable Securities Laws of those provinces and is not on the list of defaulting issuers maintained by the applicable Securities Commissions in those provinces. Upon filing of the Final Prospectus, the Company will be a reporting issuer in each of the Qualifying Jurisdictions, not in default under the Applicable Securities Laws of the Qualifying Jurisdictions and not on the list of defaulting issuers maintained by the applicable Securities Commissions in the Qualifying Jurisdictions;

(jj) the Company is in compliance, in all material respects, with its timely and continuous disclosure obligations under the Applicable Securities Laws of each of the Qualifying Jurisdictions and the policies, rules and regulations of the CSE and, without limiting the generality of the foregoing, there has not occurred any material change (actual, anticipated, contemplated or, to the best of the Company's knowledge, threatened) in the Business, assets (including intangible assets), affairs, operations, prospects, liabilities (contingent or otherwise), capital, assets, properties, condition (financial or otherwise), results of operations or control of the Company and the Subsidiaries taken as a whole since October 1, 2020 which has not been set forth in the Disclosure Record or otherwise publicly disclosed on a non-confidential basis, and the Company has not filed any confidential material change reports since October 1, 2020 which remains confidential as at the date hereof;

(kk) each of the documents forming the Disclosure Record filed by or on behalf of the Company with any Securities Commission, the SEC or the CSE, did not contain a misrepresentation, determined as at the date of filing, which has not been corrected by the filing of a subsequent document which forms part of the Disclosure Record

(ll) the Common Shares are listed and posted for trading on the CSE and, prior to the Closing Time, all necessary notices and filings will have been made with and all necessary consents, approvals, authorizations will have been obtained by the Company from the CSE to ensure that the Shares will be listed and posted for trading on the CSE upon their issuance, subject only to the satisfaction by the Company of the customary post-closing filings with the CSE;

(mm) to the best of the Company's knowledge, no agreement is in force or effect which in any manner affects (i) the voting or control of any of the securities of the Company or any Subsidiary, (ii) the management or operation of the Company or any Subsidiary, or the nomination or appointment of any directors or officers of the Company or any Subsidiary;

(nn) to the best of the Company's knowledge, the representations and warranties of Driven contained in the Merger Agreement are (other than those which are in respect of a specific date, the accuracy of which shall be determined as of that specified date) true and correct in all respects, subject to any qualifications set out therein;

(oo) the Company is not a party to any agreement, nor is the Company aware of any agreement currently in effect or being contemplated or negotiated, which in any manner restricts the declaration of dividends by the directors of the Company or the payment of dividends by the Company to the holders of its Common Shares;

(pp) each of the execution and delivery of this Agreement and the Warrant Indenture, the performance by the Company of its obligations hereunder and thereunder, including the offer, issue and sale of the Offered Units (including the Shares and Warrants comprising the Offered Units), the issue and sale of the Warrant Shares underlying the Warrants, the grant and issue of the Broker Warrants and Broker Shares, the grant and issue of the Corporate Finance Shares and the consummation of the transactions contemplated in this Agreement and the Warrant Indenture, do not and will not:

(i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, and do not and will not create a state of facts which will result in a breach or violation of or constitute a default under, whether after notice or lapse of time or both, (i) subject to U.S. Cannabis Laws, any statute, rule or regulation applicable to the Company or any Subsidiary, including Applicable Securities Laws and U.S. securities laws, or any judgment, order or decree of any Governmental Authority or court having jurisdiction over the Company; (ii) the constating documents or resolutions of the shareholders, directors or any committee of directors of the Company or any Subsidiary; (iii) any material mortgage, note, indenture, Contract, agreement, joint venture, partnership, instrument, lease or other document to which the Company or any Subsidiary is a party or by which it is bound; or (iv) any judgment, decree or order binding the Company or its Assets and Properties or any Subsidiary or its Assets and Properties;

(ii) affect the rights, duties and obligations of any parties to any material indenture, agreement or instrument to which the Company or any Subsidiary is a party, nor give a party the right to terminate any such indenture, agreement or instrument by virtue of the application of terms, provisions or conditions in such indenture, agreement or instrument;

(iii) require the consent, approval, authorization, registration or qualification of or with any Governmental Authority, stock exchange, Securities Commission or other third party, except such as have been obtained or such as may be required (and shall be obtained by the Company prior to the Closing Time) under Applicable Securities Laws, U.S. securities laws or stock exchange regulations except (i) those which have been obtained or those which may be required and shall be obtained prior to the Closing Time under Applicable Securities Laws, U.S. securities laws or the rules of the CSE, and (ii) such post-Closing notice filings with Securities Commissions and the CSE as may be required in connection with the Offering; and

(iv) do not affect the rights, duties and obligations of any parties to any material indenture, agreement or instrument to which the Company or any Subsidiary is a party, nor give a party the right to terminate any such indenture, agreement or instrument by virtue of the application of terms, provisions or conditions in such indenture, agreement or instrument;

(qq) the execution and delivery of this Agreement, the Warrant Indenture and the Broker Warrant Certificates, and the performance of the transactions contemplated hereby and thereby (including the issuance, sale and delivery of the Offered Units, the grant of the Over-Allotment Option, the grant and issue of the Broker Warrants, the grant and issue of the Corporate Finance Shares, the issuance, sale and delivery of the Shares and Warrants, and the allotment and reservation for the issue and delivery of the Warrant Shares and Broker Shares) have been duly authorized by all necessary corporate action of the Company and this Agreement has been, and any certificate representing the Initial Warrants and the Additional Warrants, will at the Closing Time be, duly executed and delivered by the Company and constitutes and will at the Closing Time constitute a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, provided that enforcement hereof may be limited by laws affecting creditors' rights generally, that specific performance and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that the provisions relating to indemnity, contribution, severability and waiver of contribution may be limited under Applicable Law (the "**Qualification**");

(rr) the Company has the power, capacity and authority to offer, issue and sell the Offered Units including the Shares and Warrants comprising the Offered Units, and to issue and sell the Warrant Shares underlying the Warrants;

(ss) the Shares and the Warrants comprising the Offered Units shall have been duly created, authorized, allotted and reserved for issuance and, at the applicable Closing Time upon payment of the aggregate Issue Price therefor:

(i) the Initial Shares and, if applicable, the Additional Shares will be duly and validly issued and outstanding as fully paid and non-assessable shares in the capital of the Company;

(ii) the Initial Warrants and, if applicable, the Additional Warrants will be duly created and validly issued and outstanding securities of the Company; and

(iii) the Initial Shares, the Initial Warrants and, if applicable, the Additional Shares and the Additional Warrants, will not have been issued in violation of or subject to any pre-emptive or contractual rights to purchase securities issued or granted by the Company;

(tt) the Warrant Shares have been duly authorized, allotted and reserved for issuance, and, upon the exercise of the Warrants and payment of the exercise price therefor will be validly issued and outstanding as fully paid and non-assessable Shares. The Warrant Shares will not have been issued in violation of or subject to any pre-emptive or contractual rights to purchase securities issued or granted by the Company;

(uu) the Company has the corporate power, capacity and authority to issue and sell the Broker Warrants; the Broker Shares issuable upon exercise of the Broker Warrants have been duly authorized, allotted and reserved for issuance and the Broker Warrants have been duly authorized and created and, at the applicable Closing Time:

(i) the Broker Warrants will be duly and validly created and issued securities of the Company; and

(ii) the Broker Warrants, and, if applicable, the Broker Shares, will not have been issued in violation of or subject to any pre-emptive or contractual rights to purchase securities issued or granted by the Company;

(vv) the Company has the power, capacity and authority to offer and issue the Corporate Finance Shares and the Corporate Finance Shares have been duly authorized, allotted and reserved for issuance and, at the Closing Time, will be validly issued and outstanding as fully paid and non-assessable Shares. The Corporate Finance Shares will not have been issued in violation of or subject to any pre-emptive or contractual rights to purchase securities issued or granted by the Company;

(ww) the Shares and the Warrants have the attributes and characteristics and conform in all material respects with the descriptions thereof contained in the Offering Documents;

(xx) all Material Contracts have been disclosed in the Disclosure Record or Offering Documents, and each is valid, subsisting, in good standing and, to the knowledge of the Company, in full force and effect, enforceable in accordance with the terms thereof;

(yy) the Company and each of the Subsidiaries has performed all obligations (including payment obligations) in a timely manner in all material respects under, and are in material compliance with all terms and conditions contained in each Material Contract and neither the Company nor any Subsidiary is in violation, material breach or material default nor has either received any notification from any party claiming that the Company or any Subsidiary is in violation, breach or default under any Material Contract and no other party, to the knowledge of the Company, is in breach, violation or default of any term under any Material Contract;

(zz) no order, ruling or determination having the effect of suspending the sale or ceasing the trading of the Offered Units, the Shares, the Warrants, the Broker Warrants, or any other security of the Company has been issued or made by any Securities Commission or stock exchange or any other regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated or threatened by any such authority or under any Applicable Securities Laws and U.S. securities laws;

(aaa) except for the consent of the CSE, there are no third party consents required to be obtained in order for the Company to complete the Offering

(bbb) to the best of the Company's knowledge, there is no legislation or governmental regulation or proposed legislation or governmental regulation, which materially and adversely affects, or which the Company anticipates will or may materially and adversely affect, the Business, assets (including intangible assets), affairs, operations, prospects, liabilities (contingent or otherwise), capital, assets, properties, condition (financial or otherwise) or results of operations of the Company or any Subsidiary;

(ccc) except for the Agent as provided herein, there is no person, firm or corporation acting for the Company entitled to any brokerage or finder's fee in connection with this Agreement or any of the transactions contemplated hereunder;

(ddd) other than the Company, there is no person that is or will be entitled to the proceeds of the Offering under the terms of any Material Contract or Debt Instrument or otherwise;

(eee) the minute books and records of each of the Company and the Subsidiaries made available to counsel for the Agent in connection with its due diligence investigation of the Company and the Subsidiaries for the periods from its date of incorporation to the date of examination thereof are all of the minute books and records of the Company and the Subsidiaries and contain copies of all material proceedings (or certified copies thereof) of the shareholders, the boards of directors and all committees of the boards of directors of the Company and the Subsidiaries to the date of review of such corporate records and minute books and there have been no other meetings, resolutions or proceedings of the shareholders, board of directors or any committees of the board of directors of the Company and the Subsidiaries to the date of review of such corporate records and minute books not reflected in such minute books and other records;

(fff) no material labour dispute with current and former employees of the Company or any of the Subsidiaries exists or is imminent and the Company has no knowledge of any existing, threatened or imminent labour disturbance or disruption by the employees of any of the principal suppliers, manufacturers or contractors of the Company;

(ggg) there is not currently any labour disruption, dispute, slowdown, stoppage, complaint or grievance outstanding or, to the best of the Company's knowledge, threatened or pending, against the Company or, to the best of the Company's knowledge, a Subsidiary which is adversely affecting or could reasonably be expected to adversely affect, in a material manner, the carrying on of the Business and no union representation exists for the employees of the Company or any Subsidiary and no collective bargaining agreement is in place or being negotiated by the Company or any Subsidiary;

(hhh) there are no bonuses, distributions or salary payments which will be payable by the Company or, to the best of the Company's knowledge, the Subsidiaries, outside of the ordinary course of business, to any officer, director, employee or consultant of the Company or any Subsidiary after the Closing Date relating to their employment with, or services rendered to the Company or any Subsidiary prior to the Closing Date;

(iii) the Company, and to the best of the Company's knowledge, the Subsidiaries and the facilities and operations of the Company and the Subsidiaries are in all material respects in compliance with all Applicable Laws respecting employment and employment practices, terms and conditions of employment, workers' compensation, occupational health and safety and pay equity and wages, and to the best of the Company's knowledge, there are no claims, complaints, outstanding decisions, orders or settlements or pending claims, complaints, decisions, orders or settlements under any human rights legislation, employment standards legislation, workers' compensation legislation, occupational health and safety legislation or similar laws nor has any event occurred which may give rise to any of the foregoing;

(jjj) to the best of the Company's knowledge, (i) none of the executive officers of the Company or any Subsidiary has any plans to terminate his or her employment, (ii) none of the employees of the Company or any Subsidiary is subject to any secrecy or non-competition agreement or any other agreement or restriction of any kind that would impede in any way the ability of such employee to carry out fully all activities of such employee in furtherance of the Business, and (iii) none of the employees of the Company or any Subsidiary has any claim with respect to any Intellectual Property rights of the Company or any Subsidiary;

(kkk) the Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are (i) prudent and customary in the business in which they are engaged, and (ii) in compliance with all the requirements contained in any Material Contract or Debt Instrument, and all of the policies in respect of such insurance coverage insuring the Company and the Subsidiaries and their directors, officers and employees, and the Assets and Properties, are in good standing and in full force and effect in all respects, and not in default;

(lll) the Company and, to the best of the Company's knowledge, the Subsidiaries are in compliance with the terms of such policies and instruments in all material respects and the Company has no reason to believe that it will not be able to renew the existing insurance coverage of the Company and the Subsidiaries as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its Business at a cost that would not, individually or in the aggregate, have a Material Adverse Effect;

(mmm) (i) the Company and its Subsidiaries, and the respective assets and properties thereof and the operation of the Business, have been and are, to the knowledge of the Company, in compliance in all material respects with all Environmental Laws; (ii) the Company and the Subsidiaries have complied in all material respects with all reporting and monitoring requirements under all Environmental Laws; (iii) neither the Company nor any Subsidiary has ever received any notice of any material non-compliance in respect of any Environmental Laws; and (iv) there are no material environmental permits necessary to conduct the Business;

(nnn) without limiting the generality of the subparagraph immediately above, neither the Company nor any Subsidiary is aware of, nor has received any notice of, any material claim, judicial or administrative proceeding, pending, threatened against or contemplated, or which may affect, the Company, the Subsidiaries or any of the respective properties, assets or operations thereof, relating to, or alleging any violation of any Environmental Laws, the Company is not aware of any facts which could give rise to any such claim or judicial or administrative proceeding and the Company is not aware of any investigation, evaluation, audit or review by any Governmental Authority of the Company, the Subsidiaries or any of the respective properties, assets or operations thereof to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority, in each case which could reasonably be expected to have a Material Adverse Effect;

(ooo) there are no orders, rulings or directives issued, pending or, to the knowledge of the Company, threatened against the Company or the Subsidiaries under or pursuant to any Environmental Laws requiring any work, repairs, construction or capital expenditures with respect to the property or assets of the Company or the Subsidiaries;

(ppp) neither the Company nor any Subsidiary is subject to any contingent or other liability relating to the restoration or rehabilitation of land, water or any other part of the environment (except for those derived from normal production and exploration activities) or non-compliance with Environmental Laws;

(qqq) neither the Company nor any Subsidiary has ever been in violation of, in connection with the ownership, use, maintenance or operation of the property and assets thereof, any

applicable federal, provincial, state, municipal or local laws, by-laws, regulations, orders, policies, permits having the force of law, domestic or foreign, relating to environmental, health or safety matters which could reasonably be expected to have a Material Adverse Effect;

(rrr) except in compliance with Applicable Laws, to the knowledge of the Company, neither the Company nor any Subsidiary has used any of its property or facilities to generate, manufacture, process, distribute, use, treat, store, dispose of, transport or handle any pollutants, contaminants, chemicals or industrial toxic or hazardous waste or substances ("**Hazardous Substances**") in a manner that could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect; except in compliance with Applicable Laws, to the knowledge of the Company, neither the Company nor any Subsidiary has caused or permitted the release, in any manner whatsoever, of any Hazardous Substances on or from any of its properties or assets or any such release on or from a facility owned or operated by third parties but with respect to which the Company or a Subsidiary is or may reasonably be alleged to have material liability or has received any notice that it is potentially responsible for a federal, provincial, municipal or local clean-up site or corrective action under any Applicable Laws, statutes, ordinances, by-laws, regulations or any orders, directions or decisions rendered by any ministry, department or administrative regulatory agency relating to the protection of the environment, occupational health and safety or otherwise relating to or dealing with Hazardous Substances in a manner that could, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect;

(sss) each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise that is maintained, administered or contributed to by the Company or any of the Subsidiaries for employees or former employees of the Company or the Subsidiaries has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations and the fair market value of the assets of each such plan (excluding for these purposes accrued but unpaid contributions) exceeds the present value of all benefits accrued under such plan determined using reasonable actuarial assumptions;

(ttt) each benefit plan or pension plan administered or provided by the Company or any of its Subsidiaries is duly registered where required by Applicable Laws (including registration with relevant tax authorities where such registration is required to qualify for tax exemption or other tax beneficial status). Neither the Company nor any Subsidiary contributes to or has an obligation to contribute to a plan, program or arrangement that provides defined benefit pensions or for which the funding is determined by reference to a defined benefit. The Company does not have any outstanding indebtedness or any liabilities or obligations, including any unfunded obligation, under any such benefit plan or pension plan, whether accrued, absolute, contingent or otherwise;

(uuu) all material accruals for unpaid vacation pay, premiums for unemployment insurance, health premiums, federal or state pension plan premiums, accrued wages, salaries and commissions and employee benefit plan payments have been reflected in the books and records of the Company and, to the best of the Company's knowledge, the Subsidiaries;

(vvv) Odyssey Trust Company is the duly appointed registrar and transfer agent for the Common Shares;

(www) prior to Closing Time, Odyssey Trust Company will have been duly appointed as the warrant agent for the Warrants;

(xxx) the Business and material Assets and Properties of the Company and the Subsidiaries conform in all material respects to the descriptions thereof contained in the Disclosure Record and/or Offering Documents, as applicable;

(yyy) all products manufactured and/or marketed, and services provided to customers, in whole or in part, by the Company or any Subsidiary and all component parts which are supplied to the Company or any Subsidiary are, to the best of the Company's knowledge, manufactured or provided in full compliance with and meet industry specific standards set by all applicable organizations which pertain to the Business and the Company's and each Subsidiary's products and services have met and satisfied all product safety standards necessary to permit the sale of the Company's and each Subsidiary's products and services in the jurisdictions in which they are sold, except where the failure to do so would not, individually or in the aggregate, have a Material Adverse Effect;

(zzz) (i) the Company and each of the Subsidiaries possesses such permits, certificates, licences, approvals, registrations, qualifications, consents and other authorizations (collectively, "**Governmental Licences**"), issued by the appropriate federal, provincial, state, local or foreign regulatory agencies or bodies necessary to conduct the Business now operated by it in all jurisdictions in which it carries on Business, that are material to the conduct of the Business (as such Business is currently conducted); (ii) the Company and each Subsidiary is in material compliance with the terms and conditions of all such Governmental Licences; (iii) all of such Governmental Licences are in good standing, valid and in full force and effect; (iv) neither the Company nor any Subsidiary has received any notice of proceedings relating to the revocation, suspension, termination or modification of any such Governmental Licences, and there are no facts or circumstances, including without limitation facts or circumstances relating to the revocation, suspension, modification or termination of any Governmental Licenses held by others, known to the Company, that could lead to the revocation, suspension, modification or termination of any such Governmental Licenses if the subject of an unfavourable decision, ruling or finding, except where such revocation, suspension, modification or termination is not in respect of a material Governmental Licence or where such revocation, suspension, modification or termination would not, individually or in the aggregate, have a Material Adverse Effect; (v) neither the Company nor any Subsidiary is in material default with respect to filings to be effected or conditions to be fulfilled in order to maintain such Governmental Licenses in good standing; (vi) none of such Governmental Licenses contains any term, provision, condition or limitation which has or would reasonably be expected to affect or restrict in any material respect the operations or the Business as now carried on or proposed to be carried on; and (vii) neither the Company nor any Subsidiary has reason to believe that any party granting any such Governmental Licenses is considering limiting, suspending, modifying, withdrawing or revoking the same in any material respect;

(aaaa) except as disclosed in the Offering Documents and except as mandated by or in conformity with the recommendations of a Governmental Entity, there has been no closure, suspension or material disruption to the operations of the Company and the Subsidiaries as a result of the novel coronavirus disease outbreak (the "**COVID-19 Outbreak**");

(bbbb) the Company and the Subsidiaries have put reasonable measures in place to ensure the safety of their employees as they continue to operate during the COVID-19 Outbreak;

(cccc) all forward-looking information and statements of the Company contained in the Offering Documents, including any forecasts and estimates, expressions of opinion, intention and expectation have been based on assumptions that are reasonable in the circumstances, and the Company has updated such forward-looking information and statements as required by and in compliance with Applicable Securities Laws and U.S. securities laws;

(dddd) the statistical, industry and market related data included in the Offering Documents are derived from sources which the Company reasonably believes to be accurate, reasonable and reliable, and such data is consistent with the sources from which it was derived;

(eeee) all information which has been prepared by the Company relating to the Company or any of the Subsidiaries and the Business, property and liabilities thereof and provided or made available to the Agent, and all financial, marketing, sales and operational information provided to the Agent is, as of the date of such information, true and correct in all material respects, taken as whole, and no fact or facts have been omitted therefrom which would make such information materially misleading;

(ffff) (i) the responses given by the Company and its officers at all oral due diligence sessions conducted by the Agent in connection with the Offering, as they relate to matters of fact, have been and shall continue to be true and correct in all material respects as at the time such responses have been or are given, as the case may be, and such responses taken as a whole have not and shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given or shall be given, as the case may be; and (ii) where the responses reflect the opinion or view of the Company or its officers (including responses or portions of such responses which are forward-looking or otherwise relate to projections, forecasts, or estimates of future performance or results (operating, financial or otherwise)), such opinions or views have been and will be honestly held and believed to be reasonable given the circumstances at the time they are given;

(gggg) the Company is not insolvent (within the meaning of Applicable Laws), is able to pay its liabilities as they become due and, upon completion of the Offering, has sufficient working capital to fund its operations for 12 months following the Closing Date; the Company has not withheld from the Agent any adverse material facts relating to the Company, any of the Subsidiaries or the Offering;

(hhhh) the Company (i) has not made any significant acquisitions as such term is defined in Part 8 of NI 51-102 in its current financial year or prior financial years in respect of which historical and/or pro forma financial statements or other information would be required to be included or incorporated by reference into the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus or the Final Prospectus and for which a business acquisition report has not been filed under NI 51-102, (ii) has not entered into any agreement or arrangement in respect of a transaction that would be a significant acquisition for purposes of Part 8 of NI 51-102, (iii) has no proposed acquisitions that have progressed to the state where a reasonable person would believe that the likelihood of the Company completing the acquisition is high and would be a significant acquisition for the purposes of Part 8 of NI 51-102 if completed as of the date of the Final Prospectus, and (iv) is not proposing any "probable acquisition" (as such term is used in Form 44-101F1 to NI 44-

101), that would require the inclusion of any additional financial statements or pro forma financial statements in the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus or the Final Prospectus pursuant to Applicable Securities Laws in the Qualifying Jurisdictions;

(iiii) the Company and the Subsidiaries are not currently party to any agreement in respect of, or as any knowledge of, (i) the purchase of any material property or any interest therein, or the sale, transfer or other disposition of any material property or any interest therein currently owned, directly or indirectly, by the Company or a Subsidiary (whether by sale or transfer of shares or sale of all or substantially all of the Assets and Properties of the Company or any Subsidiary or otherwise), (ii) the change of control of the Company or any Subsidiary (whether by sale or transfer of shares or sale of all or substantially all of the Assets and Properties of the Company or otherwise); or (iii) to the knowledge of the Company, a proposed or planned disposition of Common Shares by any shareholder who owns, directly or indirectly, 10% or more of the outstanding Common Shares or voting securities of any Subsidiary;

(jjjj) all statements made in the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus and the Final Prospectus describing the Offered Units, the Shares and the Warrants and the respective attributes thereof are complete and accurate in all material respects;

(kkkk) the Company and the Subsidiaries and their directors, officers, employees and other representatives are familiar with and have conducted all transactions, negotiations, discussions and dealings in full compliance with anti-bribery and anti-corruption laws and regulations applicable in any jurisdiction in which they are located or conducting Business. Neither the Company nor any Subsidiary has made any offer, payment, promise to pay, or authorization of payment of money or anything of value to any government official, or any other person while having reasonable grounds to believe that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to a government official, for the purpose of (i) assisting the parties in obtaining, retaining or directing business; (ii) influencing any act or decision of a government official in his or its official capacity; (iii) inducing a government official to do or omit to do any act in violation of his or its lawful duty, or to use his or its influence with a government or instrumentality thereof to affect or influence any act or decision of such government or department, agency, instrumentality or entity thereof; or (iv) securing any improper advantage;

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

(mmmm) the Company has filed a Form 10-K with the SEC and a current annual information form in each of the Qualifying Jurisdictions prior to the date of this Agreement; the Company is as of the date hereof an Eligible Issuer in the Qualifying Jurisdictions and, on the dates of and upon filing of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus and the Final Prospectus, has been and will continue to be an

Eligible Issuer in the Qualifying Jurisdictions on the Closing Date and any Option Closing Date, as applicable, and there will be no documents required to be filed under the Applicable Securities Laws of the Qualifying Jurisdictions in connection with the Offering of the Offered Units that will not have been filed as required as at those respective dates;

(nnnn) the Shares and the Warrants will at the Closing Time qualify as eligible investments as described in the Preliminary Prospectus and the Amended and Restated Preliminary Prospectus under the heading "Eligibility for Investment" and the Company will not take or permit any action within its control which would cause the Shares or the Warrants to cease to be qualified, during the period of distribution of the Offered Units, as eligible investments to the extent so described in the Final Prospectus;

(oooo) there are no persons with registration or other similar rights to have any debt or equity securities registered for sale under the Post-Effective Amendment; and

(pppp) at the time of delivery thereof to the Agent:

(i) the Preliminary Prospectus, Amended and Restated Preliminary Prospectus and the marketing materials complied in all material respects, and the Final Prospectus and all Supplementary Material, if any, will comply fully, with the requirements of Applicable Securities Laws;

(ii) the Preliminary Prospectus, Amended and Restated Preliminary Prospectus and Final Prospectus provided, and all Supplementary Material, if any, will provide, full, true and plain disclosure of all material facts relating to the Company (on a consolidated basis) and the Offered Units;

(iii) the Preliminary Prospectus, Amended and Restated Preliminary Prospectus, marketing materials and Final Prospectus did not, and all Supplementary Material, if any, will not contain any misrepresentation; and

(iv) the Post-Effective Amendment complied in all material respects with the rules and regulations of the SEC.

9. Covenants of the Company

The Company covenants and agrees with the Agent that the Company:

(a) will advise the Agent, promptly after receiving notice thereof, of the time when the Final Prospectus, the Post-Effective Amendment and any Supplementary Material have been filed, as applicable, and receipts, or in the case of the Post-Effective Amendment, effectiveness, as applicable, therefor have been obtained and will provide evidence reasonably satisfactory to the Agent of each such filing and copies of such receipts;

(b) will advise the Agent, promptly after receiving notice or obtaining knowledge of: (i) the issuance by any Securities Commission or the SEC, as applicable, of any order suspending or preventing the use of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus, any Supplementary Material or the Post-Effective Amendment or suspending or seeking to suspend the trading or distribution of the Offered Units, Shares and Warrants; (ii) the suspension of the qualification of the Offered Units for offering or sale in any of the Qualifying Jurisdictions; (iii) the institution, threatening or

contemplation of any proceeding for any such purposes; or (iv) any requests made by any Securities Commission or the SEC for amending or supplementing the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus or the Post-Effective Amendment or any Supplementary Material or for additional information, and will use its commercially reasonable efforts to prevent the issuance of any order or any suspension respectively referred to in (i) or (ii) above and, if any such order is issued, to obtain the withdrawal thereof as promptly as possible or if any such suspension occurs, to promptly remedy such suspension in accordance with this Agreement;

(c) will use its commercially reasonable efforts to remain, and to cause each Subsidiary to remain a corporation validly subsisting under the laws of its jurisdiction of incorporation or amalgamation, and to be duly licensed, registered or qualified as an extra-provincial or foreign corporation or entity in all jurisdictions where the character of its properties owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary and to carry on its Business in the ordinary course and in compliance in all material respects with all Applicable Laws of each such jurisdiction except where the failure to be subsisting, licensed, registered or qualified would not be material to the Company or such Subsidiary, provided that the Company shall not be required to comply with this Section 9(c) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be a "reporting issuer" (within the meaning of Applicable Securities Laws);

(d) will use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of the Applicable Securities Laws of each of the Qualifying Jurisdictions which have such a concept and will comply with all of its obligations under Applicable Securities Laws for a period of two years from the date hereof, provided that the Company shall not be required to comply with this Section 9(d) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be a "reporting issuer" (within the meaning of Applicable Securities Laws);

(e) will use its commercially reasonable efforts (including, without limitation, making application to the Securities Commissions of each Qualifying Jurisdiction for all consents, orders and approvals necessary) to maintain the listing of the Shares on the CSE or such other recognized stock exchange or quotation system as the Agent may approve, acting reasonably, for a period of two years from the date hereof, provided that the Company shall not be required to comply with this Section 9(e) following the completion of a merger, amalgamation, arrangement, business combination or take-over bid pursuant to which the Company ceases to be a "reporting issuer" (within the meaning of Applicable Securities Laws);

(f) will on or before the time of filing the Final Prospectus file or cause to be filed with the CSE all necessary documents and take or cause to be taken all necessary steps to ensure the listing of the Shares on the CSE, subject only to the satisfaction by the Company of the customary post-closing filings with the CSE;

(g) will ensure that at the Closing Time the Initial Shares and the Additional Shares (if applicable) have been duly and validly issued as fully paid and non-assessable Common Shares;

(h) will ensure that the Warrants are duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Warrant Indenture;

(i) will ensure, at all times prior to the date that is 24 months from the Closing Date, that sufficient Warrant Shares are authorized and allotted for issuance upon due and proper exercise of the Warrants, and upon issuance in accordance with the terms of the Warrant Indenture, the Warrant Shares shall be validly issued as fully paid and non-assessable Common Shares;

(j) will ensure that the Broker Warrants are duly and validly created, authorized and issued and shall have the attributes corresponding to the description thereof set forth in this Agreement and the Broker Warrant Certificates;

(k) will ensure, at all times prior to the date that is 24 months from the Closing Date, that sufficient Broker Shares are authorized and allotted for issuance upon due and proper exercise of the Broker Warrants, and upon issuance in accordance with the terms of the Broker Warrant Certificates, the Broker Shares shall be validly issued as fully paid and non-assessable Common Shares;

(l) will ensure that the Corporate Finance Shares have been duly and validly issued as fully paid and non-assessable Common Shares;

(m) will apply the net proceeds from the issue and sale of the Offered Units in accordance with, and subject to the qualifications in, the disclosure set out under the heading "Use of Proceeds" in the Final Prospectus;

(n) will promptly do, make, execute, deliver or cause to be done, made, executed or delivered, all such acts, documents and things as the Agent may reasonably require from time to time for the purpose of giving effect to this Agreement and take all such steps as may be reasonably required within its power to implement to the full extent the provisions, and to satisfy the conditions, of this Agreement;

(o) will forthwith notify the Agent of any breach of any covenant of this Agreement or any Ancillary Documents by any party thereto, or upon it becoming aware of any representation or warranty of the Company contained in this Agreement or any Ancillary Document is or has become untrue or inaccurate in any material respect;

(p) will not, at any time prior to the closing of the Offering, halt the trading of the Common Shares on the CSE without the prior written consent of the Agent;

(q) will have, at or prior to the Closing Time or Option Closing Time, as applicable, fulfilled or caused to be fulfilled, each of the conditions set out in Section 11 hereof;

(r) will cause the senior officers and directors of the Company to enter into an undertaking in favour of the Agent on or before the filing of the Final Prospectus pursuant to which such persons and each of such senior officers' and directors' affiliates shall have agreed not to, directly or indirectly, offer, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or securities convertible

into, exchangeable for, or otherwise exercisable to acquire Common Shares or other equity securities of the Company for a period of 90 days after the Closing Date, without the prior written consent of the Agent, such consent not to be unreasonably withheld, except: (i) with respect to the exercise of stock options or other similar issuances pursuant to the share incentive plan of the Company or other share compensation arrangements; (ii) the exercise of outstanding warrants, provided that in each of (i) and (ii) above, any securities underlying such options, warrants or other equity securities of the Company will also be subject to the lock-up undertaking; and (iii) in order to accept a bona fide take-over bid made to all securityholders of the Company or similar business combination transaction;

(s) in the event the Company terminates this Agreement prior to the closing of the Offering and the Company enters into an agreement or makes a public announcement with respect to an Alternative Transaction (as defined below) within six months of such termination, the Company agrees to pay the Agent all expenses related to the Offering in accordance with Section 15 and to pay the Agent, on the earlier of the closing date of such Alternative Transaction, or the date that is 60 days after an agreement relating thereto is entered into, a fee equal to 100% of the Agent's Fee that would have been otherwise payable upon the successful completion of the Offering (assuming gross proceeds of the Offering of $5 million and no President's List sales are completed), which fee shall, if applicable, constitute liquidated damages and not a penalty. For purposes of this Agreement, an "**Alternative Transaction**" shall be defined to mean a transaction which does not provide for the completion of the Offering and includes: (i) any issuance or agreement to issue securities of the Company in excess of 5% of the total number of securities of the Company currently outstanding on a fully-diluted basis, or (ii) a merger, amalgamation, arrangement, business combination, take-over bid, insider bid, reorganization, joint venture, sale or exchange of all or substantially all of its assets or any similar transaction involving the Company with an arm's length party, it being acknowledged and agreed that the Merger shall not constitute an Alternative Transaction; and

(t) will make available management of the Company for meetings with investors as scheduled by the Agent at the discretion of the Agent, acting reasonably.

10. Representation and Warranties of the Agent

The Agent represents and warrants to the Company, and acknowledges that the Company is relying on such representations and warranties, that, as of the date hereof:

(a) it is, and will remain, until the completion of the Offering, appropriately registered under Applicable Securities Laws so as to permit it to lawfully fulfil its obligations hereunder;

(b) it has all requisite corporate power and authority to enter into this Agreement and to carry out the transactions contemplated under this Agreement on the terms and conditions set forth herein;

(c) this Agreement has been duly authorized, executed and delivered by it and constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally, except as limited by the application of equitable principles when equitable remedies are sought and except as rights to indemnity, contribution and waiver of contribution may be limited by Applicable Laws; and

(d) the Broker Warrants and the Corporate Finance Shares have not been and will not be registered under the U.S. Securities Act, and the Broker Warrants may not be exercised in the United States or by, or for the account or benefit of, any U.S. Person or person in the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act. In connection with the issuance of the Broker Warrants, it represents and warrants that it is acquiring the Broker Warrants as principal for its own account and not for the benefit of any other person. Furthermore, in connection with the issuance of the Broker Warrants, it represents and warrants that (i) it is not a U.S. Person and it is not acquiring the Broker Warrants in the United States, or on behalf of a U.S. Person or a person located in the United States, and (ii) this Agreement was executed and delivered outside the United States.

The representations and warranties of the Agent contained in this Agreement shall be true at the Closing Time as though they were made at the Closing Time and they shall not survive the completion of the transactions contemplated under this Agreement but shall terminate on the completion of the distribution of the Offered Units.

11. Conditions of Closing

The obligations of the Agent hereunder with respect to the Offering will be subject to the completion by the Agent of a due diligence review satisfactory to the Agent in its sole judgment and to the satisfaction (or waiver by the Agent in its sole discretion) of the following additional conditions, as applicable, which conditions the Company covenants to exercise its commercially reasonable efforts to have fulfilled on or prior to the Closing Time or any Option Closing Date, as applicable:

(a) the Agent will receive at the Closing Time a favourable legal opinion addressed to the Agent and its counsel dated and delivered on the Closing Date from the Company's counsel, Dentons Canada LLP, in form and substance satisfactory to the Agent and its counsel, acting reasonably, with respect to the following matters, subject to such reasonable assumptions and qualifications customary with respect to transactions of this nature as may be accepted by Agent's counsel:

(i) the Company is a "reporting issuer", or its equivalent, in each of the Qualifying Jurisdictions and it is not listed as in default of Applicable Securities Laws in any of the Qualifying Jurisdictions which maintain such a list;

(ii) each of this Agreement and the Warrant Indenture constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to certain qualifications, including the Qualification;

(iii) the Broker Warrant Certificates constitute a legal, valid and binding obligation of the Company enforceable against the Company in accordance with their terms, subject to certain qualifications, including the Qualification;

(iv) all necessary documents have been filed, all requisite proceedings have been taken, all approvals, permits and consents of the appropriate regulatory authority in each Qualifying Jurisdiction have been obtained, and all necessary legal requirements have been fulfilled, in order to qualify the distribution of the Initial Shares and the Initial Warrants comprising the Initial Units, the Over-Allotment Option, the Additional Shares and the Additional Warrants comprising the Additional Units in

each of the Qualifying Jurisdictions through dealers who are registered under Applicable Securities Laws and who have complied with the relevant provisions of such Applicable Laws and the Corporate Finance Shares and the Broker Warrants to the Agent;

(v) the issuance by the Company of the Warrant Shares in accordance with and pursuant to the terms and conditions of the Warrants and the Warrant Indenture is exempt from the prospectus requirements of the Applicable Securities Laws in the Qualifying Jurisdictions and no prospectus or other document is required to be filed, no proceeding is required to be taken and no authorization, approval, permit or consent of the Securities Commissions is required to be obtained by the Company under the Applicable Securities Laws in the Qualifying Jurisdictions to permit such issuance of the Warrant Shares;

(vi) the issue and delivery by the Company of the Broker Shares to the holders of Broker Warrants upon their exercise pursuant to the terms of the Broker Warrant Certificates being exempt from, or not subject to, the prospectus requirements of Applicable Securities Laws and no prospectus or other documents being required to be filed, proceedings taken or approvals, permits, consents or authorizations required to be obtained under Applicable Securities Laws (other than such as will have already been filed or obtained) to permit such issue;

(vii) the summary under the heading "Certain Federal Income Tax Considerations" in the Final Prospectus is a fair and adequate summary of the principal Canadian federal income tax considerations generally applicable to the acquisition, holding and disposition of the Shares, Warrants and Warrant Shares, subject to the qualifications, assumptions, limitations and understandings set out in such summary; and

(viii) the statements under the heading "Eligibility for Investment" in the Final Prospectus, subject to the qualifications, assumptions and limitations set out under such heading, constitute a fair and adequate description of status of the Shares, Warrants and Warrant Shares as "qualified investments" under the *Income Tax Act* (Canada) and its regulations.

In connection with such opinion, counsel to the Company may rely on the opinions of local counsel in the Qualifying Jurisdictions acceptable to counsel to the Agent, acting reasonably, as to the qualification for distribution of the Offered Units or opinions may be given directly by local counsel of the Company with respect to those items and as to other matters governed by the laws of jurisdictions other than the province or provinces in which the Company's Canadian counsel are qualified to practice and may rely, to the extent appropriate in the circumstances but only as to matters of fact, on certificates of officers of the Company and others;

(b) the Agent shall have received a legal opinion from legal counsel to, and duly qualified to practice law in the jurisdiction of existence of, the Material Subsidiaries, addressed to the Agent and legal counsel to the Agent with respect to: (i) the existence of the Material Subsidiaries; (ii) the issued and outstanding securities of the Material Subsidiaries and the securities thereof held by the Company or a Material Subsidiary; (iii) the corporate power and capacity of the Material Subsidiaries to carry on its Business and activities and to own

and lease its Assets and Properties; each such opinion to be in form and substance, acceptable in all reasonable respects to the Agent and its legal counsel;

(c) the Agent receive at the Closing Time a favourable legal opinion addressed to the Agent and its counsel dated and delivered on the Closing Date from the Company's United States legal counsel, the Law Offices of Robert Diener, in form and substance satisfactory to the Agent and its counsel, acting reasonably, with respect to the following matters, subject to such reasonable assumptions and qualifications customary with respect to transactions of this nature as may be accepted by Agent's counsel:

(i) the Company is a corporation duly incorporated and validly existing under the laws of the State of Nevada, and has all requisite corporate power, capacity and authority to carry on its Business as now conducted and to own, lease and operate its Assets and Properties as described in the Final Prospectus;

(ii) as to the authorized and issued capital of the Company;

(iii) the Initial Shares have been duly and validly authorized and issued and are outstanding as fully paid and non-assessable Common Shares in the capital of the Company;

(iv) the Over-Allotment Option has been duly and validly authorized and granted by the Company and the Additional Shares and Additional Warrants issuable upon the exercise of the Over-Allotment Option have been duly and validly allotted and reserved for issuance by the Company and, upon the exercise of the Over-Allotment Option for Additional Units including receipt by the Company of payment in full therefor, the Additional Shares will have been duly and validly authorized and issued and will be outstanding as fully-paid and non-assessable shares in the capital of the Company and the Additional Warrants will have been duly and validly created, authorized and issued by the Company;

(v) the Initial Warrants have been duly and validly created, authorized and issued by the Company and the Warrants Shares issuable upon the exercise of the Warrants have been duly and validly allotted and reserved for issuance by the Company and, upon the exercise of the Warrants in accordance with their terms, including payment of the exercise price therefor, the Warrant Shares will have been duly and validly authorized and issued and will be outstanding as fully-paid and non-assessable Common Shares in the capital of the Company;

(vi) the Broker Warrants have been duly and validly authorized and granted by the Company and the Broker Shares issuable upon the exercise of the Broker Warrants have been duly and validly allotted and reserved for issuance by the Company and, upon the exercise of the Broker Warrants in accordance with their terms, including payment of the exercise price therefor, the Broker Shares will have been duly and validly authorized and issued and will be outstanding as fully-paid and non-assessable Common Shares in the capital of the Company;

(vii) the Corporate Finance Shares have been duly and validly authorized and issued and are outstanding as fully paid and non-assessable Common Shares in the capital of the Company;

(viii) the Company has all necessary corporate power and capacity: (i) to execute and deliver this Agreement and the Warrant Indenture and to perform its obligations hereunder and thereunder; (ii) to offer, issue, sell and deliver the Initial Shares and the Initial Warrants comprising the Initial Units; (iii) to grant the Over-Allotment Option and offer, issue, sell and deliver the Additional Shares and Additional Warrants comprising the Additional Units issuable upon exercise of the Over-Allotment Option; (iv) to issue, sell and deliver the Warrant Shares upon the due exercise of the Initial Warrants and Additional Warrants; (v) to grant and issue the Broker Warrants; (vi) to issue, sell and deliver the Broker Shares upon the due exercise of the Broker Warrants and (vii) to grant and issue the Corporate Finance Shares; all necessary corporate action has been taken by the Company to authorize the execution and delivery of each of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus the Final Prospectus and any Supplementary Material and the filing thereof with the Securities Commissions;

(ix) the Company has duly authorized, executed and delivered, this Agreement, the Warrant Indenture and the Broker Warrant Certificates, and authorized the performance of its obligations hereunder and thereunder, including the offering, creation (as applicable), issue, sale and delivery of the Initial Shares and the Initial Warrants comprising the Initial Units, the grant of the Over-Allotment Option, the offering, creation (as applicable) issue, sale and delivery of the Additional Shares and Additional Warrants comprising the Additional Units issuable upon exercise of the Over-Allotment Option, the creation and grant of the Broker Warrants, the issue, sale and delivery of the Broker Shares upon exercise of the Broker Warrants and the offering, issue, sale and delivery of the Warrant Shares upon the exercise of the Warrants;

(x) the execution and delivery of this Agreement and the Warrant Indenture and the fulfillment of the terms hereof and thereof, including the offering, creation (as applicable), issue, sale and delivery of the Initial Shares and the Initial Warrants comprising the Initial Units, the grant of the Over-Allotment Option, the offering, creation (as applicable) issue, sale and delivery of the Additional Shares and Additional Warrants comprising the Additional Units upon exercise of the Over-Allotment Option, the creation and grant of the Broker Warrants, the issue, sale and delivery of the Broker Shares comprising the Broker Warrants and the offering and the issue, sale and delivery of the Warrant Shares upon the exercise of the Warrants, and the consummation of the transactions contemplated by this Agreement and the Warrant Indenture, do not result in a breach of (whether after notice or lapse of time or both) or constitute a default under (i) any of the terms, conditions or provisions of the constating documents, articles of incorporation or amalgamation, as applicable, of the Company, (ii) any resolutions of the shareholders or the board of directors (or any committee thereof) of the Company, or (iii) any Applicable Laws in the United States;

(xi) the form and terms of the (i) definitive certificate representing the Warrants (if any), and (ii) Broker Warrant Certificates have been approved by the directors of the Company and comply in all material respects with the laws of the State of Nevada, the constating documents of the Company and the rules of the CSE;

(xii) the Post-Effective Amendment was declared effective under the U.S. Securities Act on the applicable date, and no stop order suspending its effectiveness has been

issued by the SEC, nor, to their knowledge, is a proceeding for that purpose pending before or contemplated or threatened by the SEC;

(xiii) there are no persons with registration or other similar rights to have any debt or equity securities registered for sale under the Post-Effective Amendment or included in the offering contemplated by the Agreement pursuant to any contract filed as an exhibit to the Post-Effective Amendment or any report filed by the Company with the SEC and incorporated by reference into the Registration Statement;

(xiv) the Company is not required and, after giving effect to the application of the proceeds received by the Company from the offering and sale of the securities as described in the Post-Effective Amendment, will not be required to register as an "investment company" within the meaning of the Investment Company Act of 1940, as amended; and

(xv) Odyssey Trust Company is the duly appointed registrar and transfer agent for the Common Shares and the duly appointed warrant agent and registrar and transfer agent for the Warrants.

(d) the Agent shall have received a certificate dated the Closing Date or the Option Closing Date, as applicable, signed by the Chief Executive Officer and Chief Financial Officer of the Company or any other senior officer(s) of the Company as may be acceptable to the Agent, in form and content satisfactory to the Agent's counsel, acting reasonably, with respect to:

(i) the constating documents of the Company;

(ii) resolutions of the Company's board of directors relevant to, among other things, the issue and sale of the Offered Units, the Shares, the Warrants and the Broker Warrants sold by the Company and the authorization of this Agreement and the other agreements and transactions contemplated herein; and

(iii) the incumbency and signatures of signing officers of the Company;

(e) the Agent shall have received a certificate of status or the equivalent dated within one Business Day of the Closing Date, in respect of the Company and the Material Subsidiaries;

(f) the Agent shall have received from the current auditors of the Company a "bring down" comfort letter, addressed to the Agent and the board of directors of the Company, dated the Closing Date, in form and substance satisfactory to the Agent, acting reasonably, bringing forward to a date not more than two Business Days prior to the Closing Date or Option Closing Date, as applicable, the information contained in the comfort letter referred to in Section 5(a)(iv) hereof;

(g) the Agent shall have received from the current auditors of Driven a "bring down" comfort letter, addressed to the Agent and the board of directors of the Company, dated the Closing Date, in form and substance satisfactory to the Agent, acting reasonably, bringing forward to a date not more than two Business Days prior to the Closing Date or Option Closing Date, as applicable, the information contained in the comfort letters referred to in Section 5(a)(v) hereof;

(h) the Company shall deliver to the Agent, at the Closing Time, certificates dated the Closing Date or the Option Closing Date, as applicable, addressed to the Agent and signed by the Chief Executive Officer and the Chief Financial Officer of the Company, or such other senior officer(s) of the Company as may be acceptable to the Agent, certifying for and on behalf of the Company and without personal liability, to the effect that:

(i) the Company has complied in all respects with all the covenants and satisfied all the terms and conditions of this Agreement on its part to be complied with and satisfied at or prior to the Closing Time;

(ii) the representations and warranties of the Company contained herein are true and correct in all material respects (or, in the case of any representation or warranty containing a materiality or Material Adverse Effect qualification, in all respects) as at the Closing Time with the same force and effect as if made on and as at the Closing Time after giving effect to the transactions contemplated hereby;

(iii) to the knowledge of such persons, no order, ruling or determination having the effect of suspending the sale or ceasing the trading or prohibiting the sale of the Offered Units or any other securities of the Company (including the Common Shares) has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority;

(iv) since the respective dates as of which information is given in the Final Prospectus or any Supplementary Material (A) there has been no material change in the Company or its Subsidiaries, (B) there has been no material and adverse change (financial or otherwise) in the Business, assets (including intangible assets), affairs, operations, prospects, liabilities (contingent or otherwise), capital, properties, condition (financial or otherwise) or results of operations or control of the Company and the Subsidiaries (taken as a whole), and (C) no transaction has been entered into by or affecting the Company or any Subsidiary which is material to the Company and the Subsidiaries (taken as a whole), other than as disclosed in the Final Prospectus or in any Supplementary Material;

(v) there has been no change in any material fact (which includes the disclosure of any previously undisclosed material fact) contained in the Final Prospectus which fact or change is, or may be, of such a nature as to render any statement in the Final Prospectus misleading or untrue in any material respect or which would result in a misrepresentation in the Final Prospectus or which would result in the Final Prospectus not complying with Applicable Securities Laws; and

(vi) such other matters as the Agent may reasonably request;

(i) all consents, approvals, permits, authorizations or filings as may be required to be made or obtained by the Company under Applicable Securities Laws and U.S. securities laws for the offer and sale of the Offered Units, the execution and delivery of this Agreement and Warrant Indenture and the consummation of the transactions contemplated hereby, will have been made or obtained, as applicable (other than, in respect of the Offering, the filing of reports required under Applicable Securities Laws in the Qualifying Jurisdictions within the prescribed time periods and the filing of standard documents with the CSE, which

documents will be filed as soon as practicable after the Closing Date or Option Closing Date, as applicable, and, in any event, within such deadline as may be imposed by such Securities Laws or the CSE) and the Agent will have received copies of correspondence indicating that the Company has filed all documents necessary to ensure the Initial Shares, the Additional Shares, the Warrant Shares, the Broker Shares and the Corporate Finance Shares will be listed on the CSE upon their issuance;

(j) the Agent shall have received subscriptions for a minimum of $9,000,000 of Offered Units and such subscriptions shall not have been withdrawn;

(k) the representations and warranties of the Company contained in this Agreement will be true and correct in all material respects (or, in the case of any representation or warranty containing a materiality or Material Adverse Effect qualification, in all respects) at and as of the Closing Time on the Closing Date, and, if applicable, the Option Closing Date as if such representations and warranties were made at and as of such time and all agreements, covenants and conditions required by this Agreement to be performed, complied with or satisfied by the Company at or prior to the Closing Time on the Closing Date or the Option Closing Date, as applicable, will have been performed, complied with or satisfied prior to that time;

(l) the absence of any misrepresentations in the Offering Documents or undisclosed material change or undisclosed material facts relating to the Company, any Subsidiary or the Offered Units;

(m) the Company shall have received a Preliminary Receipt, an Amended and Restated Receipt and a Final Receipt qualifying the Offered Units for distribution in the Qualifying Jurisdictions, and neither the Preliminary Receipt, the Amended and Restated Receipt nor the Final Receipt shall be invalid or have been revoked or rescinded by any Securities Commission;

(n) the Post-Effective Amendment shall have been declared effective by the SEC;

(o) the Agent shall have received a certificate from Odyssey Trust Company as to the number of Shares issued and outstanding as at the date immediately prior to the Closing Date;

(p) the Agent shall have received the Corporate Finance Fee Shares, duly executed copies of the Broker Warrant Certificates in form and substance satisfactory to the Agent, acting reasonably, and such other certificates, opinions, agreements or closing documents in form and substance reasonably satisfactory to the Agent as the Agent may reasonably request;

(q) the Agent shall not have exercised any rights of termination set forth herein; and

(r) all senior officers and directors of the Company will have entered into a lock-up agreement with, and in a form and substance satisfactory to, the Agent, as contemplated by subsection 9(r) of this Agreement.

12. Closing

The closing of the purchase and sale of the Offered Units shall be completed electronically at the Closing Time at the Toronto offices of Dentons Canada LLP or at such other place as the Agent and the Company shall agree upon. At the Closing Time:

(a) the Company will deliver to the Agent, or as the Agent may direct, (i) via electronic deposit or represented by one or more certificates in definitive form, the Initial Shares and Warrants, in each case registered in the name of "CDS & Co." or in such other name or names as the Agent may notify the Company in writing not less than 48 hours prior to the Closing Time or made and settled in CDS under the non-certificated inventory system, (ii) the Broker Warrant Certificates, in each case registered in such name or names as the Agent shall notify the Company in writing not less than 48 hours prior to the Closing Time, and (iii) all further documentation as may be contemplated in this Agreement or as counsel to the Agent may reasonably require; against payment by the Agent to the Company of the applicable Issue Price for the Initial Units and any Additional Units being issued and sold under this Agreement, net of the Agent's Fee, the Corporate Finance Fee and the Agent's expenses contemplated in Section 16 of this Agreement, by certified cheque, bank draft or wire transfer payable to or as directed by the Company not less than 48 hours prior to the Closing Time; and

(b) the obligation of the Agent to complete the purchase of any Additional Shares and Additional Warrants under this Agreement, upon the exercise of the Over-Allotment Option, is subject to the receipt by the Agent of those documents contemplated, and the satisfaction of those conditions set forth, in Section 10 as the Agent may request. In the event that the Company shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Over-Allotment Option is exercisable, appropriate adjustments will be made to the exercise price and to the number of the Initial Shares and the Initial Warrants, and any Additional Shares and Additional Warrants issuable on exercise thereof such that the Agent is entitled to arrange for the sale of the same number and type of securities that the Agent would have otherwise arranged for had it exercised such Over-Allotment Option immediately prior to such subdivision, consolidation, reclassification or change.

13. Restrictions on Further Issues or Sales

During the period commencing on the date hereof and for a period of 90 days after the Closing Date, the Company will not, directly or indirectly, offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or any securities convertible into or exchangeable for, or otherwise exercisable to acquire Common Shares or other equity securities of the Company, without the prior written consent of the Agent, such consent not to be unreasonably withheld, except in conjunction with: (i) the grant or exercise of stock options and other similar issuances pursuant to the share incentive plan of the Company and other share compensation arrangements, provided such options and other similar securities are granted or issued with an exercise price not less than the Issue Price; (ii) the exercise of outstanding warrants; (iii) obligations of the Company in respect of existing agreements; or (iv) the issuance of securities in connection with acquisitions in the normal course of business.

14. Indemnification by the Company

(a) The Company and its subsidiaries or affiliated companies, as the case may be (collectively, the "**Indemnitor**") hereby agrees to indemnify and hold each of the Agent, and/or any of its respective affiliates and subsidiaries and each of their respective directors, officers, employees, partners, agents, shareholders, each other person, if any, controlling the Agent or any of its subsidiaries or affiliates (collectively, the "**Indemnified Parties**" and individually an "**Indemnified Party**") harmless from and against any and all expenses, losses, claims, actions (including shareholder actions, derivative or otherwise), suits, proceedings, damages, liabilities or expenses of whatever nature or kind (excluding loss of profits), whether joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims, and the fees, disbursements and taxes of their counsel (collectively, the "**Losses**") that may be incurred in investigating or advising with respect to and/or defending or settling any actual or threatened third party action, suit, proceeding, investigation or claim (collectively, the "**Claims**") that may be made against the Indemnified Parties or to which the Indemnified Parties may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such Losses and/or Claims arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Company by the Indemnified Parties hereunder or otherwise in connection with the matters referred to in this Agreement, whether performed before or after the execution and delivery of this Agreement.

(b) Notwithstanding anything to the contrary contained herein, the indemnity in this Section 14 (including any obligation of the Indemnitor to make payments or otherwise reimburse expenses as provided herein) shall cease to apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that such Losses to which the Indemnified Party may be subject were caused by or resulted from a material breach of this Agreement, a breach of Applicable Laws or the gross negligence or a fraudulent act of the Indemnified Party. For greater certainty, the Company and the Agent agree that they do not intend that any failure by the Agent to conduct such reasonable investigation as necessary to provide the Agent with reasonable grounds for believing the Offering Documents contained no misrepresentation shall constitute "gross negligence" for the purposes of this Section 14 or otherwise disentitle the Agent from indemnification hereunder.

(c) Promptly after receipt of notice of the commencement of any legal proceeding against an Indemnified Party or after receipt of notice of the commencement of any investigation, which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, the Agent will notify the Company in writing of the commencement thereof and, throughout the course thereof, will provide copies of all relevant documentation to the Company, will keep the Company advised of the progress thereof and will discuss with the Company all significant actions proposed. The omission to so notify the Company shall not relieve the Indemnitor of any liability which the Indemnitor may have to an Indemnified Party except only to the extent that any such delay in giving or failure to give notice as herein required results in the forfeiture by the Company of substantive rights or defences or results in any material increase in the liability which the Indemnitor would otherwise have under this Section 14 had the Agent not so delayed in giving or failed to give the notice required hereunder. The Indemnitor shall be entitled, at its own expense, to participate in and assume the defence of any Claim, provided such defence is conducted by counsel of good standing acceptable to the Indemnified Party and

the Indemnitor shall throughout the course thereof provide copies of all relevant documentation to the Indemnified Party, will keep the Indemnified Party advised of all discussions and significant actions proposed in respect thereof. If such defence is not assumed by the Indemnitor, the Indemnified Parties shall throughout the course thereof provide copies of all relevant documentation to the Indemnitor, will keep the Indemnitor advised of all discussions and significant actions proposed in respect thereof.

(d) Notwithstanding the foregoing paragraph, any Indemnified Party shall also have the right to employ one separate counsel in any such Claim and participate in the defence thereof, and the fees and expenses of such counsel shall be borne by the Indemnified Party unless:

(i) the Company has failed, within a reasonable period of time after receipt of notice, to assume the defense of such Claim;

(ii) the employment of separate counsel has been specifically authorized in writing by the Company;

(iii) the named parties to any such Claim include both the Indemnitor and the Indemnified Parties and the Indemnified Parties have been advised by their counsel that representation of both parties by the same counsel would be inappropriate due to an actual or a potential conflict of interest; or

(iv) there are one or more defences available to the Indemnified Parties which are different from or in addition to those available to the Indemnitor such that there may be a conflict of interest between the parties or the subject matter of the Claim may not fall within the indemnity set forth herein (in either of which events the Company shall not have the right to assume or direct the defence on the Indemnified Party's behalf),

in which case such fees and expenses of such counsel to the Indemnified Parties shall be for the Indemnitor's account.

(e) The Indemnitor agrees that in case any legal proceeding shall be brought against the Indemnitor and/or any Indemnified Party by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or any such authority shall investigate the Indemnitor and/or any Indemnified Party and the personnel of such Indemnified Party shall be required to testify in connection therewith or shall be required to participate or respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of professional services rendered to the Company by the Indemnified Parties, the Indemnified Party shall have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Indemnified Party monthly for time spent by its personnel in connection therewith at their normal per diem rates together with such disbursements and reasonable out-of-pocket expenses incurred by the personnel of the Indemnified Party in connection therewith) shall be paid by the Indemnitor as they occur.

(f) A party hereunder shall not, without the other party's prior written consent, such consent not to be unreasonably withheld or delayed, settle, compromise or consent to the entry of any judgment or make an admission of liability with respect to any Claims or seek to terminate any Claims in respect of which indemnification may be sought hereunder.

Neither party hereunder shall be liable for any such settlement of any Claim unless it has consented in writing to such settlement, such consent not to be unreasonably withheld.

(g) The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights an Indemnified Party may have at common law or otherwise.

(h) The Indemnitor agrees to waive any right the Indemnitor may have of first requiring the Indemnified Party to proceed against or enforce any right, power, remedy, security or claim payment from any other person before claiming under this indemnity. The Indemnitor hereby acknowledges that the Agent is acting as trustee for each of the other Indemnified Parties of the Indemnitor's covenants under this indemnity and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

(i) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Indemnified Parties who are not signatories hereto and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Company and the Indemnified Parties.

15. Contribution

(a) In order to provide for just and equitable contribution in circumstances in which the indemnity provided in Section 14 hereof would otherwise be available in accordance with its terms but is, for any reason held to be illegal, unavailable to or unenforceable by the Indemnified Parties or enforceable otherwise than in accordance with its terms, the Company and the Agent shall contribute to the aggregate of all Losses of the nature contemplated in Section 14 hereof and suffered or incurred by the Indemnified Parties (i) in such proportion as is appropriate to reflect not only the relative benefits received by the Company, on the one hand, and the Agent on the other hand, from the distribution of the Offered Units, (ii) or, if the allocation provided by (i) is not permitted by Applicable Law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company, on the one hand, and the Agent, on the other hand, in respect of such Losses, and (iii) relevant equitable considerations; provided that the Company shall in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any excess of such amount over the amount actually received by the Agent or any other Indemnified Party under this Agreement and further provided that the Agent shall not in any event be liable to contribute, in the aggregate, any amount in excess of such total Agent's Fees or any portion thereof actually received by the Agent. However, no party who has engaged in any gross negligence, fraud, fraudulent misrepresentation or wilful misconduct shall be entitled to claim contribution from any person who has not engaged in such gross negligence, fraud, fraudulent misrepresentation or wilful misconduct.

(b) If the Company may be held to be entitled to contribution from the Agent under the provisions of any statute or at law, except in the case of gross negligence, fraud, illegal act or wilful misconduct on the part of the Agent, the Company shall be limited to contribution in an aggregate amount not exceeding the lesser of:

(i) the portion of the full amount of the Losses giving rise to such contribution for which the Agent is responsible, as determined in Section 14; and

(ii) the amount of the aggregate Agent's Fees actually received by the Agent from the Company under this Agreement.

(c) The rights to contribution provided in this Section 15 shall be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law.

(d) If an Indemnified Party has reason to believe that a claim for contribution may arise, the Indemnified Party shall give the Company notice thereof in writing, but failure to so notify shall not relieve the Company of any obligation which it may have to the Indemnified Party under this Section 15 provided that the Company is not materially and adversely prejudiced by such failure, and the right of the Company to assume the defence of such Indemnified Party shall apply as set out in Section 14 hereof, *mutatis mutandis*.

16. Fees and Expenses

Whether or not the purchase and sale of the Offered Units shall be completed, all fees and expenses (including GST or HST, if applicable) of or incidental to the creation, issuance and delivery of the Offered Units and of or incidental to all matters in connection with the transactions herein set out shall be borne by the Company including, without limitation:

(a) all expenses of or incidental to the creation, issue, sale or distribution of the Offered Units and the filing of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplementary Material;

(b) the fees and expenses of the auditors, counsel to the Company and all local counsel (including disbursements and GST or HST, if and as applicable, on all of the foregoing);

(c) all costs incurred in connection with the preparation and printing of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus and any Supplementary Material contemplated hereunder and otherwise relating to the Offering; and

(d) the reasonable out-of-pocket expenses and fees of the Agent, including the reasonable documented fees and expenses of the Agent's legal counsel (such fees of the Agent's Canadian legal counsel not to exceed $130,000 and such fees of the Agent's U.S. counsel not to exceeds US$40,000, in each case exclusive of taxes and disbursements), with such expenses to be paid by the Company at the Closing Time or at any other time requested by the Agent, provided that all fees and expenses incurred by the Agent, or on its behalf, pursuant to the Offering shall be payable by the Company immediately upon receiving an invoice therefor from the Agent.

17. All Terms to be Conditions

The Company agrees that the conditions contained in Section 10 will be complied with insofar as the same relate to acts to be performed or caused to be performed by the Company and that it will use its commercially reasonable efforts to cause all such conditions to be complied with. Any breach or failure to comply with or satisfy any of the conditions set out in Section 10 shall entitle the Agent to terminate its obligation to purchase the Offered Units, by written notice to that effect given to the Company at or prior to the Closing Time. It is understood that the Agent may waive, in whole or in part, or extend the time for compliance until no later than 90 days from the date of

the Final Receipt with, any of such terms and conditions without prejudice to the rights of the Agent in respect of any such terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing.

18. Termination by Agent in Certain Events

(a) The Agent shall also be entitled to terminate its obligations under this Agreement by written notice to that effect given to the Company at or prior to the Closing Time if:

(i) there is a material change or a change in a material fact or new material fact shall arise, or there should be discovered any previously undisclosed material fact required to be disclosed in the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus or the Final Prospectus or any amendment thereto, in each case, that has or would be expected to have, in the sole opinion of the Agent, acting reasonably, a significant adverse effect on the Business or affairs of the Company and the Subsidiaries or on the market price or the value of the Common Shares or other securities of the Company;

(ii) (A) any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is commenced, announced or threatened or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including, without limitation, the CSE or any securities regulatory authority or any law or regulation is enacted or changed which in the sole opinion of the Agent, acting reasonably, operates to prevent or materially restrict the trading of the Shares or any other securities of the Company or seriously and adversely affects or might be expected to seriously and adversely affect the market price or value of the Offered Units or other security of the Company; or (B) if there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism, pandemic, the COVID-19 Outbreak or accident) or major financial occurrence of national or international consequence or any new or change in any law or regulation which in the sole opinion of the Agent, acting reasonably, seriously adversely affects, or involves, or would reasonably be expected to seriously adversely affect or involve, the financial markets in Canada generally or the Business, operations or affairs of the Company and its Subsidiaries taken as a whole or the market price or value of the securities of the Company;

(iii) the Company is in material breach of any term, condition or covenant of this Agreement or any representation or warranty given by the Company in this Agreement is or becomes false in any material respect;

(iv) any order to cease or suspend trading in the Common Shares or any other securities of the Company or prohibiting or restricting the distribution of any securities of the Company, including the Offered Units, is made, or proceedings are announced, commenced or threatened for the making of any such order, by any securities commission or similar regulatory authority, the CSE or any other competent authority, and has not been rescinded, revoked or withdrawn;

(v) the Agent is not satisfied in its sole discretion, acting reasonably, with its due diligence review and investigations in respect of the Company and its Subsidiaries;

(vi) the state of financial markets in Canada is such that, in the reasonable opinion of the Agent, the Offered Units cannot be marketed profitably; or

(vii) the Agent and the Company agree in writing to terminate this Agreement.

(b) For certainty, the outbreak of COVID-19 and any interruption to the business, affairs, or financial condition of the Company or any event, action state or condition or major financial occurrence, arising as a result of policies in place as of the date of this Agreement to address COVID-19, including the extension of the time that any such policy shall be in effect beyond their current proposed end date, shall not constitute an event or occurrence which will enable the Agent to rely on any of Section 18(a)(i) or (ii) hereof. For greater certainty, any measure not already in effect that is implemented after date hereof to address the outbreak of COVID -19 that results in a material adverse change or disaster as described in Section 18(a)(i) or (ii) hereof, shall constitute an event or occurrence which will enable the Agent to rely on any of Section 18(a)(i) or (ii) hereof.

(c) If this Agreement is terminated by the Agent pursuant to Section 18(a), there shall be no further liability on the part of the Agent, or on the part of the Company to the Agent except in respect of any liability which may have arisen or may thereafter arise under Sections 14, 15 and 16.

(d) The right of the Agent to terminate its obligations under this Agreement is in addition to such other remedies as it may have in respect of any default, act or failure to act of the Company in respect of any of the matters contemplated by this Agreement.

19. Over-Allotment

In connection with the distribution of the Offered Units, the Agent and members of its selling group (if any) may over-allot or effect transactions which stabilize or maintain the market price of the Shares and Warrants at levels above those which might otherwise prevail in the open market, in compliance with Applicable Securities Laws. Those stabilizing transactions, if any, may be discontinued at any time.

20. Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered to,

in the case of the Company, to:

Stem Holdings, Inc.
2201 NW Corporate Blvd.
Suite 205
Boca Raton, FL 33431

Email: [redacted]
Attention: Adam Berk, Chief Executive Officer

with a copy of any such notice (which shall not constitute notice to the Company) to:

Dentons Canada LLP

15th Floor, Bankers Court
850 - 2nd Street SW
Calgary, AB T2P 0R8

Email: [redacted]
Attention: Lucas Tomei

in the case of the Agent, to:

Canaccord Genuity Corp.
PO Box 10337
2200 – 609 Granville Street
Vancouver, BC V7Y 1H2

E-mail: [redacted]
Attention: Jamie Brown

and with a copy of any such notice (which shall not constitute notice to the Agent) to:

DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto, ON M5X 1E2

E-mail: [redacted]
Attention: Derek Sigel

The Company and the Agent may change their respective addresses for notice by notice given in the manner aforesaid. Each notice shall be personally delivered to the addressee or sent by electronic transmission to the addressee and: (i) a notice which is personally delivered shall, if delivered on a Business Day, be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is delivered; and (ii) a notice which is sent by electronic transmission shall be deemed to be given and received on the Business Day on which it is confirmed to have been sent.

21. Relationship between the Company and the Agent

In connection with the services described herein, the Agent shall act as independent contractor, and any duties of the Agent arising out of this Agreement shall be owed solely to the Company. The Company acknowledges that the Agent is a securities firm that is engaged in securities trading and brokerage activities, as well as providing investment banking and financial advisory services, which may involve services provided to other companies engaged in businesses similar or competitive to the Business and that the Agent shall have no obligation to disclose such activities and services to the Company. The Company acknowledges and agrees that in connection with all aspects of the engagement contemplated hereby, and any communications in connection therewith, the Company, on the one hand, and the Agent and any of its respective affiliates through which it may be acting, on the other hand, will have a business relationship that does not create, by implication or otherwise, any fiduciary duty on the part of the Agent or such affiliates, and each party hereto agrees that no such duty will he deemed to have arisen in connection with any such transactions or communications. The Company acknowledges and agrees that it waives, to the

fullest extent permitted by law, any claims the Company and its affiliates may have against the Agent for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Agent shall have no liability (whether direct or indirect) to the Company or any of its affiliates in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company. Information which is held elsewhere within the Agent, but of which none of the individuals in the investment banking department or division of the Agent involved in providing the services contemplated by this Agreement actually has knowledge (or without breach of internal procedures can properly obtain) will not for any purpose be taken into account in determining any of the responsibilities of the Agent to the Company under this Agreement.

22. Miscellaneous

(a) This Agreement shall enure to the benefit of, and shall be binding upon, the Agent and the Company and their respective successors and legal representatives, provided that no party may assign this Agreement or any rights or obligations under this Agreement, in whole or in part, without the prior written consent of the other party.

(b) This Agreement constitutes the entire agreement between the parties relating to its subject matter and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to such subject matter. This Agreement may only be amended, supplemented, or otherwise modified by written agreement signed by all of the parties.

(c) The Company acknowledges and agrees that: (i) the Offering contemplated by this Agreement is an arm's-length commercial transaction between the Company, on the one hand, and the Agent, on the other; (ii) in connection therewith and with the process leading to such transaction the Agent is acting solely as a principal and not the agent or fiduciary of the Company; (iii) the Agent has not assumed an advisory or fiduciary responsibility in favour of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether the Agent has advised or is concurrently advising the Company on other matters) or any other obligation to the Company except the obligations expressly set forth in this Agreement; and (iv) the Company has consulted its own legal and financial advisors to the extent they deemed appropriate. The Company agrees that it will not claim that the Agent has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company in connection with such transaction or the process leading thereto.

(d) The Company acknowledges and agrees that all written and oral opinions, advice, analyses and materials provided by the Agent in connection with this Agreement and its engagement hereunder are intended solely for the Company's benefit and the Company's internal use only with respect to the Offering and the Company agrees that no such opinion, advice, analysis or material will be used for any other purpose whatsoever or reproduced, disseminated, quoted from or referred to in whole or in part at any time, in any manner or for any purpose, without the Agent's prior written consent in each specific instance. Any advice or opinions given by the Agent hereunder will be made subject to, and will be based upon, such assumptions, limitations, qualifications, and reservations as the Agent, in its sole judgment, deems necessary or prudent in the circumstances. The Agent expressly disclaims any liability or responsibility by reason of any unauthorized use, publication, distribution of or reference to any oral or written opinions or advice or materials provided by the Agent or any unauthorized reference to the Agent or this Agreement.

(e) The Company acknowledges that the Agent is a full service securities firm engaged in securities trading and brokerage activities as well as providing investment banking and financial advisory services and that in the ordinary course of its trading and brokerage activities, the Agent and/or any of its affiliates at any time may hold long or short positions, and may trade or otherwise effect transactions, for its own account or the accounts of customers, in debt or equity securities of the Company or any other company that may be involved in a transaction or related derivative securities.

(f) Neither the Company nor the Agent shall make any public announcement in connection with the Offering, except if the other party has consented to such announcement or the announcement is required by applicable laws or stock exchange rules. In such event, the party proposing to make the announcement will provide the other party with a reasonable opportunity, in the circumstances, to review a draft of the proposed announcement and to provide comments thereon.

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

(h) No waiver of any provision of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right it may have.

(i) If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

(j) This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and the parties submit to the exclusive jurisdiction of the courts of the Province of Ontario.

(k) Time shall be of the essence hereof and, following any waiver or indulgence by any party, time shall again be of the essence hereof.

(l) The words, "hereunder", "hereof" and similar phrases mean and refer to the Agreement formed as a result of the acceptance by the Company of this offer by the Agent to offer and sell on a commercially reasonable "best efforts" basis the Offered Units.

(m) All warranties, representations, covenants (including indemnification obligations) and agreements of the Company herein contained or contained in any Ancillary Document shall survive the offer and sale by the Agent of the Offered Units and shall continue in full force and effect for the benefit of the Agent regardless of the Closing of the sale of the Offered Units, any subsequent disposition of the Offered Units by the purchasers thereof or the termination of the Agent's obligations under this Agreement for a period of two years from the date hereof and shall not be limited or prejudiced by any investigation made by or on behalf of the Agent in accordance with the preparation of the Preliminary Prospectus, the

Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material or the distribution of the Offered Units or otherwise, and the Company agrees that the Agent shall not be presumed to know of the existence of a claim against the Company under this Agreement or any Ancillary Document or in connection with the offer and sale of the Offered Units as a result of any investigation made by or on behalf of the Agent in accordance with the preparation of the Preliminary Prospectus, the Amended and Restated Preliminary Prospectus, the Final Prospectus or any Supplementary Material or the distribution of the Offered Units or otherwise. Notwithstanding the foregoing, the provisions contained in this Agreement in any way related to indemnification or contribution obligations shall survive and continue in full force and effect, indefinitely.

(n) Each of the parties hereto shall be entitled to rely on delivery of a facsimile or portable document format copy of this Agreement and acceptance by each such party of any such facsimile or portable document format copy shall be legally effective to create a valid and binding agreement between the parties hereto in accordance with the terms hereof.

(o) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

[*remainder of page intentionally left blank*]

If this Agreement accurately reflects the terms of the transactions which we are to enter into and are agreed to by you, please communicate your acceptance by executing the enclosed copies of this Agreement where indicated and returning them to us.

Yours very truly,

CANACCORD GENUITY CORP.

Per: (signed) "*Frank Sullivan*"
Name: Frank Sullivan
Title: Vice President, Sponsorship, Investment Banking

Accepted and agreed to by the undersigned as of the date of this Agreement first written above.

STEM HOLDINGS, INC.

Per: (signed) "*Adam Berk*"
Name: Adam Berk
Title: Chief Executive Officer