

AMENDMENT AGREEMENT

Re: Direct Placement Agreement dated February 22, 2019 (the "Agreement") among Chemesis International Inc., GEM Yield Bahamas Ltd., GEM Global Yield Fund LLC SCS and the Share Lenders (as defined in the Agreement) (collectively, the "Parties")




IN CONSIDERATION of the respective agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree and confirm that:

1. All capitalized terms used and not otherwise defined herein shall have the respective meanings given to them in the Agreement.
2. Schedule 2 of the Agreement is amended to add the following information:


**SHARE LENDER'S NAME:
SHARE LENDER'S ADDRESS AND
EMAIL ADDRESS:**



*[Redaction:
personal
information]*

For the avoidance of doubt, it is confirmed that  remains a Share Lender under the Agreement, such that, following the foregoing amendment, both   will constitute Share Lenders for purposes of the Agreement.

[Redaction: personal information]

3.  hereby accepts and agrees to be bound by the terms of the Agreement.

[Redaction: personal information]

4. Except as expressly amended hereby, the Agreement shall be unmodified and shall continue to be in full force and effect in accordance with its terms (as amended hereby) and all provisions of the Agreement, as amended hereby, are confirmed.

5. This Amendment Agreement will be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of British Columbia.

6. This Amendment Agreement may be executed in counterpart and may be executed and delivered by facsimile, electronic mail or other means of electronic transmission.

Dated as of July 9, 2019.


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[Redaction: signature]


CHEMESIS INTERNATIONAL INC.

Per:


Authorized Signatory
[Redaction: signature]


GEM YIELD BAHAMAS LTD.

Per:


[Redaction: signature]


**GEM GLOBAL YIELD FUND LLC
SCS**

Per:


[Redaction: signature]


1104255 BC LTD.

Per:


Authorized Signatory
[Redaction: signature]

RAE VENTURES INC.

Per:


Authorized Signatory
[Redaction: signature]

DATED AS OF

February 22, 2019

CHEMESIS INTERNATIONAL INC.

- and -

GEM YIELD BAHAMAS LTD.

- and -

GEM GLOBAL YIELD FUND LLC SCS

- and -

THE SHARE LENDERS

DIRECT PLACEMENT AGREEMENT

DIRECT PLACEMENT AGREEMENT

THIS AGREEMENT is made on February 22, 2019

BETWEEN:

- (1) **Chemesis International Inc.**, a company incorporated under the laws of British-Columbia having an office at 2710-200 Granville Street, Vancouver, British-Columbia V6C 1S4, Canada (the "**Company**");
- (2) **GEM Global Yield Fund LLC SCS**, (together with its permitted successors and assigns), a company incorporated under the laws of Luxembourg whose registered office is at 412F, route d'Esch, L-2086 Luxembourg (the "**Investor**");
- (3) **GEM Yield Bahamas Ltd.**, a company incorporated in Delaware whose principal place of business is at 390 Park Avenue, 7th Floor, New York, NY 10022, USA ("**GEMYB**"); and
- (4) The persons whose names and addresses are set out in Schedule 2 of this Agreement (the "**Share Lenders**").

WHEREAS:

- (A) The Investor wishes to subscribe, on the terms and subject to the conditions set out in this Agreement, for securities of the Company with an aggregate sale price of up to [REDACTED] [Redaction: payment term]
- (B) An Initial Direct Placement shall be completed for [REDACTED] no later than 10 days after the signing of this Agreement (the "**Initial Direct Placement**"). [Redaction: payment term]
- (C) The Share Lenders wish, on the terms set out in this Agreement, to lend Common Shares (as defined herein) to the Investor.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the mutual covenants, agreements, representations and warranties hereinafter set forth and the sum of CDN\$10 paid by each Party to the other and other good and valuable consideration, the Parties hereto agree as follows:

IT IS AGREED:

1. DEFINITIONS

1.1 The following terms used in this Agreement shall, unless the context otherwise requires, bear the following meanings:

" Acceptance Notice "	shall have the meaning given in clause 1.1(e);
" Acceptance Period "	shall have the meaning given in clause 1.1(a);
" Affiliate "	has the meaning given to such term in the <i>Securities Act</i> (British Columbia);

"Applicable Securities Laws"	the applicable securities laws in the Provinces of British Columbia, Alberta and Ontario and the respective rules, regulations, instruments, blanket orders and blanket rulings under such laws together with applicable published policies, policy statements and notices of the Applicable Securities Regulator and the Listing Rules;
"Applicable Securities Regulators"	the securities commissions or securities regulatory authorities in the provinces of British Columbia, Alberta and Ontario;
"Bloomberg"	Bloomberg Financial Markets;
"Business Day"	any day (except any Saturday or Sunday) on which banks in New York, Vancouver, British Columbia and Toronto, Ontario are generally open for business;
"CDN"	the lawful currency of Canada;
"Change of Control"	means the acquisition of Common Shares of the Company as a result of which a person, group of persons or persons acting jointly or in concert, or persons associated or affiliated within the meaning of the <i>Business Corporations Act</i> (British Columbia) with any such person, group of persons or any of such persons (collectively " Acquirors "), beneficially own or exercise control or direction over Common Shares such that the Acquirors would beneficially own or exercise control or direction over Common Shares which would entitle them to cast more than 50% of the votes attaching to all Common Shares;
"Closing Bid Price"	for Common Shares as of any date, the last closing bid price for such shares on the Exchange as reported by Bloomberg or, if no such closing bid price is reported for such shares by Bloomberg, the last such closing trade price of such shares that is reported by Bloomberg, in each case appropriately adjusted for any Variations (to the extent that any such Variation has not already been reflected in such closing bid or trade price);
"Closing Date"	shall have the meaning given in clause 3.3;
"Closing Price"	for Common Shares as of any date, shall be the last closing price for such shares on the Exchange as reported by Bloomberg or, if no such closing price is

reported for such shares by Bloomberg, the last such closing trade price of such shares that is reported by Bloomberg, in each case appropriately adjusted for any Variations (to the extent that any such Variation has not already been reflected in such closing or trade price);

"Commitment Period"	the period commencing on the date of this Agreement and expiring on the earlier of: (a) 24 months from the date of this Agreement; and (b) the date on which the Investor has subscribed for Common Shares with an aggregate Purchase Price of [Redaction]
"Common Shares"	Common Shares in the capital stock of the Company; <i>[Redaction: payment term]</i>
"Daily Trading Volume"	with respect to any Trading Day, the trading volume of the Common Shares on the Exchange, as reported by Bloomberg, provided that block trades as reported by Bloomberg and single trades of 50,000 Common Shares or more, commonly known as single account cross trades, shall be disregarded for the purpose of calculating such trading volume;
"Designated Officer"	any director or officer of the Company, the secretary of the Company or such other person as is designated by the board of directors of the Company;
"Exchange"	the Canadian Securities Exchange;
"Excluded Day"	any Trading Day during an Acceptance Period: (a) on which: (i) the amount equal to 90 per cent of the Closing Bid Price is less than the applicable Purchase Price or (ii) the Common Shares are not traded on the Exchange; or (b) in respect of which the Investor makes an election in accordance with clause 1.1(f)
"Fee"	has the meaning given in clause 1.1(a);
"Floor Price"	[Redaction] or the minimum purchase price set by the Company in each Placement Notice below which the Company does not wish to issue Common Shares pursuant to such Placement Notice; the price may be different in each Placement Notice ;
"Group"	<i>[Redaction: payment term]</i> the Company and its Subsidiaries collectively and any body corporate or entity which directly or indirectly controls or is under common control with the Company, collectively;

"Initial Direct Placement"	has the meaning given in the preamble.
"Investor's Brokerage Account"	the Investor's brokerage account which will provide the Investor with access to clearing and settlement services in the Settlement System in respect of the Common Shares;
"Lien"	with respect to any asset, any mortgage, lien, pledge, encumbrance, charge, hypothec or security interest of any kind in or on such asset or the revenues or income therefrom save in so far as they arise or are created by operation of law or in the normal course of trading;
"Listing"	admission to listing (if applicable) on the Exchange and any applicable official list and trading on the Exchange, and the terms "List" and "Listed" shall be construed accordingly;
"Listing Rules"	the rules and policies of the Exchange applicable to a Listed company from time to time;
"Loan"	has the meaning given in clause 1.1(a);
"Loan Shares"	has the meaning given in clause 1.1(a);
"Market Out"	the right of the Investor to decline to purchase Common Shares in connection with a Placement Notice on one or more occasions if the Exchange refuses to accept or approve any subscription to or issuance of, any Common Shares pursuant to this Agreement for any reason whatsoever, including in respect of the Purchase Price;
"Market Price"	Closing Bid Price on the Exchange for the fifteen (15) Trading Days, or 30 Trading Days if so elected by the Investor pursuant to clause 1.1(b) preceding the relevant date;
"Material Adverse Event"	any event or series of events which has led or may reasonably be expected to lead to (a) any material adverse effect on the business, operations, properties or financial condition or prospects of the Group, taken as a whole, (b) any condition, circumstance or situation that would prohibit or interfere with the ability of any member of the Group from performing or otherwise materially interfere with the authority or ability of any member of the Group to perform its

obligations under or in respect of this Agreement or the Common Shares, (c) the Common Shares ceasing to be Listed, or (d) the Listing of the Common Shares, or trading in Common Shares on the Exchange, being suspended for five (5) or more consecutive Trading Days;

"Material Change in Ownership" any event or series of events which has led or may reasonably be expected to lead to any circumstance that the officers and directors of the Company own less than 20% of the outstanding Securities.

"Notice Date" the date of delivery of a relevant Placement Notice;

"Person" an individual or a corporation, a general or limited partnership, a trust, an incorporated or unincorporated association, a joint venture, a limited liability company, a limited liability partnership, a joint stock company, a government (or an agency or political subdivision thereof) or any other entity of any kind;

"Placement Maximum" the maximum number of Common Shares which can be stated in each Placement Notice such that:



"Placement Notice" *[Redaction: payment term]*
a notice completed by the Company at any time during the Commitment Period and submitted to the Investor in the form attached hereto as Exhibit A;

"Placement Pricing Period" a period of 15 consecutive Trading Days, or 30 Trading Days if so elected by the Investor pursuant to clause 1.1(b), or in the case of the Initial Direct

	Placement, 10 Trading Days days, preceding a placement closing date;
"Promissory Note"	a promissory note in the form set out at Exhibit B;
"Purchase Price"	shall mean, per Common Share, an amount equal to the greater of (i) 90 per cent of the Market Price for the relevant Acceptance Period, excluding any Excluded Day; and (ii) the Floor Price;
"Rejection Notice"	shall have the meaning given in clause 1.1(e);
"Required Approvals"	shall have the meaning given in clause 1.1(g);
"Securities"	means the Common Shares issuable pursuant to an Acceptance Notice, the Warrants and the Underlying Common Shares;
"Securities Act"	the United States Securities Act of 1933, as amended;
"Settlement System"	the system for electronic settlement of trades in Common Shares on the Exchange operated by CDS Canadian Clearing and Depository Services Inc. or other relevant entity with respect to a different Exchange on which the Common Shares are listed or jurisdiction in which the Common Shares are listed;
"Share Lender Purchase Notice"	shall have the meaning given in clause 1.1(f);
"Solvent"	with respect to any Person on a particular date, such Person being able to pay its debts as they are generally due;
"Subscription Amount"	subject to the Placement Maximum, the aggregate number of Common Shares stated in each Placement Notice (which number may be different in each Placement Notice) that the Company wishes the Investor to subscribe for;
"Subscription Day"	the Trading Day <u>immediately preceding</u> the date of the applicable Placement Notice;
"Subsidiary"	has the meaning given to such term in the <i>Securities Act</i> (British Columbia);
"Trading"	trading of the Common Shares on the Exchange;

"Trading Day"	a day on which the Exchange is open and remains open for not less than 5 hours for general trading of securities;
"Underlying Common Shares"	means the Common Shares issuable upon exercise of the Warrants;
"United States" and "U.S. Person"	shall have the respective meanings set out in Regulation S Rule 902(k) under the Securities Act;
"Variation"	any variation to the share capital of the Company (including without limitation any subdivision, consolidation, capitalisation issue or scrip dividend or any issue of new shares other than for arm's-length consideration) or any change of nominal value after the date of this Agreement;
"Warrant Agreement"	the warrant agreement in respect of Warrants to be entered into pursuant to this Agreement in the form set out in Exhibit F;
"Warrant Delivery Date"	shall have the meaning set out in clause 5.4;
"Warranties"	the statements made in clauses 4 and 6;
"Warrants"	the warrants to be issued pursuant to this Agreement in the form set out in Exhibit F;
"Warrants Payment"	shall have the meaning set out in clause 5.4.

1.2 References to clauses, Schedules and Exhibits are, save where the context otherwise requires, to clauses of and schedules and exhibits to this Agreement.

2. PLACEMENT NOTICE

2.1 Delivery of Placement Notice

Subject to and in accordance with the terms, conditions and provisions of this Agreement, the Investor hereby agrees to purchase, pursuant to the Initial Direct Placement, [Redaction: payment term] of Common Shares, which at the date hereof would represent [Redaction] Common Shares at [Redaction] per Common Share. The final subscription price for such Common Shares and the final number of Common Shares, shall be adjusted, if necessary, in the final and relevant documents relating to such subscription, as set out herein. The Placement Pricing Period for the Initial Direct Placement shall be 10 Trading Days.

Subject to the satisfaction (or waiver in writing by the Investor) of the conditions set forth in clause **Error! Reference source not found.**, on any Trading Day during the Commitment Period, the Company shall be entitled (but in no circumstances obligated) to issue a Placement Notice to the Investor, and, if such Placement Notice is issued, shall provide a

copy of such Placement Notice to the Share Lenders. The Placement Notice shall be completed as required and duly executed and shall:

- (i) specify the Floor Price and the Subscription Amount (as inserted by the Company); and
- (ii) be delivered on each occasion in the form of a duly completed Exhibit A.

A Placement Notice shall be irrevocable. The Company may issue as many Placement Notices as it may elect (each Placement Notice constituting a "placement") during the Commitment Period provided that, after delivery of a Placement Notice, the Company may not, without the prior consent of the Investor, thereafter deliver a further Placement Notice until the expiry of the Acceptance Period relating to the Placement Notice already delivered.

2.2 Conditions Precedent to the Delivery of a Placement Notice

The Company may issue a Placement Notice only if the following conditions have been and remain satisfied (or waived by the Investor in writing in respect of the relevant Placement Notice):

- (a) the Company shall have delivered, and the Investor shall have received copies, of this Agreement and the Promissory Note duly executed by the Company, and those agreements remain in full force and effect, enforceable against the Company in accordance with their terms and the Share Lenders shall have delivered and the Investor shall have received a copy of this Agreement duly executed by the Share Lenders, and this Agreement shall remain in full force and effect, enforceable against the Share Lenders in accordance with its terms;
- (b) the Share Lenders shall have delivered the Common Shares, free trading and unrestricted, to which the Placement Notice relates in electronic form into the account of the Investor;
- (c) the Promissory Note has been duly executed and delivered to the Investor;
- (d) the Company has obtained all the Required Approvals (if any) in respect of the particular placement (in a form reasonably acceptable to the Investor) and such Required Approvals (if any) are in full force and effect such that

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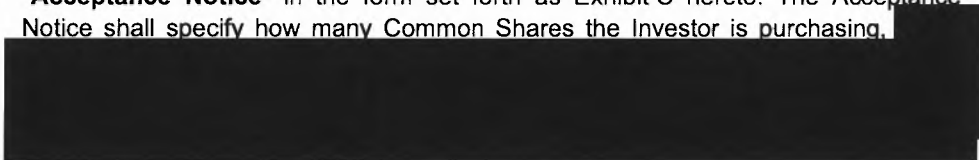
may be duly allotted and issued to the Investor; [Redaction: payment terms]

- (e) the issuance of Common Shares to the Investor will not require the Company to obtain the approval of its shareholders;
- (f) the Common Shares remain Listed on the Exchange;
- (g) the representations and warranties of the Company contained herein are true and correct in all material respects as of the relevant Subscription Day as repeated at that time by and with respect to the Company (except that representations and warranties that are expressed by their terms to be made as of a specific date need be true in all respects only as of such date);
- (h) the Company and each Share Lender, have performed, satisfied and complied in all material respects with all covenants, obligations, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company or the Share Lender (as the case may be) at or prior to the date of the Placement Notice;
- (i) no inquiry, investigation or other proceeding, whether formal or informal, has been commenced, announced or threatened, no order has been issued by any governmental or regulatory organisation or stock exchange and there has been no change of law or policy, or the interpretation or administration thereof, which operates or could operate to prevent, suspend, hinder, delay, restrict or otherwise have a significant adverse effect on the transactions contemplated by this Agreement or which could have a material adverse effect on the Investor;
- (j) Listing of the Common Shares has not been suspended or threatened to be suspended by the Exchange during the 20 Trading Days prior to the relevant Subscription Day;
- (k) there shall have been no reasonable allegation of fraud committed by or on the part of the Company, its officers, directors or shareholders and affiliates or their respective officers or directors;
- (l) no Material Adverse Event or Material Change in Ownership has occurred or is reasonably expected to occur; and
- (m) the Placement Maximum has not been reached.

2.3 **Acceptance or Rejection of Placement Notice**

- (a) Investor shall, subject to clause 2.3, within a period of either 15 Trading Days, or 30 Trading Days if so elected by the Investor pursuant to clause 1.1(b), from the receipt of a Placement Notice from the Company, (the period, as elected being the "**Acceptance Period**") accept or, if any condition set forth in clause **Error! Reference source not found.** has not been met or the right of Market Out exists, reject the Placement Notice.
- (b) Depending on market conditions, the Investor shall, at his sole discretion, extend the Acceptance Period up to a total of 30 days with interim closing if requested by the Company.

- (c) Investor will wire the required funds to the Company in accordance with particulars provided by the Company from time to time on the first Trading Day after the expiry of an Acceptance Period.
- (d) In the event that the Common Shares to which the Placement Notice relates exceed the Placement Maximum, Investor shall not be obligated to accept it and it shall automatically be null and void upon providing notice thereof to the Company and for greater certainty, the Acceptance Period shall be deemed to have expired in respect of such Placement Notice.
- (e) In the event that the Common Shares to which the Placement Notice relates do not exceed the Placement Maximum, and the right of Market Out does not exist, no later than the last Business Day of an Acceptance Period, the Investor shall issue an "**Acceptance Notice**" in the form set forth as Exhibit C hereto. The Acceptance Notice shall specify how many Common Shares the Investor is purchasing.



- (f) *[Redaction: payment terms]*
In the circumstances in which the Market Out right exists, the Investor may deliver a "**Rejection Notice**" in the form set forth in Exhibit D hereto. In circumstances where the Investor has delivered a Rejection Notice to the Company, the Investor shall have the right, which right shall exist so long as this Agreement is in force, to elect to purchase Common Shares directly from the Share Lenders upon three Business Days' notice to the Share Lenders (the "**Share Lender Purchase Notice**" in the form set forth as Exhibit E hereto).




*[Redaction:
payment terms]*

- (g) For the purpose of calculating the obligation of the Investor during an Acceptance Period, if there has been a Material Adverse Event on any Trading Day during an Acceptance Period, the Investor shall be entitled, at its sole discretion, to elect to treat such Trading Day and any further Trading Day following such Trading Day during the relevant Acceptance Period as an Excluded Day.
- (h) In the event where there is an Excluded Day, this day shall be excluded from the average price calculation and the Investor's purchase obligation shall be reduced by 1/15th or 1/30th if so elected by the Investor pursuant to clause 1.1(b).

- (i) The Company shall issue a Placement Notice in respect of the Initial Direct Placement as soon as practicable following the date hereof.

2.4 Fee

Provided that the Initial Direct Placement is completed:

- (a)  [Redaction: payment terms]
- (b) The Fee (and any applicable interest thereon pursuant to clause 1.1(f)) shall be payable in cash;
- (c) The Company shall, on the date of this Agreement, provide a Promissory Note as evidence of its obligation to pay the Fee;
- (d) The Investor shall be entitled to set off, on behalf of GEMYB, such Fee against the Purchase Price for any placement which the Investor shall be obligated to pay to the Company. Any such set off or assignment shall be without prejudice to any other rights or remedies which the Investor may have against the Company;
- (e) If for any reason:
 - (i) the Company fails to comply with its obligations to pay the Fee;
 - (ii) the Company has breached in any material respect any representation, warranty, covenant or agreement contained in this Agreement and (if such breach is curable) such breach is not cured within 5 Business Days following receipt by the Company of notice of such breach or there has been any Material Adverse Event;
 - (iii) the Company ceases to carry on business at any time before the Fee is paid; or
 - (iv) any steps are taken by any person to initiate any form of bankruptcy, insolvency, wratorship, tutorship or administration proceedings in relation to the Company before the Fee is paid,

the Fee at that time shall become immediately due and payable.

- (f) Notwithstanding the foregoing, in the event this Agreement is terminated by the Company pursuant to clause 8.4 below or if the Investor refuses to purchase Common Shares in connection with a Placement Notice delivered by the Company to the Investor pursuant to the terms and conditions of this Agreement for which the right of

Market Out does not apply, the outstanding balance of the Fee at such time shall cease to be due and payable by the Company to GEMYB and the Promissory Note shall be terminated and duly surrendered by GEMYB to the Company; and

- (g) If any sum payable under this clause 1.1(f) is not paid on the due date of payment, interest shall accrue on such sum from and including the due date for payment to but excluding the date on which payment is made at a rate of ■ per cent above the base rate of ■ from time to time. *[Redaction: payment terms]*

Notwithstanding the foregoing, in the event that the Initial Direct Placement is not completed due to the failure to meet or non-fulfillment of any conditions hereunder (other than by reason of the Investor's breach of its representations, warranties and/or undertakings in this Agreement), then Sections 2.4(a) – (g) shall not be conditional upon completion of the Initial Direct Placement.

GEMYB hereby represents, warrants and covenants to the Company that all actions by the GEMYB hereunder shall at all times be in compliance with applicable laws in all material respects.

3. SUBSCRIPTION FOR COMMON SHARES

3.1 Delivery of Placement Notice & Share Lending

The Share Lenders shall be deemed, upon receipt of any Placement Notice, to offer (the "Offer") to lend Common Shares to the Investor on the following terms:

- (a) the total number of Common Shares which shall be offered for loan (the "Loan") (excluding any Common Shares which have already been loaned and which have not yet been returned to the relevant Share Lender by the Investor pursuant to such loan) (the "Loan Shares") shall be equal to 100 per cent of the Subscription Amount;
- (b) the Investor shall be deemed to accept the Offer in full unless it shall have notified the Share Lenders otherwise on or prior to the date which is three (3) Trading Days after the date of the Placement Notice;
- (c) the Investor's Brokerage Account to be used for each delivery of Loan Shares shall be designated by the Investor not later than two (2) Trading Days after the delivery of a Placement Notice;
- (d) the Share Lenders shall together deliver the Loan Shares to the Investor's Brokerage Account promptly upon and, in any case, no later than three (3) Business Days from, being informed of the account information as contemplated by paragraph (c) above;
- (e) the Loan Shares shall be freely transferable and unrestricted. In the event that the Loan Shares are not freely tradable and unrestricted, the Placement Notice shall be null and void; and
- (f) subject to the reference to nominal consideration in the Recitals to this Agreement, the Share Lenders shall receive no consideration in connection with the Offer.

3.2 Further Terms of Share Lending

- (a) Subject to clause 3.5, each Loan shall be concluded for a term commencing on the date of delivery of the Loan Shares to the Investor and ending on the day on which the Investor shall have discharged its obligations in respect thereof.
- (b) The delivery of the Loan Shares to the Investor shall constitute a “loan” of the relevant securities, not a sale or other disposition of such securities, and accordingly beneficial ownership of the Loan Shares shall not pass to the Investor upon the delivery of the Loan Shares. Notwithstanding the foregoing sentence, until the date set for return of the Loan Shares under clause **Error! Reference source not found.**(d), the Investor shall have all of the incidents of ownership of the Loan Shares, including the right to transfer or trade the Loan Shares to others, except for the voting rights attached to the Loan Shares, which rights shall remain with the Share Lenders.
- (c) Where the number of Loan Shares transferred to the Investor by the Share Lenders in connection with a Placement Notice is greater than the Subscription Amount specified in the corresponding Placement Notice, the Investor shall return to the Share Lender any Loan Shares received in excess of the Subscription Amount without undue delay, but in any case by no later than the first Business Day on which the Settlement System is in operation following the Closing Date.
- (d) Immediately upon the Investor being issued Common Shares directly by the Company pursuant to this Agreement, the Investor shall use such Common Shares towards the repayment of any balance of the relevant Loan by transferring (or instructing a third party to transfer) a number of Common Shares which is equal to the number of outstanding Loan Shares to the Share Lenders.
- (e) Where there is at any time more than one Share Lender, (i) their obligations under this Agreement are undertaken by them jointly and severally; and (ii) subject to clause 3.5, the Share Lenders shall be responsible for telling the Investor to which of them any Common Shares are to be transferred or rights to receive Common Shares are to be assigned and any Loan Shares are to be returned.

3.3 Subscription Closing

Notwithstanding the provisions herein (except clause 2.1, to which this clause 3.3 is subject), the Company may request interim closings upon 5 days written notice with any necessary adjustments to be made to the ultimate subscription amount.

Subject to:

- (a) the satisfaction (or waiver in writing by the Investor) of the conditions set out in clause **Error! Reference source not found.** as at the Subscription Day;
- (b) the subscription and payment for the Common Shares pursuant to the relevant fully completed and duly executed Placement Notice and the Listing of such Common

Shares not being prohibited or enjoined (temporarily or permanently) by any applicable law or governmental or other regulation including the Listing Rules (other than by reason of the Investor's breach of its representations, warranties and/or undertakings in this Agreement); and

- (c) no change having become effective between the date of this Agreement and each Closing Date, in any law or regulation (whether governmental or otherwise) which would adversely affect in any material aspect the holding or disposal of Common Shares by the Investor or the Investor's rights in respect thereof:

no later than three (3) Business Days following the approval of the Exchange or, if the Settlement System is not in operation on that day, the next Trading Day on which the Settlement System is in operation (each, a "**Closing Date**"), the Company shall issue to the Investor the Common Shares subscribed for by the Investor against payment by the Investor of the Purchase Price in respect thereof. For the avoidance of doubt, the Closing Date for the Initial Direct Placement shall be the date that is the 10th Trading Day following the date of the Placement Notice in respect of the Initial Direct Placement (the "**Initial Placement Closing Date**"), and the time periods for acceptance or rejection of a Placement set forth in Section 2.3 shall not apply to the Initial Direct Placement. For the avoidance of doubt, in the event that the Initial Direct Placement does not complete by the Initial Placement Closing Date, then any Loan Shares that may have been delivered by the Share Lender to the Investor pursuant to this Agreement shall be returned forthwith, and in any event, within three Trading Days of the Initial Placement Closing Date, to the Share Lender.

3.4 **Replacement of Share Lenders**

A Share Lender may withdraw from this Agreement subject to notifying the Company and the Investor of its intention thereof and subject to a notice period of not less than 90 days. The Investor shall thereafter not have any obligations under this Agreement until one or more persons has executed a deed of adherence in which they confirm that they have become a party to this Agreement in the capacity of a Share Lender and agree to be bound by all applicable terms of this Agreement.

3.5 **Substitution of Share Lenders**

Notwithstanding clause (e), the Company may, at its sole discretion and at any time, request any Share Lender which has lent Loan Shares to the Investor, to be substituted with another Share Lender. Such substitutions should be completed pursuant to the terms and conditions of this Agreement adapted as required.

3.6 **Warranties of the Share Lenders**

The warranties in this clause 3.6 shall be deemed to have been repeated as at each Subscription Day, as at each Closing Date and as at each date on which Common Shares become issued and Listed pursuant to this Agreement with reference to the facts and circumstances existing on that date. Each Share Lender hereby represents warrants and undertakes to the Investor that the following statements are true and accurate in all respects:

- (a) such Share Lender has the requisite power and authority to enter into and to consummate the transactions contemplated hereby and otherwise to carry out its obligations hereunder;
- (b) such Share Lender is the legal and beneficial owner of any Loan Shares it loans pursuant to this Agreement;
- (c) the Loan Shares are freely tradeable and not subject to any statutory or other hold period or restriction on resale applicable to the Share Lender or the Loan Shares;
- (d) such Share Lender is not required to obtain any consent, waiver, authorisation or order of, or make any filing or registration with, any court or other governmental or regulatory authority or other Person (including, without limitation, the approval of its director(s)) in connection with the execution, delivery and performance by it of this Agreement and as of the Subscription Day and as of the Closing Date any necessary consents and approvals have been obtained and remain in full force in respect of the lending of the Loan Shares;
- (e) such Share Lender is resident in the place of incorporation as set out at Schedule 2.

4. **REPRESENTATIONS WARRANTIES AND UNDERTAKINGS OF THE COMPANY**

4.1 The Company hereby represents warrants and undertakes to the Investor that the Warranties are true and accurate in all respects in respect of the Company as at the date of this Agreement. The Warranties shall be deemed to have been repeated by the Company as at each Subscription Day, as at each Closing Date and as at each date on which Common Shares become issued and Listed pursuant to this Agreement with reference to the facts and circumstances existing on that date.

(a) **Organisation and Qualification**

The Company and each of its Subsidiaries is duly incorporated and validly existing under the laws of its jurisdiction of incorporation with the requisite corporate power and authority to own and use its properties and assets and to carry on its business as currently conducted.

(b) **Organisation of Share Capital**

Common Shares for so long as this Agreement remains in force, will remain the only class of shares in the equity share capital of the Company (where "equity share capital" refers to the issued shares of capital stock of the Company, excluding any class of shares which neither as respects dividends nor as respects capital carry any right to participate beyond a specified amount in the distribution) and the Company shall not for so long as this Agreement remains in force issue any shares in the equity share capital of the Company which have rights differing from those attaching to the equity share capital in issue as at the date of this Agreement.

(c) **Authorisation; Enforcement**

- (i) The Company has and shall have the requisite corporate power and authority to enter into this Agreement and on each Closing Date, to consummate the transactions contemplated by this Agreement that are to be consummated on that Closing Date and otherwise to carry out its obligations under this Agreement.
- (ii) The execution and delivery of this Agreement and the completion by it of the transactions required hereby and thereby have been and will be duly authorised by all necessary action on the part of the Company, its directors and its shareholders.
- (iii) This Agreement has been duly executed and delivered by the Company or on its behalf and the obligations assumed by the Company under this Agreement constitute and will constitute valid and binding obligations of the Company, enforceable against each of them in accordance with their terms.

(d) **Share Capital**

As at the Subscription Day, the issue of the Common Shares which may be issued as a result of the relevant Placement Notice will not be subject to any pre-emptive right to acquire, option, right of first offer or first refusal or similar rights.

(e) **Issue of Common Shares**

The Company will have on each Subscription Day and corresponding Closing Date, an adequate reserve of authorised but unissued Common Shares to enable it to allot and issue the number of Common Shares equal to the Subscription Amount set forth in the relevant Placement Notice and if applicable, the number of the Underlying Common Shares issuable pursuant to the exercise of Warrants issued in connection with the relevant Placement Notice. When issued pursuant to this Agreement, the Securities shall be free of any Liens, duly authorised, validly issued, fully paid and non-assessable, and application shall be made forthwith for such Common Shares and if applicable, Underlying Common Shares, to be Listed.

(f) **No Conflicts**

The execution, delivery and performance of this Agreement and the issue of Securities by the Company pursuant to this Agreement, and the completion by the Company, of the transactions contemplated hereby, do not and will not conflict with or violate any provision of their constituting documents.

(g) **Consents and Approvals**

Except for any necessary approvals from the Exchange, including with respect to the Listing of Common Shares issued pursuant to a Placement Notice and the internal approvals referred to in clause 1.1(c)(ii), none of the Company or any Subsidiary is or shall be required to obtain any consent, waiver, authorisation or order of, or make any

filing or registration with, any court or the Exchange in connection with the execution, delivery and performance of this Agreement and the issue of the Securities under each Placement Notice. As of Closing Date, any necessary consents and approvals from the Exchange in respect of the Securities required to be issued pursuant to any Placement Notice (collectively, the "**Required Approvals**") shall have been obtained and shall be in full force and effect. The Company will, however, be required to file, following the issuance of any Securities hereunder or report in Form 45-106F1, within the prescribed period of time. The Company shall procure that all Loan Shares are Listed at all times, that all Common Shares and if applicable, Underlying Common Shares issued pursuant to this Agreement shall, subject to the Listing of the Common Shares already in issue remaining effective, be Listed with effect from the opening of business on the Trading Day after their issue date.

(h) **Litigation; Proceedings**

There is no action, suit, notice of violation, proceeding or investigation pending or, to the best knowledge of the directors of the Company, threatened against the Company or any of its Subsidiaries or any of their respective properties or assets before or by any court, governmental or administrative agency or regulatory authority which (i) relates to or challenges the legality, validity or enforceability of this Agreement; or (ii) could, individually or in the aggregate, be reasonably expected to impair materially the ability of the Company to perform fully on a timely basis its obligations under this Agreement.

(i) **Exchange**

On each Subscription Day, the Company shall be unaware of any reason why the Exchange will not consent to and/or List the maximum number of Common Shares and if applicable, Underlying Common Shares, which may be issued pursuant to the applicable Acceptance Notice.

(j) **Non-Public Information**

On each Subscription Day and each Closing Date, it is acknowledged that none of the Investor or any of its representatives or agents has been provided with any material information regarding or related to the Company or its operations, personnel, technologies or prospects that has not otherwise been made publicly available.

(k) **No Insolvency or Bankruptcy**

No member of the Group is insolvent or bankrupt, has committed any act of insolvency or bankruptcy. No transfer of property has been or is being made by any member of the Group and no obligation has been or is being incurred by any member of the Group in connection with the transactions contemplated by this Agreement or related documents with the intent to hinder, delay or defraud creditors of any member of the Group.

(l) **Public Disclosure**

The documents required to be filed by the Company under the disclosure obligations under Applicable Securities Laws (the "**Public Disclosure**") have, are, at all times, and will have, been filed and conform in all material respects to the requirements of the Applicable Securities Laws. Such documents at the time of their filing: (i) are true and correct in all material respects; (ii) do not contain any misrepresentations; and (iii) do not omit to state a fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances in which they will be made.

- 4.2 As at each Closing Date and as at each date on which Common Shares are to be issued pursuant to this Agreement, the Company shall be deemed to represent and warrant to the Investor that there shall have been no Material Adverse Event which occurred or became public or generally known, or which is reasonably expected to occur.
- 4.3 The Investor is entering into this Agreement and will subscribe for Common Shares in reliance on the representations, warranties, undertakings and covenants of the Company contained in this Agreement.

5. **ISSUE OF WARRANTS**

- 5.1 The Company shall issue and deliver, concurrently with the closing of the Initial Direct Placement, to the Investor, Warrants in accordance with this clause 5 "Issue of Warrants", in the form set out in Exhibit F. [Redaction]

[Redaction] The Warrants shall have an exercise price, subject to adjustments as set out in Schedule F, [Redaction]

[Redaction:
payment terms]

- 5.2 For greater certainty, in respect of Warrants not issued on the date of this Agreement, delivery of a Placement Notice and an Acceptance Notice under clause 2.1 and the closing of a subscription under clause 3.3 shall be deemed to be a subscription for Common Shares and Warrants for such period as Warrants are issuable pursuant to this clause 5. The foregoing is without prejudice to the rights of the Investor under clause 5.4 in relation to the Warrants Payment in circumstances where the Warrants Payment becomes payable.

- 5.3

[Redaction]

[Redaction:
payment terms]

- 5.4 Regardless of whether there is any subscription for or purchase of Common Shares under this Agreement, if the Company does not issue all of the Warrants by the date that is 18 months from the date hereof (the "**Warrant Delivery Date**") for any reason whatsoever, including failure to obtain approval of the Exchange, the Company shall indemnify and pay the Investor a cash payment equal to [Redaction] per cent of the exercise value (the exercise price of the Warrant multiplied by the number of Warrants that have not been issued of any Warrants not yet issued as calculated on the Warrant Delivery Date (the "**Warrants Payment**").

[Redaction: payment terms]

- 5.5 The Share Lenders hereby agree that if any Underlying Common Shares are subject to any restriction or hold period, they shall lend such number of Common Shares as is equal to the relevant number of Underlying Common Shares to the holder on the terms set out in Schedule F.
- 5.6 The Warrants Payment shall be payable in cash by the Company on the first Business Day after the 18-month period referenced in clause 5.4 has elapsed (the "**Warrant Payment Date**") by wire transfer (for same day value on the first Business Day after the Warrant Payment Date) to an account of which the Investor shall have given written details to the Company for this purpose. Upon payment of the Warrant Payment, the Company shall have no further obligation to issue Warrants pursuant to this clause 5.
- 5.7 The Warrants are assignable with the Company's prior written consent, which shall not be unreasonably withheld.
- 5.8 For certainty, except if the Investor refuses to make a requested investment as described in clause 5.4 above, as at the date of this Agreement, the Company has an obligation to the Investor (i) to deliver Warrants to purchase up to nine point nine (9.9) per cent of the Common Shares on a fully diluted basis in accordance with this clause 5, or, (ii) if fewer than such number of Warrants are issued within 18 months of the date of this Agreement, the Warrants Payment as calculated in accordance with clause 5.4.

6. **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS OF THE INVESTOR**

- 6.1 The Investor hereby represents, warrants and undertakes to the Company that the following statements are true and accurate in all respects. The warranties are deemed to be repeated on each Subscription Day, each Closing Date and each date on which Common Shares are issued pursuant to this Agreement.

(a) **Organisation Authority**

The Investor is a company duly formed, validly existing and currently resident under the laws of Luxembourg. The Investor has the requisite power and authority to enter into and to consummate the transactions contemplated hereby and otherwise to carry out its obligations hereunder. The subscription for Common Shares and if applicable Warrants, pursuant to this Agreement by the Investor has been duly authorised by all necessary action on part of the Investor, its directors and shareholders. This Agreement has been duly executed and delivered by the Investor or on its behalf and the obligations assumed by the Investor pursuant to this Agreement are valid and legally binding obligations of the Investor, enforceable against the Investor.

(b) **Non-U.S. Person Status**

The Investor is organised in Luxemburg and the Investor is not a U.S. Person and is subscribing for the Common Shares and if applicable, Warrants, pursuant to, and subject to the terms and conditions of, this Agreement in offshore transactions within the meaning of Regulation S under the Securities Act.

(c) **No Registration in the United States**

- (i) The Investor is aware that the Securities have not been, and will not be, registered under the Securities Act or the securities laws of any state, territory or district of the U.S. or any "blue sky" laws and that these Securities may not be offered or sold directly or indirectly in the U.S. without registration under the Securities Act or compliance with requirements of an exemption from registration and the Investor acknowledges that the Company have no present intention of filing a registration statement under the Securities Act in respect of such Securities and that no representation in that regard were otherwise made by the Company;
- (ii) The Investor will not offer or sell the Securities in the United States unless such Securities are registered under the Securities Act and all applicable state securities or "blue sky" laws of the United States or an exemption from such registration requirements is available.
- (iii) The offer to purchase Securities was not made to the Investor in the United States.
- (iv) At the time of the applicable Acceptance Notice and at the time this Agreement was executed and delivered, the Investor (or the Investor's authorized signatory) was outside of the United States.

(d) **Regulatory Filings**

If Applicable Securities Laws so require, the Investor will sign, deliver and file or will assist the Company in filing the reports, commitments and other documents relating to the creation, issue and/or sale of the Securities that may be required by a securities commission, a stock exchange or another regulator, within the prescribed deadlines.

(e) **Sale of Common Shares**

- (i) The Investor shall not at any time during the Commitment Period sell Common Shares exceeding the number of Common Shares which it owns and/or has the right to subscribe for pursuant to outstanding Placement Notices.
- (ii) The Investor undertakes that it shall not on any Trading Day sell Common Shares exceeding such number as represent [REDACTED] of the Common Shares which it owns and/or has the right to subscribe for pursuant to an outstanding Placement Notice. *[Redaction: payment terms]*

(iii) The Investor undertakes that during the Commitment Period it will not acquire, and the Investor shall not, notwithstanding any terms hereof, be obligated to acquire or subscribe for, any Common Shares which would in aggregate take its holding to more than 9.9 per cent of the outstanding Common Shares of the Company at any given time.

(f) **Accredited Investor**

The Investor is purchasing Securities as principal, for its own account and not for the benefit of another party and the Investor is an "accredited investor" ("**Accredited Investor**") as such term is currently defined in National Instrument 45-106 entitled *Prospectus Exemptions (Regulation 45-106 respecting prospectus and registration exemptions* in British Columbia) under paragraph (n) of such definition.

(g) **Resale of Securities**

Other than as set out in this Agreement, the Investor does not have any current intention to sell the Securities and it will comply with Applicable Securities Laws concerning the purchase, holding and resale of the Securities.

(h) **Financial Risks**

The Investor acknowledges that it is able to bear the financial risks associated with an investment in the Securities issuable hereunder. The Investor is capable of evaluating the risks and merits of an investment in the Securities by virtue of its experience as an investor and its knowledge, experience, and sophistication in financial and business matters and the Investor is capable of bearing the entire loss of its investment in same.

(i) **Directed Selling Efforts**

Neither the Investor nor any of its affiliates, nor any person acting on its or their behalf has engaged in or will engage in any form of general solicitation or general advertising with respect to offers or sales of the Securities, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or broadcast over radio, or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

(j) **Short Selling Restriction**

The Investor covenants from and after the date hereof through and including date of termination of this Agreement, that none of the Investor, its Affiliates, associates, partners or insiders will hold a net short position in Common Shares.

(k) **Restrictions on Resales**

In effecting any resales of Common Shares, the Investor will not engage in any sales, marketing or solicitation activities of the type undertaken by underwriters in the context of an offering of securities. The Investor will not:

- (i) advertise or otherwise hold itself out as a dealer;
- (ii) purchase or sell securities as principal from or to customers;
- (iii) carry a dealer inventory in securities;
- (iv) quote a market in securities;
- (v) extend or arrange for the extension of credit in connection with securities transactions;
- (vi) run a book of repurchase and reverse repurchase agreements;
- (vii) use a carrying broker for securities transactions;
- (viii) lend securities to customers;
- (ix) participate in a selling group; or
- (x) during an Acceptance Period, together with any affiliate, associate and subsidiaries, sell Common Shares.

(l) **Unaffiliated Dealer**

The Investor will not solicit offers to purchase Common Shares and will effect all sales of Common Shares through a dealer unaffiliated with the Investor and the Corporation and appropriately registered under Applicable Securities Laws.

(m) **Exchange Approval**

The Investor acknowledges and agrees that each placement of Securities will be subject to approval of the Exchange and there can be no guarantee that the Exchange will approve any issuance of Common Shares or Warrants beyond the first placement. Notwithstanding this clause, the Fee and the Warrant Payment shall be due and payable in accordance with the terms of this Agreement, regardless of whether or not Exchange approval is granted (however, the Investor acknowledges that without Exchange approval, the Fee may only be paid in cash (rather than in Common Shares) and in such circumstance the Company shall be obliged to pay the Fee in cash only).

(n) **No conflict**

The execution, delivery and performance of this Agreement, and the completion by the Investor, as applicable, of the transactions contemplated hereby, do not and will not

conflict with or violate any provision of its constituting documents or with any agreement to which the Investor is a party.

(o) **Consents and Approvals**

The Investor is not required to obtain any consent or authorization in connection with the execution, delivery and performance by the Investor of this Agreement.

- 6.2 The Investor acknowledges that the Company is entering into this Agreement and will issue the Common Shares and if applicable, Warrants, in reliance on the representations, warranties, undertakings and covenants of the Investor contained in this Agreement.

7. **OTHER AGREEMENTS OF THE PARTIES**

7.1 **PURPOSE**

The subscription monies received by the Company pursuant to this Agreement shall be used for working capital and general corporate purposes.

7.2 **Exclusivity**

The Company agrees not to enter into a direct placement agreement structured as a share subscription facility (an issue of shares to financial investors structured over time with each tranche and placement made at the discretion of the Company) or a similar agreement with any investors other than GEMYB or the Investor until February 22, 2023. This provision does not limit the Company from raising funds by any other means.

7.3 **Solicitation Materials**

In relation to this Agreement, other than as may be required by law or any regulation, the Company and its Affiliates and any Person acting on their behalf have not and shall not: (i) distribute any offering materials in connection with the offering and issuance of Securities; or (ii) solicit any offer to buy or sell such Securities by means of any form of general solicitation or advertising; or (iii) engage in any "directed selling efforts" as such term is defined in Rule 902 under the Securities Act; or (iv) take any action which would subject the issue of such Securities to registration requirements or to any securities laws of any applicable jurisdiction.

7.4 **No Endorsement or Recommendation**

No agency, government entity, regulatory body, stock exchange or other entity has made any finding or determination as to the merit for investment of, nor have any such agencies or government entities made any recommendation or endorsement with respect to, the Securities. Neither the Company, nor any person acting on their behalf has given to the Investor any undertaking, written or oral, relating to the future value or price of the Securities.

7.5 Resale Restrictions and Legends

- (a) Securities issued from treasury may be subject to certain resale and transfer restrictions under Applicable Securities Laws.
- (b) The Investor and each Share Lender have been advised to consult their own legal advisors with respect to applicable resale and transfer restrictions and that it is solely responsible for complying with such restrictions.
- (c) In this regard the Investor and each Share Lender acknowledges that, under certain Applicable Securities Laws, the following legend will be required on any certificates representing any Securities issued from treasury, as applicable:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [INSERT THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE CLOSING DATE]."

8. TERMINATION

8.1 Automatic Termination

This Agreement shall automatically terminate at the end of the Commitment Period provided the Fee has been paid and, if the Warrants issuable under Clause 5 have not been issued, the Warrants Payment has been paid.

8.2 Termination by Mutual Consent

This Agreement may be terminated at any time during the Commitment Period by the mutual consent of the Company, the Investor and GEMYB.

8.3 Termination by the Investor

This Agreement may be terminated forthwith during the Commitment Period by the Investor by giving written notice of such termination to the Company if: (a) the Company has breached in any material respect any representation, warranty, covenant or agreement contained in this Agreement (including, without limitation, any failure to issue and/or, procure the Listing of Common Shares on time) and (if such breach is curable) such breach is not cured within 5 Business Days following receipt by the Company of notice of such breach; (b) there has been any event which is a Material Adverse Event; (c) there has been a change in applicable law which materially impacts the Investor's obligations under this Agreement; or (d) any Common Shares of the Company are delisted from the Exchange.

8.4 Termination by the Company

This Agreement may be terminated forthwith during the Commitment Period by the Company: (i) if the Investor or GEMYB has breached in any material respect any representation, warranty, covenant or agreement contained in this Agreement and (if such breach is curable) such breach is not cured within 5 Business Days following receipt by the

Investor of notice of such breach of this Agreement; or (ii) after payment of the Fee and Warrants Payment, if applicable.

8.5 **Effect of Termination**

In the event of the termination of this Agreement pursuant to this clause 8 the Parties shall retain all accrued rights and shall retain all rights and remain bound by all obligations under this Agreement respecting all Securities previously issued to the Investor (or its nominee) hereunder, and nothing herein shall relieve any terminating party from liability for any prior breach of any of its agreements, covenants, representations, warranties or other obligations under this Agreement or for fraud.

9. **MISCELLANEOUS**

9.1 **Fees and Expenses**

(a) The Company shall pay:

(i) all and any stamp duty or share transfer or registration or similar duties, taxes or fees arising under the laws of any jurisdiction in connection with the subscription by the Investor (or its designee(s)) in an aggregate amount not to exceed ██████████ per placement; and

(ii) all legal fees and expenses incurred by itself, the Investor and GEMYB in connection with the negotiation and execution of this Agreement and the completion of this transaction contemplated by this Agreement (the "**Legal Fees**") The Company has made a deposit of ██████████, counsel to the Investor and GEMYB, against payment of the legal fees.

(b) Upon the Company completing ██████████ in placements, the Investor shall refund the Company all Legal Fees.

(c) Other than as expressly set out in this Agreement, each of the Parties shall pay its own costs, fees and expenses in connection with the negotiation and execution of this Agreement and the completion of the transactions contemplated by this Agreement. *[Redaction: payment terms]*

9.2 **Participation Right in Equity Offerings**

The Investor shall be granted the right to participate up to ██████████ of any equity or equity like offering of the Company during the next 12 months after the execution of this Agreement. For greater certainty, this participation right shall not apply to warrant or option exercises, nor to any issuance of securities under the Company's equity incentive plans from time to time.

9.3 **Entire Agreement**

This Agreement (including the Exhibits to it) contains the entire agreement and understanding of the Parties with respect to the subject matter of this Agreement and

supersedes all prior agreements and understandings, oral or written, relating to the subject matter of this Agreement. For the avoidance of doubt, all letters and any other arrangements written or entered into prior to the date of this Agreement shall cease to be of any effect and no Party shall have any claim or right of action pursuant thereto.

9.4 Notices



9.5 Amendments; Waivers *[Redaction: notice provision; personal information]*

No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by each of the Parties, or, in the case of a waiver, by the Party against whom enforcement of any such waiver is sought.

9.6 Headings

The headings in this Agreement are for convenience only, and shall be ignored in construing its terms.

9.7 Assignment

No Party shall assign or otherwise transfer any of its rights under this Agreement without the consent of the other Party, which consent shall not be unreasonably withheld.

9.8 Remedies and Waiver

The remedies provided in this Agreement shall be cumulative and in addition to all other remedies available under this Agreement or otherwise provided by law. Any delay by either Party in exercising or failing to exercise any right or remedy under this Agreement shall not constitute a waiver of the right or remedy or a waiver of any other rights or remedies and no single or partial exercise of any rights or remedy under this Agreement or otherwise shall prevent any further exercise of the right or remedy or the exercise of any other right or remedy. Any waiver of a breach of any of the terms of this Agreement or of any default hereunder shall not be deemed to be a waiver of any subsequent breach or default and shall in no way affect the other terms of this Agreement.

9.9 Survival

The representations, warranties, covenants and agreements contained in this Agreement shall survive the signing of this Agreement, each Closing Date, the termination of the Commitment Period and the termination of this Agreement.

9.10 Counterpart Signatures

This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each Party and delivered to the other Parties, it being understood that the Parties need not sign the same counterpart. In the event that any signature is delivered by facsimile or email transmission, such signature shall create a valid and binding obligation of the Party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile or email transmission signature page were an original thereof.

9.11 Severability

In case any one or more of the provisions of this Agreement shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affected or impaired thereby.

9.12 Publicity

The Company undertakes to the Investor that: (a) on or prior to the date of delivery of the first Placement Notice to the Investor pursuant to this Agreement, the Company shall notify the Exchange in accordance, where applicable, with the requirements of the Exchange, of the fact that this Agreement has been entered into by the Company; and (b) in the event that a Placement Notice is issued and the fact of such issue can reasonably be expected to constitute a material change within the meaning of the *Securities Act* (British-Columbia), it shall forthwith upon such issue announce details thereof in accordance, where applicable, with the requirements of the Exchange. Save to the extent required by law or by the Exchange or any other regulatory authority (in which case the Company and the Investor shall be obligated to use their respective reasonable endeavours to consult with one another), the Company and the Investor, acting promptly and reasonably, shall have the right to approve before issue any press releases or any other public statement which the other may propose to issue or make with respect to any aspect of the transactions contemplated hereby (other than any announcement required pursuant to part (b) of the first sentence of this clause 9.12).

9.13 Further Assurances

Each Party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other Party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the completion of the transactions

contemplated hereby and undertakes to collaborate with the other Parties to in connection with any request for information or proceeding of a regulatory authority.

9.14 Cost of Enforcement of this Agreement

In the event that either the Investor or GEMYB takes any action to enforce any of the terms of, or preserve any rights under, this Agreement or to recover any sum owed to it in accordance with this Agreement, the Company shall, if the Investor or GEMYB has received judgment against the Company by a court, tribunal or other entity having jurisdiction, forthwith on demand reimburse the Investor and/or GEMYB and/or any of their Affiliates, as the case may be, for all costs and expenses (including legal fees and applicable taxes) reasonably incurred in connection with such enforcement, which reimbursement shall be capped at an amount equal to the amount of funds received by the Company from the Investor or GEMYB pursuant to this Agreement.

9.15 Acknowledgment by the Company

The Company hereby acknowledges that:

- (a) it has read and understood fully the content of this Agreement, and that it is entering into this Agreement on the basis of its own independent assessment of the risks and liabilities undertaken hereunder, without any representation having been made by the Investor or GEMYB or any of their Affiliates as to the effect, operation or results of this Agreement; and
- (b) it has been advised by its own legal and financial advisers in relation to its assessment of the risks and liabilities undertaken hereunder and that neither the Investor nor GEMYB nor any of their Affiliates has provided investment advice to it in connection with the matters agreed in this Agreement or has solicited or induced the Company to enter into this Agreement.

9.16 Acknowledgment by the Share Lenders

Each of the Share Lenders hereby acknowledges that:

- (a) it/he/she has read and understood fully the content of this Agreement, and that it/he/she is entering into this Agreement on the basis of its own independent assessment of the risks and liabilities undertaken hereunder, without any representation having been made by the Company, the Investor or GEMYB or any of their Affiliates as to the effect, operation or results of this Agreement; and
- (b) it/he/she has been advised by its own legal and financial advisers in relation to its assessment of the risks and liabilities undertaken hereunder and that none of the other Parties or any of their Affiliates has provided investment, legal or tax advice to such Share Lender in connection with the matters agreed in this Agreement.

9.17 Governing Law and Jurisdiction

- (a) This Agreement (together with all documents to be entered into pursuant to its which are not expressed to be governed by another law) and any dispute or claim arising out of or in connection with it or its subject matter existence, validity or termination (including non-contractual disputes or claims) is governed by and shall be construed and take effect in accordance with the exclusive laws of the Province of British Columbia and the applicable laws of Canada applicable therein, without regard to the conflict of laws principles thereof.

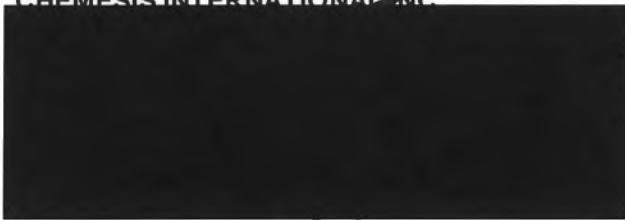
9.18 Dispute Resolution

All disputes, controversies or claims between the Parties arising out of or in connection with this agreement (including its existence, validity or termination) which cannot be amicably resolved shall be finally resolved and settled under Rules of Arbitration of the American Arbitration Association (AAA) and its affiliate the International Center for Dispute Resolution ("ICDR") in New York City. The arbitration tribunal shall be composed of one (1) arbitrator. The arbitration will take place in New York City, New York and shall be conducted in English language. The Arbitration award shall be final and binding on the Parties.

(Signature page follows)

IN WITNESS WHEREOF the Parties have executed this Agreement effective as of the 22nd day of February, 2019.

CHEMESIS INTERNATIONAL INC



GEM GLOBAL YIELD FUND LLC SCS

Per:

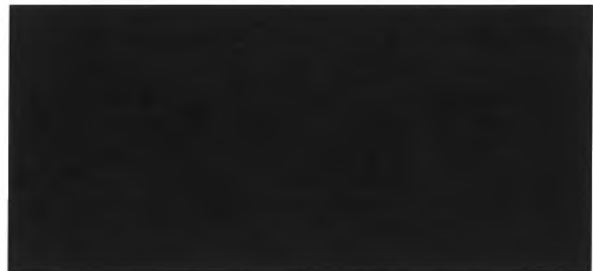


GEM YIELD BAHAMAS LTD.

Per:



SHARE LENDERS



[Redaction: signatures]

[Schedules 1 and 2 and Exhibits A, B, C, D, E, F, and G Redacted]