

AGENCY AGREEMENT

May 10, 2018

Izotropic Corporation
15718 39A Avenue
Surrey, B.C.
V3Z 0L1

Attention: Robert Thast, Chief Executive Officer and Director

Dear Sir:

Re: Initial Public Offering of Izotropic Corporation

We, Chippingham Financial Group Ltd. (the “**Agent**”), understand that Izotropic Corporation (the “**Company**”) would like to undertake an initial public offering (the “**Offering**”) of 2,000,000 common shares (each, a “**Share**”) of the Company at a price of \$0.10 per Share to raise gross proceeds of \$200,000.

We provide this letter to confirm the terms and conditions upon which we are prepared to act as your agent to use our commercially reasonable efforts to offer and sell the Shares on your behalf. By signing a copy of this letter, you are confirming that we have entered into a binding agreement (the “**Agreement**”) pursuant to which you will have appointed us as your exclusive agent to use our commercially reasonable efforts to offer and sell the Shares on the terms and conditions contained herein.

In consideration of the services to be rendered by us to you hereunder, you hereby agree with us as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, including any schedules forming a part of this Agreement:

- (a) “**Agent**” has the meaning ascribed thereto in the first paragraph of this Agreement;
- (b) “**Agent’s Fee**” has the meaning ascribed thereto in Section 8.1(a);
- (c) “**Agreement**” has the meaning ascribed thereto in the first paragraph of this Agreement;
- (d) “**Applicable Securities Laws**” means securities legislation of the Qualifying Jurisdictions and the regulations, rules, administrative policy statements, instruments, blanket orders, notices, directions and rulings issued or adopted by the applicable Regulatory Authorities, all as amended;

- (e) “**Audited Financial Statements**” has the meaning ascribed thereto in Section 4.1(o);
- (f) “**Closing**” has the meaning ascribed thereto in Section 7.1;
- (g) “**Closing Date**” has the meaning ascribed thereto in Section 7.1;
- (h) “**Closing Materials**” has the meaning ascribed thereto in Section 5.1(b)(v);
- (i) “**Comfort Letter**” has the meaning ascribed thereto in Section 5.1(b)(i);
- (j) “**Commissions**” means the securities regulatory bodies (other than stock exchanges) of the Qualifying Jurisdictions and “**Commission**” means the securities regulatory body of a specified Qualifying Jurisdiction;
- (k) “**Company**” has the meaning ascribed thereto in the first paragraph of this Agreement;
- (l) “**Compensation Options**” means the non-transferable options of the Company to be issued to the Agent pursuant to Section 8.2 hereof to acquire Compensation Shares;
- (m) “**Compensation Shares**” means previously unissued Shares which are issuable upon the exercise of the Compensation Options;
- (n) “**distribution**” (or “**distribute**” as derived therefrom), has the meaning ascribed thereto in the *Securities Act* (British Columbia);
- (o) “**Exchange**” means the Canadian Securities Exchange;
- (p) “**Expenses**” has the meaning ascribed thereto in Section 9;
- (q) “**Final Listing Application**” means the final listing application filed with the Exchange to obtain a listing of the Shares on the Exchange (including the Compensation Shares);
- (r) “**Final Prospectus**” means the final prospectus of the Company to be filed with the Commissions for the purpose of qualifying the distribution of the Shares and the Compensation Shares;
- (s) “**Final Receipt**” means the receipt for the Final Prospectus from the British Columbia Securities Commission to be issued in accordance with Multilateral Instrument 11-102 and National Policy 11-202 together with such other receipts or decision documents necessary to evidence that a receipt for the Final Prospectus has been issued by each of the Commissions;
- (t) “**Hazardous Substances**” has the meaning ascribed thereto in Section 4.1(bb);
- (u) “**Legal Opinions**” has the meaning ascribed thereto in Section 5.1(b)(iii);

- (v) “**Listing Applications**” means the Preliminary Listing Application and the Final Listing Application;
- (w) “**Material Change**” has the meaning ascribed thereto under Applicable Securities Laws;
- (x) “**Material Contracts**” has the meaning ascribed thereto in Section 4.1(v);
- (y) “**Material Fact**” has the meaning ascribed thereto under Applicable Securities Laws;
- (z) “**misrepresentation**” has the meaning ascribed thereto in the *Securities Act* (British Columbia);
- (aa) “**Net Proceeds**” means the gross proceeds of the Offering plus any advance payments for expenses or on account of the Work Fee made by the Company and held by the Agent at Closing, less:
 - (i) the Agent’s Fee and the Work Fee; and
 - (ii) the Expenses of the Agent in connection with the Offering for which the Agent has not been reimbursed by the Company;
- (bb) “**NI 41-101**” has the meaning ascribed thereto in Section 3.1(a);
- (cc) “**Offering**” has the meaning ascribed thereto in the first paragraph of this Agreement;
- (dd) “**Officer’s Certificate**” has the meaning ascribed thereto in Section 5.1(b)(iv);
- (ee) “**Preliminary Listing Application**” means the preliminary listing application filed with the Exchange to obtain comfort that a listing of the Shares (including the Compensation Shares), will be obtained;
- (ff) “**Preliminary Prospectus**” means the preliminary prospectus of the Company filed with the Commissions for the Offering;
- (gg) “**Principals**” has the meaning ascribed thereto in Section 4.1(p)(i);
- (hh) “**Prospectus**” or “**Prospectuses**” means, together, the Preliminary Prospectus and the Final Prospectus;
- (ii) “**Purchaser**” means a person that subscribes for and purchases Shares pursuant to the Offering;
- (jj) “**Qualifying Jurisdictions**” means British Columbia, Alberta and Ontario, being those jurisdictions in which the Shares will be offered for sale pursuant to the Offering, and “**Qualifying Jurisdiction**” means any one of them;

- (kk) “**Regulatory Authorities**” means the Commissions and the Exchange;
- (ll) “**Selling Group**” has the meaning ascribed thereto in Section 2.2;
- (mm) “**Share**” or “**Shares**” has the meaning ascribed thereto in the first paragraph of this Agreement;
- (nn) “**Supplementary Material**” has the meaning ascribed thereto in Section 3.1(d);
- (oo) “**Time of Closing**” means 8:00 a.m. (Vancouver Time), or such other time as the parties may agree, on the Closing Date;
- (pp) “**trade**” has the meaning ascribed thereto in the *Securities Act* (British Columbia);
- (qq) “**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (rr) “**U.S. Person**” means a U.S. Person as that term is defined in Regulation S of the U.S. Securities Act;
- (ss) “**U.S. Securities Act**” means the United States Securities Act of 1933, as amended; and
- (tt) “**Work Fee**” has the meaning ascribed thereto in Section 8.1.

1.2 In the event that the Offering is to be undertaken in only one Qualifying Jurisdiction, then the terms “**Commissions**”, “**Final Receipt**” and “**Qualifying Jurisdictions**” as they appear throughout the Agreement shall be read as if they were written in the singular form and the provisions of this Agreement relating thereto shall be interpreted in that context.

1.3 References to a particular “article”, “Section”, “subsection” or other subdivision is to the particular article, Section or other subdivision of this Agreement, unless otherwise specified.

1.4 The words “hereof”, “herein”, “hereunder” and similar expressions used in any clause, paragraph or Section of this Agreement shall relate to the whole of this Agreement and not to that clause, paragraph or Section only, unless otherwise expressly provided.

2. APPOINTMENT OF AGENT

2.1 The Company appoints the Agent as its exclusive agent in respect of the Offering, and the Agent hereby agrees to act as the exclusive Agent of the Company to use its commercially reasonable efforts to offer and sell the Shares in the Qualifying Jurisdictions.

2.2 If in the opinion of the Agent it is necessary, the Agent will form, manage and participate in a group of registered securities dealers (the “**Selling Group**”) to offer and sell the Shares provided for hereunder. In the event that a Selling Group is formed, the Agent will manage the Selling Group to the extent customary in the securities industry in Canada and

require each member of the Selling Group to conduct the Offering on the terms and conditions set forth in this Agreement. The Agent will determine the fee(s) payable to the members of the Selling Group, which fee(s) will be paid by the Agent out of the Agent's Fee and the Compensation Options.

2.3 The Agent understands that the Shares are not being registered under the U.S. Securities Act or any state securities laws and represents that it has not offered or sold and agrees that it will not offer, sell or deliver at any time, directly or indirectly, in the United States (which term, as used herein, includes its territories or possessions) or to or for the account of any person whom the Agent knows or has reason to believe is a U.S. Person, any of the Shares. The Agent further agrees that it will require any dealer who offers and sells any of the Shares (whether as a member of the Selling Group or otherwise) to agree to comply with this requirement.

2.4 The Agent agrees to sell the Shares only in the Qualifying Jurisdictions and in accordance with and in a manner permitted by the laws of each Qualifying Jurisdiction and to require each member of the Selling Group to agree with the Agent to sell the Shares only in the same manner. The Agent further agrees, subject to receipt of the same from the Company, to send a copy of all amendments to the Prospectus to all persons to whom copies of the Final Prospectus are sent and further agrees to require each member of the Selling Group to agree with the Agent to distribute the same documents in the manner stipulated.

3. FILING OF PROSPECTUS AND CONDUCT OF THE OFFERING

3.1 The Company covenants and agrees with the Agent that it will:

- (a) as soon as possible after any regulatory deficiencies have been satisfied with respect to the Preliminary Prospectus on a basis acceptable to the Agent, acting reasonably, prepare and file a Final Prospectus with the Regulatory Authorities, together with the required supporting documents (including, without limitation, any marketing materials) and use its reasonable best efforts to obtain the Final Receipt and take all other steps and proceedings that may be necessary in order to qualify, under the Applicable Securities Laws, the distribution of the Shares to the Purchasers in the Qualifying Jurisdictions, and, subject to the applicable restrictions in National Instrument 41-101 *General Prospectus Requirements* ("**NI 41-101**") the distribution of the Compensation Shares to the Agent;
- (b) as soon as practicable after the Final Receipt has been issued, prepare and file with the Exchange a Final Listing Application, together with the required supporting documents;
- (c) with respect to the filing of the Final Prospectus as contemplated herein, fulfil all legal requirements required to be fulfilled by the Company in connection therewith, in each case in form and substance satisfactory to the Agent as evidenced by the Agent's execution of the certificates attached thereto, and prior to the filing the Final Prospectus, allow the Agent to review and comment on the Final Prospectus and conduct all due diligence investigations into the principals,

business and affairs of the Company which the Agent, in its sole discretion, considers necessary to enable it to execute, acting prudently and responsibly, the certificates required to be executed by the Agent in the Final Prospectus;

- (d) during the period prior to the completion of the Offering, promptly notify the Agent in writing of any Material Change (actual or proposed) in the business, affairs, operations, assets or liabilities (contingent or otherwise) or capital of the Company, or of any change which is of such a nature as to result in a misrepresentation in either of the Prospectuses or any amendment thereto and the Company will, within any applicable time limitation, comply with all filing and other requirements under the Applicable Securities Laws, and with the rules of the Exchange, applicable to the Company as a result of any such change. Notwithstanding the foregoing, the Company will not file any amendment to the Prospectuses or any other material supplementary to the Prospectuses (all such amendments and material being the “**Supplementary Material**”) without first obtaining the approval of the Agent as to the form and content thereof, which approval will not be unreasonably withheld and which will be provided on a timely basis. In addition to the foregoing, the Company will, in good faith, discuss with the Agent any change in circumstances (actual or proposed) which is of such a nature that there is or ought to be consideration given by the Company as to whether notice in writing of such change need be given to the Agent pursuant to this subparagraph;
- (e) deliver to the Agent duly executed copies of any Supplementary Material required to be filed by the Company in accordance with subparagraph (d) above and if any financial or accounting information is contained in any of the Supplementary Material, an additional Comfort Letter to that required by Section 5.1(b)(ii); and
- (f) from time to time and without charge to the Agent, deliver to the Agent as many copies of each of the Prospectuses and any amendments thereto, if any, as the Agent may reasonably request, and such delivery will constitute the Company’s consent to the Agent’s use of the documents in connection with the Offering.

3.2 All funds received by the Agent will be held in trust by the Agent until Closing. Notwithstanding any other term of this Agreement, all subscription funds received by the Agent will be returned to the Purchasers without interest or deduction if Closing has not occurred by the 90th day following the date of the Final Receipt or such later date as the Agent and the Company may agree and the securities regulatory authorities may approve.

3.3 The distribution of the Shares will remain open for 90 days from the date of the Final Receipt, unless an amendment to the Prospectus is filed with the Regulatory Authorities and a receipt for such amendment is received, in which case, the distribution of the Shares will remain open for a maximum of 180 days from the date of the Final Receipt.

4. REPRESENTATIONS AND WARRANTIES

4.1 The Company represents, warrants and covenants to the Agent as follows, and acknowledges that the Agent will be relying upon such representations, warranties and covenants in entering into this Agreement:

- (a) the Company is a valid and subsisting corporation duly incorporated and in good standing under the jurisdiction in which it is incorporated, continued or amalgamated and has all requisite corporate power and authority to carry on its business, as now conducted and as presently proposed to be conducted, to own its assets and to execute and deliver this Agreement and to carry out all of the terms and provisions hereof;
- (b) the Company is duly registered and licensed to carry on business in the jurisdictions in which it carries on business or owns property where so required by the laws of that jurisdiction;
- (c) the Preliminary Prospectus has been filed with the Regulatory Authorities, together with the required supporting documents;
- (d) the Preliminary Prospectus contains full, true and plain disclosure of all material facts relating to the Company, and its business and securities, and contains no “misrepresentations”, within the meaning of Applicable Securities Laws;
- (e) the authorized and issued share capital of the Company is, and, except as provided for herein, will be immediately prior to the Time of Closing, as set forth in the Prospectuses;
- (f) the Shares outstanding on the date hereof are validly issued and outstanding as fully paid and non-assessable common shares of the Company, and are free and clear of all voting restrictions and trade restrictions (other than such trade restrictions imposed by (i) the Company’s articles, which provisions will cease to apply at Closing; and (ii) Applicable Securities Laws of any kind whatsoever (including, but not limited to, the policies of the Exchange));
- (g) except as described in the Prospectuses, the Company does not own any securities in any other entity;
- (h) except as disclosed in the Prospectuses, there are no, nor will there be immediately prior to the Time of Closing, any options, agreements or rights of any kind whatsoever to acquire all or any securities of the Company;
- (i) except as disclosed in the Prospectuses, there are no, nor will there be immediately prior to the Time of Closing, any “securities” (as that term is defined under Applicable Securities Laws) of the Company outstanding;
- (j) the Shares and the Compensation Shares, at the Time of Closing, shall be duly authorized, validly issued, and fully paid and non-assessable common shares of

the Company, provided that in the case of the Compensation Shares, the Company has received the exercise price thereof;

- (k) all of the material transactions of the Company have been promptly and properly recorded or filed in its respective minute books and such minute books contain all records of the meetings and proceedings of its shareholders, board of directors and committees of its board of directors, if any, since its incorporation;
- (l) the Company holds all licences and permits that are required for carrying on its business in the manner in which such business has been carried on and the Company has the corporate power and capacity to own the assets owned by it and to carry on the business carried on by it and the Company is duly qualified to carry on business in all jurisdictions in which it carries on business;
- (m) the Company has good and marketable title to its assets free and clear of all material liens, charges and encumbrances of any kind whatsoever, except as disclosed in the Prospectuses;
- (n) the Company does not have any trademarks or patents except as disclosed in the Prospectuses, such disclosure to include all material particulars in respect of their registrations and status;
- (o) the audited balance sheet of the Company for the period ended April 30, 2017 and statement of operations and deficit and of cash flows of the Company for the period ended April 30, 2017 (the “**Audited Financial Statements**”) are true and correct in every material respect and present fairly and accurately the financial position and results of the operations of the Company for the period then ended and the Audited Financial Statements have been prepared in accordance with International Financial Reporting Standards applicable to public enterprises in Canada applied on a consistent basis;
- (p) except as disclosed in the Audited Financial Statements or as disclosed in the Prospectuses:
 - (i) the Company is not indebted to any of its directors or officers (collectively the “**Principals**”), other than in respect of accrued but unpaid compensation;
 - (ii) none of the Principals or shareholders of the Company is indebted or under obligation to the Company on any account whatsoever; and
 - (iii) the Company has not guaranteed or agreed to guarantee any debt, liability or other obligation of any kind whatsoever of any person, firm or corporation of any kind whatsoever;
- (q) there are no material liabilities of the Company, whether direct, indirect, absolute, contingent or otherwise which are not disclosed in the Prospectuses or reflected in

the Audited Financial Statements except those incurred in the ordinary course of its business since April 30, 2017;

- (r) since April 30, 2017, there has not been any adverse Material Change of any kind whatsoever in the financial position or condition of the Company or any damage, loss or other change of any kind whatsoever in circumstances materially affecting its business or assets or the right or capacity to carry on its business, such business having been carried on in the ordinary course;
- (s) there has not been any reportable event (within the meaning of Section 4.11 of National Instrument 51-102 - *Continuous Disclosure Obligations* of the Canadian Securities Administrators) or reportable disagreements with the auditors or former auditors of the Company;
- (t) the Company's auditors have not provided any material comments or recommendations to the Company regarding its accounting policies, internal control systems or other accounting or financial practices;
- (u) the directors, officers and key employees of the Company and their compensation arrangements, whether as directors, officers or employees of, or as independent contractors or consultants to, the Company will, if material, be disclosed in the Prospectuses, and, except as disclosed therein, there are no pensions, profit sharing, group insurance or similar plans or other deferred compensation plans of any kind whatsoever affecting the Company;
- (v) all of the material contracts (the "**Material Contracts**") of the Company are disclosed in the Prospectuses, such disclosure to provide all material particulars thereof including the status of those Material Contracts;
- (w) all tax returns, reports, elections, remittances and payments of the Company required by law to have been filed or made, have been filed or made (as the case may be) and are, to the best of the Company's knowledge, substantially true, complete and correct and all taxes of the Company required by law to have been paid, have been paid or accrued in the Audited Financial Statements;
- (x) the Company:
 - (i) has been assessed for all applicable taxes and has received all appropriate refunds;
 - (ii) has made adequate provision for taxes payable for the current period for which tax returns are not yet required to be filed;
 - (iii) is not aware of any contingent tax liability of the Company or any of its subsidiaries;
- (y) to the best of its knowledge, the Company has not:

- (i) made any election under Section 85 of the *Income Tax Act* (Canada) with respect to the acquisition or disposition of any property; or
 - (ii) acquired any property from a non-arm's length person with whom it was not dealing with at arm's length for proceeds greater than the fair market value thereof, or disposed of anything to a non-arm's length person for proceeds less than the fair market value thereof;
- (z) there are no material actions, suits, judgments, investigations or proceedings of any kind whatsoever outstanding, against or affecting the Company or its directors, officers or promoters, or to the best knowledge of the Company pending or threatened, at law or in equity or before or by any federal, provincial, state, municipal or other governmental department, commission, board, bureau or agency of any kind whatsoever and, to the best of its knowledge, there is no basis therefor;
- (aa) none of the Company, or, to the knowledge of the Company, any of its directors, officers and promoters are in breach of any applicable law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever;
- (bb) to the best knowledge of the Company, the Company has not caused or permitted the release, in any manner whatsoever, of any pollutants, contaminants, chemicals or industrial toxic or hazardous waste or substances (collectively, "**Hazardous Substances**") on or from any of its properties or assets nor has it received any notice that it is potentially responsible for a clean-up site or corrective action under any applicable laws, statutes, ordinances, by-laws, regulations or any orders, directions or decisions rendered by any government, ministry, department or administrative regulatory agency relating to the protection of the environment, occupational health and safety or otherwise relating to dealing with Hazardous Substances;
- (cc) the Company has good and sufficient right and authority to enter into this Agreement and complete its transactions contemplated under this Agreement on the terms and conditions set forth herein;
- (dd) the execution and delivery of this Agreement and the Compensation Options, the performance of its obligations thereunder and the completion of the transactions contemplated thereunder will not conflict with, or result in the breach of or the acceleration of any indebtedness under, or constitute default under, applicable laws, the constating documents of the Company or any indenture, mortgage, agreement, lease, licence or other instrument of any kind whatsoever to which the Company is a party or by which it is bound, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which it is bound;
- (ee) except as provided herein, there is no person, firm or corporation acting or purporting to act for the Company entitled to any brokerage or finder's fee in

connection with this Agreement or any of the transactions contemplated hereunder, and in the event any person, firm or corporation acting or purporting to act for the Company becomes entitled at law to any fee from the Agent, the Company covenants to indemnify and hold harmless the Agent with respect thereto and with respect to all costs reasonably incurred in the defence thereof;

- (ff) each Material Contract is legal, valid, binding and in full force and effect and is enforceable by the Company in accordance with its terms;
- (gg) to the knowledge of the Company, it has performed in all material respects all respective obligations required to be performed by it to date under each of the Material Contracts and is not in breach or default under any such agreement;
- (hh) the Company has not received any written notice of a default or a dispute between the Company and any other entity in respect of any Material Contract;
- (ii) all material and statements (except information and statements relating solely to the Agent) contained in the Prospectuses and Listing Applications, at the respective dates of initial delivery thereof, will comply with the Applicable Securities Laws and be true and correct in all material respects, and such documents, at such dates, will contain no misrepresentation and together will constitute full, true and plain disclosure of all Material Facts relating to the Company as required by the Applicable Securities Laws;
- (jj) the Company will apply the Net Proceeds substantially in accordance with the description set forth in the Prospectuses under the heading "Use of Proceeds"; and
- (kk) the Company will, prior to the Time of Closing, fulfil to the satisfaction of the Agent all legal requirements (including, without limitation, compliance with Applicable Securities Laws) to be fulfilled by the Company to enable the Shares and the Compensation Shares be distributed free of trade restrictions in the Qualifying Jurisdictions, subject to restrictions imposed upon the Agent under NI 41-101 and on trades by a control person.

4.2 The representations and warranties of the Company contained in this Agreement shall be true at the Time of Closing as though they were made at the Time of Closing and they shall survive the completion of the transactions contemplated under this Agreement and remain in full force and effect thereafter for the benefit of the Agent for a period of two years from the Time of Closing.

4.3 The Agent represents, warrants and covenants to the Company, and acknowledges that the Company will be relying upon such representations, warranties and covenants in entering into this Agreement, that:

- (a) the Agent is a valid and subsisting corporation, duly incorporated and in good standing under the jurisdiction in which it is incorporated, continued or amalgamated;

- (b) the Agent holds all registrations, licences and permits that are required for carrying on its business in the manner in which such business has been carried on and the Agent has the corporate power and capacity to carry on the business carried on by it and the Agent is duly qualified to carry on business in the Qualifying Jurisdictions;
- (c) the Agent has all requisite power and authority to enter into this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein;
- (d) the Agent 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 and the Agent is, and will remain until the completion of the Offering, a participating organization of the Exchange in good standing; and
- (e) the Agent will fulfil all legal requirements (including, without limitation, compliance with Applicable Securities Laws) to be fulfilled by it to act as the Company's agent in undertaking the Offering in the Qualifying Jurisdictions.

4.4 The representations and warranties of the Agent contained in this Agreement shall be true at the Time of Closing as though they were made at the Time of Closing and they shall survive the completion of the transactions contemplated under this Agreement and remain in full force and effect thereafter for the benefit of the Company for a period of two years from the Time of Closing.

5. ADDITIONAL COVENANTS

5.1 The Company covenants and agrees with the Agent that it will:

- (a) with respect to the filing of the Listing Applications as contemplated herein, fulfil all of the requirements of the Exchange required to be fulfilled by the Company in connection therewith;
- (b) deliver to the Agent:
 - (i) prior to the execution of the Final Prospectus by the Agent, a comfort letter (the "**Comfort Letter**") of the Company's auditors addressed to the Agent, its legal counsel and to the directors of the Company and dated as of the date of the Final Prospectus, in form and content acceptable to the Agent, acting reasonably, relating to the verification of the financial information and accounting data contained in the Final Prospectus and to such other matters as the Agent may reasonably require;
 - (ii) at the Time of Closing, an updated Comfort Letter dated as of the Closing Date;
 - (iii) at the Time of Closing, such legal opinions (the "**Legal Opinions**") of the Company's various legal counsel, addressed to the Agent and its legal

counsel and dated as of the Closing Date in form and content acceptable to the Agent, acting reasonably, relating to the Company, the Prospectuses, the trade and distribution of the Shares and the Compensation Shares, without restriction, and to such other matters as the Agent may reasonably require;

- (iv) at the Time of Closing, a certificate of an officer (the “**Officer’s Certificate**”) of the Company, addressed to the Agent and its legal counsel and dated as of the Closing Date in form and content acceptable to the Agent, acting reasonably, relating to the content of the Prospectuses, the Final Listing Application, and to the issuance of the Shares and the Compensation Shares; and
- (v) at the time of execution of the Final Prospectus and at the Time of Closing, such other materials (the “**Closing Materials**”) as the Agent may reasonably require and as are customary in a transaction of this nature, and the Closing Materials will be addressed to the Agent and to such parties as may be reasonably directed by the Agent and will be dated as of the date of execution of the Final Prospectus and the Closing Date, respectively, or such other date as the Agent may reasonably require;
- (c) ensure that at least one of its senior officers is available to participate in the marketing of the Offering, including attendance at road-shows, investor meetings and assisting in the preparation of marketing material;
- (d) not issue or enter into any agreements to issue any common shares of the Company or securities, convertible or exchangeable into common shares of the Company without the consent of the Agent, such consent not to be unreasonably withheld, other than in connection with the Offering, for purposes of stock option grants or to satisfy the terms of existing instruments already issued and described in the Prospectuses, until 60 days after the Closing Date; and
- (e) from and including the date of this Agreement through to and including the Time of Closing, do all such acts and things necessary to ensure that all of the representations and warranties of the Company contained in this Agreement or any certificates or documents delivered by it pursuant to this Agreement remain materially true and correct and not do any such act or thing that would render any representation or warranty of the Company contained in this Agreement or any certificates or documents delivered by it pursuant to this Agreement materially untrue or incorrect.

5.2 The Agent covenants and agrees with the Company that it will:

- (a) upon being satisfied, acting reasonably, that the Final Prospectus and any amendments thereto is in a form satisfactory for filing with the Commissions, execute the Final Prospectus and any amendments thereto, as the case may be, presented to the Agent for execution, and the Agent will use its reasonable best

efforts to assist the Company in obtaining the requisite approvals of the Regulatory Authorities in connection with the preparation and filing of such documents;

- (b) conduct the Offering and perform all of its obligations hereunder in accordance with Applicable Securities Laws;
- (c) not, directly or indirectly, solicit offers to purchase or sell the Shares or deliver any materials or documents so as to require registration of the Shares or filing of a prospectus or registration statement with respect to the Shares under the laws of any jurisdiction other than the Qualifying Jurisdictions;
- (d) deliver to each Purchaser a copy of the Prospectus in compliance with Applicable Securities Laws;
- (e) use its reasonable commercial efforts to complete the distribution of the Shares as soon as practicable after the issuance of the Final Receipt; and
- (f) following the Closing Date, give prompt written notice to the Company when, in the Agent's opinion, the distribution of the Shares has been completed.

6. CONDITIONS PRECEDENT

6.1 The following are conditions to the obligations of the Agent to complete the transactions contemplated in this Agreement:

- (a) all actions required to be taken by or on behalf of the Company, including the passing of all requisite resolutions of directors and shareholders of the Company, will have been taken so as to approve the Prospectuses and Listing Applications and to validly distribute the Shares and the Compensation Shares and to such other matters as the Agent may reasonably require;
- (b) the Company will have made all filings with and obtained all receipts, approvals, consents and acceptances of the Regulatory Authorities for the Prospectuses and Listing Applications necessary to permit the Company to complete its obligations hereunder;
- (c) the Shares (including the Compensation Shares) will have been conditionally listed for trading on the Exchange;
- (d) the Company will have, within the required time, delivered the required Comfort Letters, Legal Opinions, Officer's Certificates and other Closing Materials as the Agent may reasonably require;
- (e) no order ceasing or suspending trading in any securities of the Company, or ceasing or suspending trading by the directors, officers or promoters of the Company, or any one of them, or prohibiting the trade or distribution of any of the

securities referred to herein will have been issued and no proceedings for such purpose, to the knowledge of the Company, will be pending or threatened;

- (f) no adverse Material Change will have occurred in the business of the Company prior to the Closing Date;
- (g) the Company will have, at the Time of Closing, complied with all of its covenants and obligations to be complied with prior to the Time of Closing contained in this Agreement; and
- (h) the representations and warranties of the Company contained in this Agreement will be materially true and correct as of the Time of Closing as if such representations and warranties had been made as of the Time of Closing.

6.2 The Agent's obligations under this Agreement with respect to acting as agent for the purposes of the Offering are also conditional upon and subject to: (a) the Company allowing the Agent and its representatives to conduct all due diligence, which the Agent may reasonably require in connection with the Offering; and (b) prior to the filing of the Final Prospectus, the Agent's due diligence review not revealing any material adverse information or fact that is not generally known to the public that might, as determined in the sole discretion of the Agent, materially adversely affect the value or market price of the Shares or the investment quality or marketability of the Shares.

7. CLOSING

7.1 The closing ("**Closing**") of the transactions contemplated under this Agreement will be completed at the offices of the Company's counsel on such date (the "**Closing Date**") as may be agreed by the Company and the Agent in consultation with the Exchange, provided such date will be no later than:

- (a) 90 days after the date of the Final Receipt; and
- (b) unless a further amendment to the Final Prospectus is filed and a receipt is issued for the further amendment, if an amendment is filed and the Commissions have issued a receipt for the amendment in accordance with Multilateral Instrument 11-102 and National Policy 11-202, 90 days after the date of the receipt for the amendment,

subject to a maximum of 180 days from the date of the Final Receipt, and provided, however, that if the Company has not been able to comply with any of the covenants or conditions set out herein required to be complied with by the Closing Date or such other date and time as may be mutually agreed to, the respective obligations of the parties will terminate without further liability or obligation except for obligations of the Company with respect to the payment of Expenses and indemnity and contribution provided for in this Agreement.

7.2 At the Closing, the Agent will deliver or cause to be delivered to the Company, one or more certified cheques, wire transfers or bank drafts made payable on the Closing Date

to the Company in a total amount equal to the Net Proceeds of the Offering, subject to any written direction given by the Company to the Agent and accepted by the Agent.

7.3 At the Closing, upon payment of the Net Proceeds to the Company, the Company will deliver or cause to be delivered to the Agent, the following:

- (a) certificates in definitive form (or confirmation of issuance on a non-certificated basis) representing the Shares and the Compensation Shares registered in the name of CDS or in such other name or names as the Agent may notify the Company in writing;
- (b) the requisite Comfort Letters, Legal Opinions, Officers' Certificates and other Closing Materials provided for in this Agreement; and
- (c) a certificate or certificates representing the Compensation Options registered in the name of the Agent or in such name or names as directed by the Agent.

8. AGENT'S COMMISSION AND FEES

8.1 Upon Closing, the Company will pay the Agent:

- (a) a cash commission (the "**Agent's Fee**") equal to 10% of the gross proceeds realized from the Shares sold pursuant to the Offering; and
- (b) a non-refundable corporate work fee (the "**Work Fee**") of \$15,000 plus applicable taxes, of which \$7,875 has been paid to the Agent.

8.2 As further consideration for the Agent assisting the Company in connection with the Offering, the Company will issue to the Agent (or to members of the Selling Group in such amounts as the Agent directs):

- (a) Compensation Options, entitling the Agent to acquire such number of Compensation Shares as is equal to 10% of the number of Shares sold pursuant to the Offering at a price of \$0.10 per Compensation Share for a period of 24 months following the Closing; and
- (b) the terms governing the Compensation Options will be set out in the certificates representing the Compensation Options, the form of which will be subject to the approval of the Company and the Agent, acting reasonably, and will include provisions for the appropriate adjustment in the class, number and price of shares issuable upon exercise of the Compensation Options upon the occurrence of certain events, including any subdivision, consolidation or reclassification of the shares, payment of stock dividends or amalgamation of the Company.

8.3 The issue of the Compensation Options will not restrict or prevent the Company from obtaining any other financing, nor from issuing additional securities or rights during the period within which the Compensation Options are exercisable.

8.4 The Compensation Options will be qualified by the Prospectuses.

8.5 The Agent hereby represents and warrants that (i) it is not a U.S. Person, (ii) it was not offered the Compensation Options within the United States, (iii) it did not execute this Agreement or otherwise place its order to acquire the Compensation Options from within the United States and (iv) the Compensation Options may not be exercised in the United States or by or on behalf of a U.S. Person, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable Securities Laws. The Company represents and warrants that the offer and sale of the Compensation Options has been and will be made in an “offshore transaction” within the meaning of Regulation S, and otherwise in compliance with Rule 903 of Regulation S.

8.6 If the Company is unable to issue to the Agent, for any reason, the Compensation Options as contemplated hereby, the Company agrees to pay the Agent such other compensation, as agreed to between the Company and the Agent, each acting reasonably, of comparable value to the Compensation Options.

9. AGENT’S EXPENSES

9.1 The Agent acknowledges receipt from the Company of a \$10,000 deposit (the “**Retainer**”) which the Agent shall apply toward the expenses (the “**Expenses**”) reasonably incurred by the Agent in connection with the transactions contemplated herein including, without limitation, the reasonable fees of the Agent’s legal counsel plus reasonable expenses and all applicable taxes (including expenses relating to searches conducted on behalf of the Agent). The Expenses will be paid by the Company even if the transactions contemplated herein are not completed or this Agreement is terminated, unless the failure of completion or the termination is the result of the breach of this Agreement by the Agent. Except for legal fees of the Agent, any individual expense greater than \$2,000 on an individual basis will be subject to prior written approval by the Company. The Agent may request, in its sole discretion, an additional deposit for the payment of expenses in excess of \$10,000 incurred or to be incurred by the Agent in connection with the Offering. The Agent will obtain prior written approval from the Company for any expense exceeding the Retainer.

9.2 If the Agent determines in its sole judgement that particular experience or technical expertise is necessary for the Agent to carry out its obligations under this Agreement, then the Agent may engage third party experts, at the Company’s expense, to prepare assessment or technical reports relating to the Company and its business.

9.3 The Agent may, from time to time, render, or cause to be rendered, to the Company, accounts for its Expenses and the Company will pay those accounts promptly.

10. INDEMNITY

10.1 The Company hereby agrees to indemnify and hold harmless the Agent and its affiliates (collectively referred to in this Section 10 as “**CFG**”) and each and every one of the directors, officers, employees, shareholders and agents of CFG (hereinafter referred to as the “**Personnel**”) from and against any and all fees, costs, expenses, losses, claims, actions, damages, fines, penalties or liabilities of any nature whatsoever, joint or several (including the

aggregate amount paid in settlement of any actions, suits, proceedings or claims and the fees and expenses of its counsel that may be incurred in advising with respect to and/or defending any claim that may be made against CFG or any Personnel; both subject to the terms of this Section 10.1) (collectively, “**Losses**”) to which CFG and/or the Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise, insofar as such Losses arise out of or are based, directly or indirectly, on services rendered to the Company by CFG or the Personnel under, or otherwise in connection with, the matters referred to in this Agreement (the “**Services**”), provided, however, that the indemnity in this Section 10.1 shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that the Losses as to which indemnification is claimed are caused solely by the gross negligence or willful misconduct of CFG or the Personnel, as applicable.

10.2 If for any reason the indemnification in Section 10.1 is unavailable to CFG or any of the Personnel or is insufficient to hold it harmless, then the Company shall contribute to the amount paid or payable by CFG or any of the Personnel as a result of such Losses in such proportion as is appropriate to reflect not only the relative benefits received by the Company on the one hand and CFG or any of the Personnel on the other hand, but also the relative fault of the Company and CFG or any of the Personnel, as well as any relevant equitable considerations, provided that the Company shall, in any event, contribute to the amount paid or payable by CFG or any of the Personnel as a result of such Losses any excess of such amount over the amount of the fees received by CFG for the provision of the Services.

10.3 The Company agrees that, in case any legal proceeding shall be brought against the Company and/or CFG or any of the Personnel by any governmental commission or regulatory authority or any stock exchange or other entity having regulatory authority, either domestic or foreign, or if any such persons shall investigate the Company and/or CFG and/or any of the Personnel and CFG or any such Personnel shall be required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with, or by reason of the performance of the Services, CFG or any such Personnel shall have the right to employ its own counsel in connection therewith if CFG or any of the Personnel satisfies at least one of the conditions of the paragraph below with respect to retaining separate counsel, and the fees and expenses of such counsel as well as the costs and expenses incurred by the Personnel and the cost of time expended by the Personnel, together with CFG’s out of pocket expenses in connection therewith, shall be paid by the Company as they occur.

10.4 Promptly after receipt of notice of the commencement of any legal proceeding against CFG or any of the Personnel, 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 Company, CFG will notify the Company in writing of the commencement thereof. Any failure by CFG to so notify the Company shall not relieve the Company from any obligations or liability which it has hereunder, except to the extent that the Company has been materially prejudiced by such failure. In the event of any assertion against CFG or any of the Personnel of any such claim, or the commencement of any such action or proceeding, the Company shall be entitled to participate in such action or proceeding and in the investigation of such claim and, after written notice from the Company to CFG, to assume the

investigation or defense of any such claim, action or proceeding with counsel of the Company's choice at the Company's expense; provided, however, that such counsel shall be reasonably satisfactory to CFG. Notwithstanding the election of the Company to assume the defense or investigation of such claim, action or proceedings, CFG and the Personnel shall have the right to employ separate counsel and to participate in the defense or investigation of such claim, action or proceedings, and the Company shall bear the expense of such separate counsel in the circumstances described below. If such defense is assumed by the Company, the Company throughout the course thereof will provide copies of all relevant documentation to CFG, will keep CFG advised of the progress thereof and will discuss with CFG all significant actions proposed. CFG or any of the Personnel shall have the right, at the Company's expense, to employ counsel of such indemnified party's choice, in respect of any action, suit, claim or proceeding, if

- (a) in the opinion of counsel to CFG or the Personnel, as applicable, there may be defenses available to CFG or any of the Personnel that are in addition to or separate from those available to the Company and in the opinion of counsel to CFG or the Personnel, as applicable, use of counsel of the Company's choice could reasonably be expected to give rise to a conflict of interest;
- (b) the Company shall not have employed counsel reasonably satisfactory to CFG or the Personnel, as applicable, to represent the indemnified party or parties within a reasonable time after notice of the institution of any such action or proceedings;
or
- (c) the Company shall authorize CFG or any of the Personnel to employ separate counsel at the Company's expense.

10.5 The Company shall not be liable for any settlement of any claim, action or proceeding affected without its written consent (not to be unreasonably withheld), but if settled with such consent or if there be a final judgment for the plaintiff, the Company agrees to indemnify and hold harmless CFG and the Personnel from and against any Losses by reason of such settlement or judgment. The Company shall not, without the prior written consent of CFG and the Personnel, as applicable, settle, compromise or consent to any judgment or decision in any proceeding in respect of which indemnification may be sought hereunder.

10.6 The indemnity and contribution obligations of the Company shall be in addition to any liability which the Company may otherwise have, shall extend upon the same terms and conditions to the Personnel and shall be binding upon and endure to the benefit of any successors, assigns, heirs and personal representatives of the Company, CFG and any of the Personnel. The foregoing provisions shall survive the completion of Services or any termination or expiry of the authorization given by the attached engagement agreement and completion, withdrawal or termination of the transaction in respect of which the Services are provided.

10.7 The Company hereby acknowledges that CFG acts as trustee for the Personnel of the Company's covenants under this Section 10 and CFG agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

11. TERMINATION OF AGREEMENT

11.1 In addition to any other remedies which may be available to the Agent, this Agreement and any subscriptions for Shares received by the Agent may be terminated by the Agent at any time up to Closing in the event that:

- (a) the Agent is not satisfied, in its sole discretion, with its due diligence review and investigations;
- (b) the Company is in breach of, default under or non-compliance with any material term, condition or covenant of this Agreement or any material representation or warranty given by the Company in this Agreement becomes false;
- (c) the state of financial markets, whether national or international, is such that in the opinion of the Agent, it would be impractical or unprofitable to offer or continue to offer the Shares for sale;
- (d) the Agent or the Agent's counsel, identify any undisclosed adverse information regarding the Company as a result of their due diligence proceedings or otherwise that could reasonably be expected to have a material adverse effect on the Company or an adverse effect on the Offering;
- (e) there is an inquiry or investigation (whether formal or informal) by any securities regulatory authority, including, without limitation, the Exchange, in relation to the Company or any one of its officers or directors that could be reasonably expected to have a material adverse effect on the Company;
- (f) there should develop, occur, or come into effect or existence any event, action, condition or major financial occurrence of national or international consequence or any law or regulation which, in the opinion of the Agent, seriously adversely affects, or involves, or will seriously affect, or involve, the financial markets or the business, operations or affairs of the Company as a whole;
- (g) any condition shall remain outstanding and uncompleted at any time after the time which it is required to be completed or waived;
- (h) an adverse Material Change in the affairs of the Company occurs or is announced by the Company;
- (i) any order to cease or suspend trading in the securities of the Company, including an order which would prohibit the trade or distribution of any of the securities referred to herein, or an order to cease or suspend trading by a director, officer or promoter of the Company, or any one of them, is issued by any competent regulatory authority and remains in effect for greater than 15 days; or
- (j) the Agent and the Company agree in writing to terminate this Agreement.

11.2 The right of the Agent to terminate this Agreement is in addition to such other remedies any of the Purchasers may have in respect of any default, misrepresentation, act or failure to act of the Company in respect of any of the transactions contemplated by this Agreement.

11.3 Termination of this Agreement pursuant to this Section 11 shall be effected by notice in writing to the Company at any time prior to the release of the Net Proceeds from escrow to the Company. Upon such notice being delivered, the Net Proceeds will be returned to the Agent by the Company (if they have been delivered to the Company or to its solicitors or to any party on its behalf) without set-off or deduction. In the event that the Agent terminates this Agreement after having been paid the Agent's Fee by the Company, it will repay the Agent's Fee (but not the Expenses or that part of the Work Fee delivered to the Agent prior to the date hereof) to the Company forthwith.

12. PUBLIC DISCLOSURE

12.1 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 Securities Laws.

12.2 In the event a public announcement must be made by either party, such party agrees to provide the other party with a reasonable opportunity to review a draft of the proposed announcement and to provide comments thereon.

12.3 Any news release issued by the Company concerning the Offering shall include a legend to the effect that the news release shall not be disseminated in the United States or released over a United States wire service (unless the Agent otherwise agrees based on a written opinion of its US legal counsel), and it will also include the following:

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States. Such securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

13. GENERAL

13.1 Time and each of the terms and conditions of this Agreement shall be of the essence of this Agreement and any waiver by the parties of this Section 13.1 or any failure by them to exercise any of their rights under this Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or otherwise affect any of their rights or remedies under this Agreement.

13.2 This Agreement constitutes the entire Agreement between the parties hereto in respect of the matters referred to herein and supersedes all previous negotiations, understandings and agreement between the parties and there are no representations, warranties, covenants or agreements, expressed or implied, collateral hereto other than as expressly set forth or referred to herein.

13.3 The headings in this Agreement are for reference only and do not constitute terms of the Agreement.

13.4 The provisions contained in this Agreement which, by their terms, require performance by a party to this Agreement subsequent to the Closing Date shall survive the Closing Date of this Agreement.

13.5 No alteration, amendment, modification or interpretation of this Agreement or any provision of this Agreement shall be valid and binding upon the parties hereto unless such alteration, amendment, modification or interpretation is in writing executed by the parties hereto.

13.6 Whenever the singular or masculine is used in this Agreement the same shall be deemed to include the plural or the feminine or the body corporate as the context may require.

13.7 The parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any party may, either before or after the Closing Date, reasonably require in order to carry out the full intent and meaning of this Agreement.

13.8 This Agreement may not be assigned by any party hereto without the prior written consent of all of the parties hereto.

13.9 This Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of British Columbia.

13.10 This Agreement may be signed by the parties in as many counterparts as may be deemed necessary, each of which so signed shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

13.11 All notices required to be given under this Agreement must be made in writing and either delivered or sent by electronic mail to the party to whom notice is to be given at the address below or at such other address designated by that party in writing:

Izotropic Corporation
15718 39A Avenue
Surrey, BC
V3Z 0L1

Attention: Bob Thast, Chief Executive Officer and Director
Email: bthast@telus.net

with a copy to:

Clark Wilson LLP
Suite 900 - 885 West Georgia Street
Vancouver, BC
V6C 3H1

Attention: Max Portner
Email: mportner@cwilson.com

and in the case of the Agent, be addressed and telecopied or delivered to:

Chippingham Financial Group Ltd.
Suite 202 - 595 Howe Street
Vancouver, BC
V6C 2T5

Attention: Leslie Frame, Head of Western Operations
Email: ecm@chippingham.com

with a copy to:

McCullough O'Connor Irwin LLP
Suite 2600 – 1066 West Hastings Street
Vancouver, BC
V6E 3X1

Attention: David Gunasekera
Email: dgunasekera@moisolicitors.com

The Company and the Agent may change their respective addresses for notice by notice given in the manner referred to above.

[The remainder of this page left intentionally blank.]

If the foregoing is in accordance with your understanding and agreed to by you, please signify your acceptance on the accompanying counterparts of this letter and return same to the Agent whereupon this letter as so accepted will constitute an agreement between the Company and the Agent enforceable in accordance with its terms.

Yours truly,

CHIPPINGHAM FINANCIAL GROUP LTD.

Per: “Leslie Frame”
Authorized Signatory

The foregoing is accepted and agreed to on the 10th day of May, 2018, effective as of the date appearing on the first page of this Agreement.

IZOTROPIC CORPORATION

Per: “Robert Thast”
Authorized Signatory