

**XIGEM TECHNOLOGIES CORPORATION**

**AND**

**10557536 CANADA CORP.**

---

**BUSINESS COMBINATION AGREEMENT**

**NOVEMBER 17, 2020**

---

<b>ARTICLE 1 INTERPRETATION .....</b>	<b>- 1 -</b>
1.1    Definitions .....	- 1 -
1.2    Singular, Plural, etc. ....	- 6 -
1.3    Deemed Currency .....	- 6 -
1.4    Headings, etc. ....	- 6 -
1.5    Date for any Action .....	- 6 -
1.6    Governing Law .....	- 6 -
1.7    Attornment .....	- 6 -
<b>ARTICLE 2 THE BUSINESS COMBINATION .....</b>	<b>- 7 -</b>
2.1    Business Combination Steps .....	- 7 -
2.2    Implementation Covenants .....	- 8 -
2.3    Board of Directors and Officers .....	- 10 -
<b>ARTICLE 3 REPRESENTATIONS AND WARRANTIES .....</b>	<b>- 10 -</b>
3.1    Representations and Warranties of Xigem .....	- 10 -
3.2    Representations and Warranties of 105 and Subco .....	- 14 -
3.3    Survival .....	- 18 -
<b>ARTICLE 4 CONDUCT OF BUSINESS .....</b>	<b>- 18 -</b>
4.1    Conduct of Business by the Parties .....	- 18 -
<b>ARTICLE 5 COVENANTS .....</b>	<b>- 20 -</b>
5.1    Waiver of Notice of Subco Shareholder Meeting and Resolution in Lieu of Meeting by 105 .....	- 20 -
5.2    Covenants .....	- 20 -
5.3    Notice of Material Change .....	- 20 -
5.4    Non-Solicitation .....	- 21 -
5.5    Other Covenants .....	- 21 -
<b>ARTICLE 6 MUTUAL COVENANTS .....</b>	<b>- 21 -</b>
6.1    Other Filings .....	- 21 -
6.2    Additional Agreements .....	- 22 -
<b>ARTICLE 7 CONDITIONS AND CLOSING MATTERS .....</b>	<b>- 22 -</b>
7.1    Mutual Conditions Precedent .....	- 22 -
7.2    Additional Conditions Precedent to the Obligations of Xigem .....	- 23 -
7.3    Additional Conditions Precedent to the Obligations of 105 .....	- 24 -
7.4    Merger of Conditions .....	- 24 -
7.5    Closing Matters .....	- 25 -
<b>ARTICLE 8 TERMINATION, AMENDMENT AND DISSENTING SHAREHOLDERS .....</b>	<b>- 25 -</b>
8.1    Termination .....	- 25 -
8.2    Effect of Termination .....	- 25 -
8.3    Fees and Expenses .....	- 25 -
8.4    Amendment .....	- 25 -
8.5    Dissenting Xigem Shareholders .....	- 26 -
8.6    Waiver .....	- 26 -
<b>ARTICLE 9 GENERAL .....</b>	<b>- 26 -</b>
9.1    Notices .....	- 26 -
9.2    Assignment .....	- 27 -
9.3    Complete Agreement .....	- 27 -
9.4    Further Assurances .....	- 27 -
9.5    Severability .....	- 27 -
9.6    Counterpart Execution .....	- 27 -
9.7    Investigation by Parties .....	- 27 -
9.8    No Contra Proferentem .....	- 27 -
9.9    Public Announcement; Disclosure and Confidentiality .....	- 28 -

**SCHEDULE "A" AMALGAMATION AGREEMENT**

## BUSINESS COMBINATION AGREEMENT

THIS AGREEMENT is made as of November 17, 2020,

BETWEEN:

**XIGEM TECHNOLOGIES CORPORATION**

a corporation incorporated under the laws of the Province of Ontario  
("Xigem")

- and -

**10557536 CANADA CORP.**

a corporation existing under the laws of Canada  
("105")

(each a "Party" and collectively, the "Parties")

WHEREAS, pursuant to a letter agreement between the Parties dated September 17, 2020, Xigem and 105 propose to combine the business and assets of Xigem with those of 105, and upon completion of such business combination, 105 will, through Amalco (as defined below), carry on the current business of Xigem;

AND WHEREAS, the Parties intend to carry out the proposed business combination by way of a statutory amalgamation under the provisions of the OBCA (as defined below) and related transaction steps;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings, respectively:

"**105 Director and Officer Appointments**" means, subject to the completion of the Amalgamation, the reconstitution of the board of directors and the officers of 105, to consist of the nominees of Xigem, as more particularly described in Section 2.3.

"**105 Financial Statements**" has the meaning ascribed thereto in Section 3.2(m).

"**105 Lock-Up Agreements**" has the meaning ascribed thereto in Section 5.2(d)

"**105 Meeting**" means a special meeting of the 105 Shareholders to be held in order to seek shareholder approval for the Stock Split, Name Change, and, effective upon the completion of the Business Combination, the election of the directors comprising the 105 Director and Officer Appointments.

"**105 Shareholder**" means a registered holder of 105 Shares, from time to time.

"**105 Shares**" means the common shares in the capital of 105.

"**105**" means 10557536 Canada Corp., a corporation existing under the laws of Canada.

"**Affiliate**" has the meaning ascribed thereto in the OBCA.

“**Agreement**”, “**this Agreement**”, “**herein**”, “**hereto**”, and “**hereof**” and similar expressions refer to this business combination agreement, including the schedules attached hereto, as the same may be amended or supplemented from time to time.

“**Amalco**” means the amalgamated corporation resulting and continuing from the Amalgamation.

“**Amalco Shares**” means the common shares in the share capital of Amalco.

“**Amalgamation**” means the amalgamation of Xigem and Subco by way of a “three-cornered amalgamation” with 105 under the provisions of Section 174 of the OBCA and pursuant to the terms of the Documents.

“**Amalgamation Agreement**” means the agreement among Xigem, 105 and Subco in respect of the Amalgamation, to be substantially in the form attached as Schedule “A” to this Agreement.

“**Articles of Amalgamation**” means the articles of amalgamation giving effect to the Amalgamation required under the OBCA to be filed with the Director.

“**Business Combination**” means the series of transactions, as detailed in this Agreement, through which the businesses of Xigem and 105 will be combined, including the Name Change, the Stock Split, the Amalgamation, and the 105 Director and Officer Appointments.

“**Business Day**” means any day, excluding Saturday or Sunday, on which banking institutions are open for business in Toronto, Ontario.

“**CBCA**” means the *Canadian Business Corporations Act* as the same has been and may hereafter from time to time be amended.

“**Certificate of Amalgamation**” means the certificate in respect of the Amalgamation issued by the Director.

“**Completion Deadline**” means February 1, 2021 or such later date as may be mutually agreed between the Parties in writing.

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

“**CSE Escrow Agreement**” means the escrow agreement to be entered into among 105’s registrar and transfer agent, 105 and certain securityholders of 105 in compliance with the requirements of the CSE, with the securities subject to such agreement to be released as determined by the CSE.

“**Debt Instrument**” has the meaning ascribed thereto in Section 3.1(ff).

“**Debt Shares**” has the meaning ascribed thereto in Section 3.2(gg)

“**Director**” means the Director appointed under Section 278 of the OBCA.

“**Dissenting Xigem Shareholder**” means a registered holder of Xigem Shares who, in connection with the Xigem Approval, has exercised the right to dissent pursuant to Section 185 of the OBCA in strict compliance with the provisions thereof and thereby becomes entitled to be paid the fair value of his, her or its Xigem Shares and who has not withdrawn the notice of the exercise of such right as permitted by Section 185 of the OBCA.

“**Dissenting Xigem Shares**” means the Xigem Shares held by Dissenting Xigem Shareholders.

“**Documents**” means, collectively, this Agreement and the Amalgamation Agreement.

“**DRS Statement**” means a statement evidencing a shareholding position under the Direct Registration System.

“**Effective Date**” means the date shown on the Certificate of Amalgamation issued by the Director, which date shall be in accordance with Section 2.1(c).

“**Effective Time**” means 12:01 a.m. (Toronto time) on the Effective Date or such other time on the Effective Date as may be agreed by Xigem and 105.

“**Encumbrances**” means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or claims, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

“**Exchange Ratio**” means 0.5 Post-Split 105 Shares for each one (1) Xigem Share.

“**Existing 105 Options**” means the stock options of 105, entitling the holders thereof to purchase up to 500,000 105 Shares at a price of \$0.10 per share on or before June 30, 2023.

“**Existing 105 Warrants**” means the 105 Share purchase warrants, entitling the holders thereof to purchase up to 2,250,000 105 Shares, with 2,000,000 at a price of \$0.01 per share expiring on July 31, 2021 and 250,000 at a price of \$0.25 expiring three months following the Effective Date.

“**fair value**” where used in relation to a Xigem Share held by a Dissenting Xigem Shareholder, means fair value as determined by a court under Section 185 of the OBCA or as agreed between Xigem and the Dissenting Xigem Shareholder.

“**Financing**” means a non-brokered private placement of 87,473,600 Xigem Units, at a price of \$0.025 per Xigem Unit, for gross proceeds of \$2,186,840 that closed on October 29, 2020.

“**GCG Agreement**” has the meaning ascribed thereto in Section 3.2(f).

“**GCS Agreement**” has the meaning ascribed thereto in Section 3.2(f).

“**Governing Documents**” means, in respect of each Party, as applicable, its certificate, its articles of incorporation, as amended, and its by-laws, as amended.

“**Government Authority**” means any foreign, national, provincial, local or state government, any political subdivision or any governmental, judicial, public or statutory instrumentality, court, tribunal, agency (including those pertaining to health, safety or the environment), authority, body or entity, or other regulatory bureau, authority, body or entity having legal jurisdiction over the activity or Person in question and, for greater certainty, includes the CSE.

“**Hazardous Substance**” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, waste or material, including hydrogen sulfide, arsenic, cadmium, copper, lead, mercury, petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material, substance, pollutant or contaminant regulated or defined pursuant to, or that could result in liability under, any applicable Environmental Law.

“**IFRS**” means International Financial Reporting Standards applicable as at the relevant date.

“**Intangible Property**” means all patents, patentable subject matter, copyrights, registered and unregistered trade-marks, service marks, domain names, trade-names, logos, commercial symbols, industrial designs (including applications for all of the foregoing and renewals, divisions, extensions and reissues, where applicable, relating thereto), inventions, licences, sublicences, trade secrets, know how, confidential and proprietary information, patterns, drawings, computer software, databases and all other intellectual property, whether registered or not, owned by, licensed to or used by a Person, where and to the extent that the loss of such ownership or license rights or rights to use would have or would be reasonably expected to have a Material Adverse Effect on such Person, in any format or medium whatsoever.

“**in writing**” means written information including documents, files, software, records and books made available, delivered or produced to one Party by or on behalf of the other Party.

“**Laws**” means all laws, statutes, codes, ordinances, decrees, rules, regulations, by laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or licence of any Government Authority, statutory body or self-regulatory authority, and the term “applicable” with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Government Authority (or any other Person) having jurisdiction over the aforesaid Person or Persons or its or their business, undertaking, property or securities.

“**Listing Statement**” means a listing statement to be prepared jointly by 105 and Xigem in accordance with the requirements of Policy 2 and Policy 8 of the CSE.

“**Listing**” means Xigem's application for listing on the CSE.

“**Material Adverse Change**” means any change in the financial condition, operations, assets, liabilities, or business of a Party and its Subsidiaries, considered as a whole, which is materially adverse to the business of such Party and its Subsidiaries, considered as a whole, other than a change: (a) which arises out of or in connection with a matter that has been publicly disclosed or otherwise disclosed in writing by such Party to the other Party prior to the date of this Agreement; (b) resulting from conditions affecting the mineral exploration and development industry as a whole; (c) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere; or (d) which arises out of changes in geopolitical conditions, acts of terrorism or sabotage, war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility, weather conditions, global health conditions (including any epidemic, pandemic, or disease outbreak (including the COVID-19 virus)), or other force majeure events, including any material worsening of such conditions threatened or existing as of the date of this Agreement, to the extent that such events and/or conditions do not disproportionately impact the said Party and its Subsidiaries relative to other companies operating in the industry or industries in which the said Party and its Subsidiaries operate.

“**Material Adverse Effect**” means any event, change or effect that is or would reasonably be expected to be materially adverse to the financial condition, operations, assets, liabilities, or business of a Party and its Subsidiaries, considered as a whole, provided, however, that a Material Adverse Effect shall not include an adverse effect resulting from a change: (a) which arises out of or in connection with a matter that has been publicly disclosed or otherwise disclosed in writing by such Party to the other Party prior to the date of this Agreement; (b) resulting from conditions affecting the mineral exploration and development industry as a whole; (c) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere; or (d) or (d) which arises out of changes in geopolitical conditions, acts of terrorism or sabotage, war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility, weather conditions, global health conditions (including any epidemic, pandemic, or disease outbreak (including the COVID-19 virus)), or other force majeure events, including any material worsening of such conditions threatened or existing as of the date of this Agreement, to the extent that such events and/or conditions do not disproportionately impact the said Party and its Subsidiaries relative to other companies operating in the industry or industries in which the said Party and its Subsidiaries operate.

“**material fact**” has the meaning ascribed thereto in the *Securities Act* (Ontario) as the same has been and may hereafter from time to time be modified.

“**Name Change**” means the change of 105's name to “Xigem Technologies Corporation” or such other name as Xigem may determine.

“**Non-Offering Prospectus**” means the non-offering prospectus of 105 required to be filed with the OSC and CSE in connection with the Listing.

“**OBCA**” means the *Business Corporations Act* (Ontario) as the same has been and may hereafter from time to time be amended.

“**OSC**” means the Ontario Securities Commission.

“**Party**” means each of 105 and Xigem individually, and collectively, the “**Parties**”.

“**Person**” includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Government Authority, syndicate or other entity, whether or not having legal status.

“**Post-Split 105 Shares**” collectively means the 105 Shares after giving effect to the Stock Split and individually a “**Post-Split 105 Share**”.

“**Public Disclosure Record**” means, with respect to a Party, all forms, reports, schedules, statements and other documents required to be filed with applicable securities regulatory authorities under applicable Laws (including, the CSE and other applicable stock exchanges), which have been filed by such Party with such applicable securities regulatory authorities, and which are accessible to the public on SEDAR.

“**Regulatory Approval**” means any approval, consent, waiver, permit, order or exemption from any Government Authority having jurisdiction or authority over any Party or the Subsidiary of any Party which is required or advisable to be obtained in order to permit the Business Combination to be effected and “**Regulatory Approvals**” means all such approvals, consents, waivers, permits, orders or exemptions.

“**Reporting Jurisdictions**” has the meaning ascribed thereto in Section 3.2(e).

“**Securities Authorities**” means the applicable securities commissions or similar securities regulatory authorities in each of the Reporting Jurisdictions, and the CSE.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval, available at [www.sedar.com](http://www.sedar.com).

“**Stock Split Ratio**” means the ratio for the Stock Split, being 1.6453 Post-Split 105 Shares for every one (1) pre-Stock Split 105 Share held.

“**Stock Split**” means a subdivision of the issued and outstanding 105 Shares on the basis of the Stock Split Ratio.

“**Subco Shares**” means the common shares in the capital of Subco.

“**Subco**” means 2792189 Ontario Inc., a corporation incorporated under the laws of the Province of Ontario as a wholly-owned Subsidiary of 105 for the sole purpose of effecting the Amalgamation.

“**Subsidiary**” has the meaning ascribed thereto in the OBCA.

“**Taxes**” has the meaning ascribed thereto in Section 3.1(s).

“**Transaction Resolution**” means the approval of the 105 Shareholders to be obtained by written consent approving the Amalgamation, as required pursuant to the policies of the CSE.

“**U.S. Accredited Investor**” means an accredited investor as defined in Rule 501(a) under the U.S. Securities Act.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia.

“**Xigem Approval**” means a special meeting of the Xigem Shareholders to be held in order to seek shareholder approval for the Amalgamation or a unanimous shareholder resolution passed in lieu of a meeting of Xigem Shareholders.

“**Xigem Financial Statements**” has the meaning ascribed thereto in Section 3.1(m).



**“Xigem Intangible Property”** means all Intangible Property that is owned by a third party and licensed for use by Xigem and its Affiliates in the necessary course of the operation of the business of Xigem, as presently conducted or proposed to be conducted, but excludes commercially available software and music and stock footage from time to time licensed by Xigem on a non-exclusive basis for use by Xigem or its Affiliates.

**“Xigem Lock-Up Agreements”** has the meaning ascribed thereto in Section 5.2(b).

**“Xigem Shareholder”** means a registered holder of Xigem Shares, from time to time.

**“Xigem Shares”** means the common shares in the capital of Xigem.

**“Xigem Units”** means the units of Xigem, each consisting of one (1) Xigem Share and one (1) Xigem Warrant.

**“Xigem Warrants”** means the warrants of Xigem issued as part of the Xigem Units, and each entitling the holder thereof to purchase one (1) Xigem Share at an exercise price of \$0.035 per share, for a period of 12 months following the date of issuance.

**“Xigem”** means Xigem Technologies Corporation, a corporation incorporated under the laws of the Province of Ontario.

## **1.2 Singular, Plural, etc.**

Words importing the singular number include the plural and vice versa and words importing gender include the masculine, feminine and neuter genders.

## **1.3 Deemed Currency**

In the absence of a specific designation of any currency any undescribed dollar amount herein shall be deemed to refer to Canadian dollars.

## **1.4 Headings, etc.**

The division of this Agreement into Articles and Sections, the provision of a table of contents hereto and the insertion of the recitals and headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement and, unless otherwise stated, all references in this Agreement to Articles and Sections refer to Articles and Sections of and to this Agreement in which such reference is made.

## **1.5 Date for any Action**

In the event that any date on which any action is required to be taken hereunder by any of the Parties hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

## **1.6 Governing Law**

This Agreement shall be governed by and interpreted in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.

## **1.7 Attornment**

The Parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of Ontario for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the addresses of the Parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against either Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the Courts of the Province of Ontario and hereby further

irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

## ARTICLE 2 THE BUSINESS COMBINATION

### 2.1 Business Combination Steps

Xigem and 105 agree to effect the combination of their respective businesses and assets by way of a series of steps or transactions including the Financing, the Stock Split, the Amalgamation, and the 105 Director and Officer Appointments. Each Party hereby agrees that as soon as reasonably practicable after the date hereof or at such other time as is specifically indicated below in this Section 2.1, and subject to the terms and conditions of this Agreement, it shall take the following steps indicated for it:

- (a) Xigem shall, as soon as reasonably practicable, use all commercially reasonable efforts to obtain the Xigem Approval; and
- (b) 105 shall as soon as reasonably practicable:
  - (i) duly convene the 105 Meeting and use all commercially reasonable efforts to obtain the approval of the 105 Shareholders for the matters included in the 105 Meeting; and
  - (ii) obtain 105 Shareholder approval of the Transaction Resolution.
- (c) 105 shall take all necessary corporate steps to complete the Stock Split following which 105 will have 7,359,644 Post-Split 105 Shares (subject to rounding) issued and outstanding. No fractional Post-Split 105 Shares will be delivered to any 105 Shareholder otherwise entitled thereto and in accordance with the CBCA, each fractional share that is less than half of a share will be cancelled and each fractional share that is at least half of a share will be changed to a whole share. All outstanding options, warrants or other convertible securities of 105 will be similarly exchanged or converted in accordance with the Stock Split such that, following the Stock Split, such options, warrants or other convertible securities will entitle the holders thereof to acquire for the same aggregate consideration the number of Post-Split 105 Shares that the holder would have been entitled to receive had the holder exercised or converted its options, warrants or other convertible securities prior to the Stock Split;
- (d) Xigem and Subco shall amalgamate by way of statutory amalgamation under Section 174 of the OBCA on the terms and subject to the conditions contained in the Amalgamation Agreement and Xigem and 105 further agree that the Effective Date shall occur within five (5) Business Days following the satisfaction or waiver of the conditions herein contained in favour of each Party or such other date as may be mutually agreed upon by the Parties;
- (e) the Parties shall cause the Articles of Amalgamation to be filed to effect the Amalgamation, pursuant to which:
  - (i) Xigem and Subco will amalgamate under the provisions of the OBCA and continue as one amalgamated corporation, being Amalco;
  - (ii) subject to Section 2.1(f), holders of outstanding Xigem Shares shall receive, in respect of each Xigem Share held, a number of Post-Split 105 Shares equal to the Exchange Ratio and the Xigem Shares will be cancelled;
  - (iii) following the Effective Time, all outstanding options, warrants or other convertible securities of Xigem will be similarly exchanged or converted in accordance with the Exchange Ratio such that, following the Business Combination, such options, warrants or other convertible securities will entitle the holders thereof to acquire for the same aggregate consideration the number of Post-Split

105 Shares that the holder would have been entitled to receive pursuant to the Business Combination had the holder exercised or converted its options, warrants or other convertible securities to become a Xigem Shareholder prior to the Business Combination;

- (iv) the outstanding Subco Shares will be exchanged for Amalco Shares on the basis of one (1) Amalco Share for each one (1) Subco Share;
  - (v) as consideration for the issuance of the Post-Split 105 Shares to the former Xigem Shareholders to effect the Amalgamation, Amalco will issue, to 105, one (1) fully paid Amalco Share for each one (1) 105 Consolidated Share so issued;
  - (vi) 105 shall add to the capital maintained in respect of the Post-Split 105 Shares an amount equal to the aggregate paid-up capital for purposes of the *Income Tax Act* (Canada) of the Xigem Shares immediately prior to the Effective Time;
  - (vii) Amalco shall add to the capital maintained in respect of the Amalco Shares an amount such that the stated capital of the Amalco Shares shall be equal to the aggregate paid-up capital for purposes of the *Income Tax Act* (Canada) of the Subco Shares immediately prior to the Amalgamation;
  - (viii) all of the property and assets of each of Xigem and Subco will be the property and assets of Amalco and Amalco will be liable for all of the liabilities and obligations of each of Xigem and Subco; and
  - (ix) Amalco will be a wholly-owned Subsidiary of 105.
- (f) in accordance with Section 8.5, Xigem Shares which are held by a Dissenting Xigem Shareholder shall not be converted as prescribed by Section 2.1(e)(ii). However, if a Dissenting Xigem Shareholder fails to perfect or effectively withdraws its claim under Section 185 of the OBCA or forfeits its right to make a claim under Section 185 of the OBCA or if its rights as an Xigem Shareholder are otherwise reinstated, such Dissenting Xigem Shareholder's Dissenting Xigem Shares shall thereupon be deemed to have been converted as of the Effective Date as prescribed by Section 2.1(e)(ii);
- (g) immediately following the filing of the Articles of Amalgamation to effect the Amalgamation, 105 will reconstitute its board of directors and officers to give effect to the 105 Director and Officer Appointments;
- (h) as soon as practicable after the Effective Date, in accordance with normal commercial practice, 105 shall issue or cause to be issued certificates, DRS Statements or electronic positions within CDS representing the appropriate number of the Post-Split 105 Shares issued to the former Xigem Shareholders. No fractional Post-Split 105 Shares will be delivered to any Xigem Shareholder otherwise entitled thereto and instead the number of Post-Split 105 Shares to be issued to each former Xigem Shareholder will be rounded up to the nearest whole number;
- (i) the Parties acknowledge that the CSE may require some of the Post-Split 105 Shares issued pursuant to the Business Combination to be held in escrow and Xigem and 105, as applicable, agree to comply and use its reasonable efforts to cause its shareholders to comply with all such escrow requirements of the CSE including the execution and delivery of the CSE Escrow Agreement; and
- (j) the Parties shall take any other action and do anything, including the execution of any other agreements, documents or instruments, that is necessary or useful to give effect to the Business Combination.

## 2.2 Implementation Covenants

- (a) **Listing Statement.** Xigem and 105 shall use commercially reasonable efforts to jointly prepare the Listing Statement together with any other documents required by applicable Laws in connection with the proposed listing of the Post-Split 105 Shares in connection with the Business Combination, and shall jointly file the final Listing Statement required by applicable Laws as soon as reasonably practicable.

- (b) **Non-Offering Prospectus.** As promptly as practical following the execution of this Agreement, and in compliance with applicable laws, the requirements of the Securities Authorities and the policies of the CSE (i) 105 and Xigem shall cooperate in the preparation of the Non-Offering Prospectus and Xigem shall provide to 105 the necessary information in respect of Xigem to ensure that the Non-Offering Prospectus provides information in compliance in all material respects with CSE policies on the date of filing thereof; and (ii) 105 shall cause the Non-Offering Prospectus to be filed with applicable regulatory authorities in all jurisdictions where the same are required to be filed.
- (c) **Xigem Approval and Preparation of Xigem Approval Documentation.** Xigem will use its commercially reasonable efforts to obtain the Xigem Approval and prepare the documentation required in connection with the Xigem Approval and deliver such documentation to Xigem Shareholders in accordance with the provisions of applicable Laws.
- (d) **105 Meeting and Preparation of 105 Meeting Documentation.** 105 shall duly call and hold the 105 Meeting and prepare the documentation required in connection with the 105 Meeting and deliver such documentation to 105 Shareholders in accordance with the provisions of applicable Laws.
- (e) **Listing.** The Parties shall use all commercially reasonable efforts to have the Post-Split 105 Shares to be issued in connection with the Business Combination listed on the CSE following the Business Combination.
- (f) **Preparation of Filings.** Xigem and 105 shall cooperate in the preparation of any documents and taking of all actions reasonably deemed by Xigem or 105 to be necessary to discharge their respective obligations under applicable Laws in connection with the Business Combination and all other matters contemplated in the Documents, and in connection therewith:
- (i) each of Xigem and 105 shall furnish to the other all such information concerning it and its shareholders as may be required to effect the actions described in this Article 2, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Business Combination will contain any untrue statement of a material fact or omit to state a material fact required to be stated in any such document or necessary in order to make any information so furnished for use in any such document not misleading in the light of the circumstances in which it is furnished or to be used;
  - (ii) Xigem and 105 shall each promptly notify the other if at any time before the Effective Date it becomes aware that the Listing Statement or Non-Offering Prospectus contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Listing Statement or Non-Offering Prospectus. In any such event, Xigem and 105 shall cooperate in the preparation of a supplement or amendment to the Listing Statement or Non-Offering Prospectus, as required and as the case may be, and, if required, shall cause the same to be filed with the applicable Securities Authorities;
  - (iii) each of Xigem and 105 shall ensure that the Listing Statement and Non-Offering Prospectus comply with all applicable Laws and, without limiting the generality of the foregoing, that the Listing Statement and Non-Offering Prospectus do not contain any untrue statement of a material fact or omit to state a material fact with respect to itself required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made; and
  - (iv) each of Xigem and 105 agree that the Listing Statement and Non-Offering Prospectus shall be principally handled by counsel to Xigem with the assistance of counsel to 105 for matters relating to 105 and discussions with CSE and the OSC shall be principally handled by counsel to Xigem.
- (g) **Amalgamation Agreement, etc.** The Parties hereby acknowledge that the Amalgamation Agreement shall be substantially in the form attached as Schedule "A" to this Agreement. 105 shall cause Subco, subject to

the terms and conditions of this Agreement and subject to and following the satisfaction or waiver of the conditions herein contained in favour of each Party, to deliver to Xigem the duly executed Amalgamation Agreement, Articles of Amalgamation and related documents which will be filed by Xigem with the Director.

### 2.3 Board of Directors and Officers

Each of the Parties hereby agrees that upon completion of the Business Combination the officers and directors of 105 shall resign and giving effect to the 105 Director and Officer Appointments, and subject to approval by the CSE, the board of directors and officers of 105 shall consist of such directors and senior officers as determined by Xigem, which are expected to consist of the following:

Name	Title
Brian Kalish	Chief Executive Officer, Director
Scott Wilson	Director
Stephen Coates	Director
Conor Bill	Director
Igor Kostiuoutchenko	Chief Financial Officer
Anton Tikhomirov	Chief Technology Officer

## ARTICLE 3 REPRESENTATIONS AND WARRANTIES

### 3.1 Representations and Warranties of Xigem

Xigem hereby represents and warrants to 105, and acknowledges that 105 is relying upon such representations and warranties in connection with the entering into of this Agreement, as follows:

- (a) Xigem has been duly incorporated and is validly existing under the laws of the Province of Ontario and is current and up-to-date with all filings required to be made by it in such jurisdiction;
- (b) Xigem has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;
- (c) the authorized capital of Xigem consists of an unlimited number of Xigem Shares, of which, at the date hereof, there are 132,473,600 Xigem Shares issued and outstanding;
- (d) as of the date hereof, there are 56,236,800 Xigem Warrants issued and outstanding;
- (e) other than the securities referred to in Section 3.1(c) and Section 3.1(d), there are no other shares, options, warrants, convertible notes or debentures, agreements, documents, instruments or other writings of any kind whatsoever which constitute a “security” of Xigem (as that term is defined in the Securities Act) and Xigem has no agreements or commitments of any character whatsoever convertible into, or exchangeable or exercisable for or otherwise requiring the issuance, sale or transfer by Xigem of any Xigem Shares or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any Xigem Shares;
- (f) Xigem is not a reporting issuer nor an associate of any reporting issuer (as defined in the *Securities Act* (Ontario) or the *Securities Act* of any other province or territory of Canada) and the Xigem Shares do not trade on any exchange;
- (g) Xigem has all requisite corporate capacity, power and authority, and possesses all material certificates, authority, permits and licences issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct the business as now conducted by Xigem, and to own its assets,

and is in compliance in all material respects with such certificates, authorities, permits or licences. Xigem has not received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or licence, which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the business, operations, financial condition, income or future prospects of Xigem. Xigem is not aware of any claim or basis for any claim that might or could adversely affect the right thereof to use or otherwise exploit its rights under any such certificate, authority, permit or licence;

- (h) Xigem has no associates (as defined in the *Securities Act* (Ontario) and is not a partner, co-tenant, joint venturer or otherwise a participant in any partnership, joint venture, co-tenancy or other similarly joint owned businesses;
- (i) Xigem is the absolute legal and beneficial owner of, and has good and marketable title to, all of the material property or assets thereof free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, other than those reflected or reserved against it in the Xigem Financial Statements;
- (j) this Agreement has and the Amalgamation Agreement will be at the Effective Time, duly authorized, executed and delivered by Xigem and this Agreement constitutes, and at the Effective Time the Amalgamation Agreement will constitute, a valid and binding obligation of Xigem enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of Xigem, other than the Xigem Approval, is necessary to authorize this Agreement and the transactions contemplated hereby;
- (k) the entering into and the performance by Xigem of the Business Combination contemplated in the Documents:
  - (i) do not require any consent, approval, authorization or order of any court or governmental agency, body or Governmental Authority, except that which may be required by the Securities Authorities, under applicable corporate and securities legislation and the policies of the CSE;
  - (ii) will not contravene any statute or regulation of any Governmental Authority which is binding on Xigem where such contravention would have a Material Adverse Effect; and
  - (iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of Xigem or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which Xigem is a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect;
- (l) there are no legal, regulatory, governmental or similar proceedings pending or, to the knowledge of Xigem, contemplated or threatened, to which Xigem is a party or to which the property of Xigem is subject;
- (m) audited financial statements of Xigem from the date of incorporation, on June 15, 2020 to October 31, 2020 and the notes thereto, (the “**Xigem Financial Statements**”), in each case have been prepared in accordance with IFRS, present fairly, in all material respects, the financial position of Xigem as at such dates, and do not omit to state any material fact that is required by applicable Laws to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;
- (n) Since June 15, 2020 no change has occurred in the business, operations, results of operations, assets, capitalization or condition (financial or otherwise) of Xigem, whether or not in the ordinary course of

business, whether separately or in the aggregate with other occurrences or developments, and whether insured against or not, which would reasonably be expected to have a Material Adverse Effect on Xigem.

- (o) there are no plans for retirement, bonus, stock purchase, profit sharing, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation incentive or otherwise contributed to or required to be contributed to, by Xigem for the benefit of any current or former director, officer, employee or consultant of Xigem;
- (p) Xigem is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of Xigem;
- (q) Xigem is not a party to or bound or affected by any commitments, agreement or document containing any covenant which expressly limits the freedom of Xigem to compete in any line of business or with any person, or to transfer or move any of its assets or operations;
- (r) there are no material liabilities of Xigem, whether direct, indirect, absolute, contingent or otherwise which are not disclosed or reflected in the Xigem Financial Statements except for those incurred in the ordinary course of business as of the date hereof;
- (s) all taxes (including income taxes, capital tax, payroll taxes, employer health taxes, workers' compensation payments, property taxes, sales, use, goods and services taxes, value-added taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "Taxes") due and payable by Xigem have been paid or provision made therefor in the Xigem Financial Statements except where the failure to pay such Taxes would not result in a Material Adverse Effect for Xigem. All tax returns, declarations, remittances and filings required to be filed by Xigem have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of Xigem, no examination of any tax return of Xigem is currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any Taxes that have been paid, or may be payable, by Xigem. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to Xigem;
- (t) there is no person, firm or company acting or purporting to act at the request of Xigem who is or will be entitled to any brokerage or finder's fee in connection with the transactions contemplated herein;
- (u) Xigem is not in default under, or in violation of, and has not violated (and failed to cure) any Law including, without limitation, laws relating to the issuance or sale of securities, privacy and intellectual property, or any licenses, permits, authorizations or concessions granted by, or any judgment, decree, writ, injunction or order of, any governmental or regulatory authority, applicable to its business or any of its properties or assets, except where such default or violation would not have a Material Adverse Effect on Xigem. Xigem has not received any notification alleging any violations of any of the foregoing with respect to which adequate corrective action has not been taken;
- (v) any and all material agreements pursuant to which Xigem holds any of its material assets are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, Xigem is not in default of any of the material provisions of any such agreements including, without limitation, failure to fulfil any payment or work obligation thereunder nor has any such default been alleged, Xigem is not aware of any material disputes with respect thereto and such assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licences and concessions pursuant to which Xigem derives its interests in such material assets are in good standing and there has been no material default under any such leases, licences and concessions and all real or other property taxes required to be paid with respect to such assets to the date hereof have been paid;

- (w) no consents, registrations, approvals, permits, waivers or authorizations are required to be obtained by Xigem from, any third party in connection with the execution and delivery of this Agreement by Xigem and the consummation of the transactions contemplated herein by Xigem, the failure to make or obtain any or all of which is reasonably likely to have a Material Adverse Effect on the consolidated financial condition of Xigem, or could prevent, materially delay or materially burden the transactions contemplated herein.
- (x) Xigem owns or has legal right to use the Xigem Intangible Property currently used in the conduct of the business of Xigem, and, to the knowledge of Xigem, the ownership or use thereof and any other intellectual property rights owned or used by Xigem does not infringe upon the proprietary rights of any other persons.
- (y) As of the date hereof, Xigem, and where applicable, its permitted Affiliates, have the exclusive right to use all Xigem Intangible Property in the necessary course of the operation of the business of Xigem, as presently conducted or proposed to be conducted. As of the date hereof, (i) all Xigem Intangible Property has been licensed to Xigem pursuant to a valid agreement, in full force and effect, and (ii) no such Xigem Intangible Property is being used by Xigem in violation of such agreement.
- (z) To the knowledge of Xigem, no registrations or filings are necessary to preserve the existing rights of Xigem in and to the Xigem Intangible Property. As of the date hereof, there is no actual or, to the knowledge of Xigem, threatened material infringement or misappropriation of, or other interference with the Xigem Intangible Property.
- (aa) To the knowledge of Xigem, the conduct of Xigem' business does not infringe upon the industrial or intellectual property rights, domestic or foreign, of any other person. Xigem is not aware of a claim of any infringement or breach, in each case by Xigem, of any industrial or intellectual property rights of any other person, nor has Xigem received any notice that the conduct of Xigem' business, including the use of the Xigem Intangible Property, infringes upon or breaches any industrial or intellectual property rights of any other person, and Xigem does not have any knowledge of any infringement or violation of any of its rights in the Xigem Intangible Property;
- (bb) to the knowledge of Xigem, there are no outstanding labour disputes (whether filed or lodged with Xigem or any other person or organization), pending labour disruptions or pending unionization with respect to Xigem;
- (cc) Xigem is not bound by or a party to any collective bargaining agreement;
- (dd) Xigem has conducted and is conducting its business in compliance in all material respects with all applicable Laws concerning privacy and the protection of personal information.
- (ee) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which Xigem is a party, any restriction upon or impediment to the declaration or payment of dividends by the directors of Xigem or the payment of dividends by Xigem to the holders of its securities;
- (ff) other than as disclosed in the Xigem Financial Statements, Xigem is not party to any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money ("**Debt Instrument**") or any agreement contract or commitment to create, assume or issue any Debt Instrument;
- (gg) Xigem is not a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Xigem to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Xigem or which would prohibit or restrict Xigem from entering into and completing the Business Combination;
- (hh) the information in the Non-Offering Prospectus relating to Xigem will be true, correct and complete in all material respects and will not contain any untrue statement of any material fact, nor omit to state any



material fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the context in which they are to be made;

- (ii) Xigem is not a party to any agreement, and Xigem is not aware of any agreement, which in any manner affects the voting control of any of the Xigem Shares or other securities of Xigem;
- (jj) other than as disclosed in the Xigem Financial Statements, and the subscription of 2,000,000 Xigem Shares by Brian Kalish, Chief Executive Officer and Director of Xigem, Xigem has not engaged in any transaction with any non-arm's length person;
- (kk) Xigem is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of Xigem;
- (ll) the corporate records and minute books of Xigem contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since the date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed;
- (mm) Xigem does not maintain any insurance but may, in its sole discretion, obtain a directors and officers insurance policy prior to or concurrently with the Effective Date; and
- (nn) no representation, warranty or statement of Xigem in the Documents contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading.

### 3.2 Representations and Warranties of 105 and Subco

105 hereby represents and warrants to Xigem, and acknowledges that Xigem is relying upon such representations and warranties in connection with the entering into of this Agreement, as follows:

- (a) 105 has been duly formed and is validly existing under the laws of the Canada and is current and up-to-date with all filings required to be made by it in such jurisdiction;
- (b) 105 has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;
- (c) the authorized capital of 105 consists of an unlimited number of 105 Shares, of which 4,473,254 105 Shares are currently issued and outstanding and an unlimited number of preferred shares, of which none are currently issued and outstanding; except for such 105 Shares, the Existing 105 Options and the Existing 105 Warrants, 105 has no other securities outstanding nor is it a party to or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any 105 Shares or securities convertible into or exchangeable for 105 Shares;
- (d) on the Effective Date, the 105 Shares issued pursuant to the Amalgamation will be duly and validly issued and outstanding as fully paid and non-assessable;
- (e) since April 30, 2018, 105 has not carried on any active business operations aside from such active business operations necessary under applicable laws to maintain its status as a reporting issuer in the provinces of Alberta, British Columbia and Manitoba (collectively, the "**Reporting Jurisdictions**"), and to the extent that 105 has conducted or is conducting any active business operations, (A) 105 has disclosed such business operations in its Public Disclosure Record, (B) 105 has all requisite corporate capacity, power and authority, and possesses all material certificates, authority, permits and licences issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct its business as now conducted by it and to own its assets, and is in compliance in all material respects with such certificates,

authorities, permits or licences, and (C) 105 has not received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or licence which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the business, operations, financial condition, income or future prospects of 105;

- (f) 105 (A) is not a party to any contract as of the date hereof, other than a consulting agreement with Grove Corporate Services for \$2,750 per month (the “**GCS Agreement**”) and a consulting agreement with Grove Capital Group for \$5,000 per month (the “**GCG Agreement**”) and (B) has duly terminated all, and has no outstanding obligations (whether past, present or future obligations) under any contract(s) (including any material terminated on or prior to the date hereof);
- (g) 105 is a reporting issuer, or the equivalent thereof, in the Reporting Jurisdictions, and is not currently in default of any requirement of the applicable laws of each of the Reporting Jurisdictions and other regulatory instruments of the Securities Authorities in such provinces, and no order ceasing, halting or suspending trading in securities of 105 or prohibiting the distribution of such securities has been issued to and is outstanding against 105 and no investigations or proceedings for such purposes are, to the knowledge of 105, pending or threatened;
- (h) 105 is in compliance in all material respects with all its disclosure obligations under applicable Laws and all documents filed by 105 pursuant to such obligations are in compliance in all material respects with applicable Laws and, other than in respect of documents that have been amended or refiled did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;
- (i) other than Subco, 105 has no associates (as defined in the *Securities Act* (Ontario) and is not a partner, cotenant, joint venturer or otherwise a participant in any partnership, joint venture, co-tenancy or other similarly joint owned business;
- (j) this Agreement has and the Amalgamation Agreement will be at the Effective Time, duly authorized, executed and delivered by 105 and this Agreement constitutes, and at the Effective Time the Amalgamation Agreement will constitute, a valid and binding obligation of 105 enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of 105, other than the 105 Approval, is necessary to authorize this Agreement and the transactions contemplated hereby;
- (k) the entering into and the performance by 105 and Subco of the Business Combination contemplated in the Documents:
  - (i) do not require any consent, approval, authorization or order of any court or governmental agency, body, or Governmental Authority except that which may be required under applicable corporate and securities legislation, the policies of the CSE and by the Securities Authorities;
  - (ii) will not contravene any statute or regulation of any Governmental Authority which is binding on 105 or Subco where such contravention would have a Material Adverse Effect; and
  - (iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of 105 or Subco or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which 105 or Subco is or will be a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect;

- (l) there are no legal or governmental proceedings pending or, to the knowledge of 105, contemplated or threatened, to which 105 is a party or to which the property of 105 is subject;
- (m) the audited annual financial statements of 105 for the years ended December 31, 2019 and 2018, and the respective management discussion and analysis related thereto, and the unaudited interim financial statements of 105 for the period ended September 30, 2020, and the respective management discussion and analysis related thereto (collectively, the “**105 Financial Statements**”), in each case, have been prepared in accordance with IFRS, present fairly, in all material respects, the financial position of 105 as at such date, and do not omit to state any material fact that is required by IFRS or by applicable Law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;
- (n) the information in the Non-Offering Prospectus relating to 105 and Subco will be true, correct and complete in all material respects and not contain any untrue statement of any material fact, nor omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading in light of the context in which they are to be made;
- (o) other than the \$100,000 to be settled on the Effective Date, 105 has no outstanding material liability, whether direct, indirect, absolute or contingent or otherwise;
- (p) except as disclosed in the 105 Financial Statements, 105 has not engaged in any transaction with any non-arm’s length person;
- (q) all Taxes due and payable by 105 have been paid or provision made therefor in the financial statements of 105 except for where the failure to pay such Taxes would not result in a Material Adverse Effect for 105. All tax returns, declarations, remittances and filings required to be filed by 105 have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of 105, no examination of any tax return of 105 is currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any Taxes that have been paid, or may be payable, by 105. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to 105;
- (r) there are no plans for retirement, bonus, stock purchase, profit sharing, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation incentive or otherwise contributed to or required to be contributed to, by 105 for the benefit of any current or former director, officer, employee or consultant of 105;
- (s) there is no person, firm or company acting or purporting to act at the request of 105 who is entitled to any brokerage or finder’s fee in connection with the transactions contemplated in the Documents;
- (t) 105 has conducted and is conducting its business in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and with all Laws material to its operation and 105 has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any concessions, licences, leases or other instruments conferring rights to 105;
- (u) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which 105 is a party any restriction upon or impediment to, the declaration or payment of dividends by the directors of 105 or the payment of dividends by 105 to the holders of its securities;
- (v) 105 has conducted and is conducting its business in compliance in all material respects with all applicable Laws concerning privacy and the protection of personal information.
- (w) 105 does not have any loan or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at “arm’s length”

(as such term is defined in the *Income Tax Act* (Canada)) and has not engaged in any transaction with any person not dealing at arm's length;

- (x) to the knowledge of 105, there are no outstanding labour disputes (whether filed or lodged with 105 or any other person or organization), pending labour disruptions or pending unionization with respect to 105;
- (y) 105 is not bound by or a party to any collective bargaining agreement;
- (z) 105 is not a party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument;
- (aa) 105 is not a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of 105 to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of 105 or which would prohibit or restrict 105 from entering into and completing the Business Combination;
- (bb) 105 is not a party to any agreement nor is 105 aware of any agreement, which in any manner affects the voting control of any of the securities of 105;
- (cc) 105 is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of 105;
- (dd) the corporate records and minute books of 105 contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed;
- (ee) no representation, warranty or statement of 105 or Subco in the Documents contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading; and
- (ff) 105 does not maintain any insurance.
- (gg) 105 is not party to any contractual obligation that cannot be terminated without notice or penalty, at the closing of the Amalgamation, other than the GCS Agreement which may be terminated upon providing 6 months' prior notice, and the GCG Agreement which 105 will arrange to have terminated on the Effective Date, with a full and final release provided by the counterparty to the GCG Agreement;
- (hh) Subco has been duly incorporated and is validly existing under the laws of Ontario and is current and up-to-date with all filings required to be made by it in such jurisdiction;
- (ii) Subco has full corporate power, capacity and authority to undertake all steps of the Business Combination and to carry out its obligations under this Agreement;
- (jj) the authorized capital of Subco consists of an unlimited number of Subco Shares, of which 100 Subco Shares are currently issued and outstanding and held by 105; except for such Subco Shares, Subco has no other securities outstanding nor is it a party to or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any Subco Shares of Subco or securities convertible into or exchangeable for Subco Shares;
- (kk) each of the Documents has been, or at the Effective Time will be, duly authorized and, with respect to this Agreement, executed and delivered by Subco and constitutes a valid and binding obligation of Subco enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may

be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of Subco, other than the approval of 105, as sole shareholder of Subco, is necessary to authorize this Agreement and the transactions contemplated hereby;

- (ll) the entering into and the performance by Subco of the transactions contemplated in the Documents:
  - (i) do not require any consent, approval, authorization or order of any court or governmental agency or body, except that which may be required under applicable corporate and securities legislation and the policies of the CSE;
  - (ii) will not contravene any statute or regulation of any Government Authority which is binding on Subco where such contravention would have a Material Adverse Effect; and
  - (iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of Subco or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which Subco is or will be a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect.
  
- (mm) Subco carries on no active business.

### **3.3 Survival**

For greater certainty, the representations and warranties of each of Xigem and 105 contained herein shall survive the execution and delivery of this Agreement and shall terminate and be extinguished on the earlier of the Effective Date or two years from the date on which this Agreement is terminated.

## **ARTICLE 4 CONDUCT OF BUSINESS**

### **4.1 Conduct of Business by the Parties**

Except as required by Law or as otherwise expressly permitted or specifically contemplated by this Agreement, each of the Parties covenants and agrees that, during the period from the date of this Agreement until the earlier of either the Effective Time or the time that this Agreement is terminated by its terms, unless each of the other Parties shall otherwise agree in writing (acting reasonably):

- (a) other than as contemplated by this Agreement, it shall not directly or indirectly do or permit to occur any of the following:
  - (i) amend its Governing Documents;
  - (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its shares owned by any Person other than inter-corporate loans and advances;
  - (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any shares, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire shares other than:
    - (A) in the case of 105:

- (1) in connection with the exercise of the Existing 105 Options and the Existing 105 Warrants;
    - (B) in the case of Xigem:
      - (1) in connection with the exercise of the Xigem Warrants; and
      - (2) the issuance of Xigem Shares for cash consideration of no less than \$0.025 per share.
  - (iv) make loans, advances or other similar payments to any third party;
  - (v) in the case of 105 and Subco, make any expenditures except those that are reasonably necessary to carry out the terms of this Agreement including those expenditures necessary to comply with all applicable Laws and contractual obligations provided that its liabilities as at the Effective Date do not exceed \$100,000 plus amounts to be paid by Xigem in accordance with Section 8.3.
  - (vi) redeem, purchase or otherwise acquire any of its outstanding shares or other securities including, without limitation, under an issuer bid;
  - (vii) split, combine or reclassify any of its shares;
  - (viii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of itself or any of its Subsidiaries;
  - (ix) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing, except as permitted above; or
  - (x) enter into any transaction or material contract, except in the ordinary course of business, or engage in any business enterprise or activity different from that carried on as of the date hereof, without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed);
- (b) in the case of Xigem, it shall, and shall cause its Subsidiaries to conduct business in, and not take any action except in, the usual and ordinary course of business, with the exception of reasonable costs incurred in connection with the Business Combination, and it shall and shall cause its Subsidiaries to use all commercially reasonable efforts to maintain and preserve its business organization, assets, employees and advantageous business relationships and it shall not, and shall cause its Subsidiaries to not, without the prior written consent of the other Parties, enter into any contract in respect of its business or assets, other than in the ordinary course of business, in each case without the prior written consent of 105, such consent not to be unreasonably withheld; and
- (c) in the case of 105, it shall, and shall cause its Subsidiaries to conduct business in, and not take any action except in, the usual and ordinary course of business, other than in connection with the Business Combination, and it shall and shall cause its Subsidiaries to use all commercially reasonable efforts to maintain and preserve its business organization, assets, employees and advantageous business relationships and it shall not, and shall cause its Subsidiaries to not, without the prior written consent of the other Parties, enter into any contract in respect of its business or assets, other than in the ordinary course of business or incur or agree to incur any expenditures other than further to the Business Combination or pursuant to services from the following service providers in amounts consistent with past practice:
- (i) the GCG Agreement; and
  - (ii) the GCS Agreement

in each case without the prior written consent of Xigem, which consent may be unreasonably withheld.

## ARTICLE 5 COVENANTS

### 5.1 Waiver of Notice of Subco Shareholder Meeting and Resolution in Lieu of Meeting by 105

105, as sole shareholder of Subco, shall waive notice of and its attendance at a meeting of the shareholders of Subco to approve the Amalgamation and shall sign a resolution in writing of the sole shareholder of Subco approving the Amalgamation.

### 5.2 Covenants

- (a) Xigem covenants and agrees that from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 3.1 being untrue in any material respect.
- (b) Xigem covenants and agrees to use its commercially reasonable efforts to obtain voluntary resale restriction agreements with Xigem Shareholders (“**Xigem Lock-Up Agreements**”), in a form reasonably agreed to by 105, from the participants in the Financing, pursuant to which such parties will, among other things, agree not to trade the Post-Split 105 Shares received in exchange for the Xigem Shares issued to such parties in the Financing, provided that: (i) 15% of their Post-Split 105 Shares will be released on the Effective Date; and (ii) on each subsequent one-month anniversary of the Effective Date, 10% of the Post-Split 105 Shares will be released.
- (c) 105 covenants and agrees that, from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 3.2 being untrue in any material respect.
- (d) 105 covenants and agrees to use its commercially reasonable efforts to obtain voluntary resale restriction agreements with Xigem, in a form reasonably agreed to by Xigem, from the holders of any 105 Shareholder which, individually or together with its associates or affiliates, holds more than 2.5% of the Post-Split 105 Shares immediately prior to the Effective Date, pursuant to which such parties will, among other things, agree not to trade (the “**105 Lock-Up Agreements**”) their respective Post-Split 105 Shares, provided that: (i) 15% of their Post-Split 105 Shares will be released on the Effective Date; and (ii) on each subsequent one-month anniversary of the Effective Date, 10% of the Post-Split 105 Shares will be released.
- (e) 105 covenants and agrees to use commercially reasonable efforts to cause the 105 Shareholders to vote their respective shares in favour of the Business Combination and all of the matters contemplated thereunder, to take all reasonable actions to consummate the Business Combination and the transactions contemplated thereunder, subject only to the terms and conditions hereof and to not take any action contrary to or in opposition to the Business Combination, except as required by statutory law.
- (f) Xigem covenants and agrees to use commercially reasonable efforts to cause the Xigem Shareholders to vote their respective shares in favour of the Business Combination and all of the matters contemplated thereunder, to take all reasonable actions to consummate the Business Combination and the transactions contemplated thereunder, subject only to the terms and conditions hereof and to not take any action contrary to or in opposition to the Business Combination, except as required by statutory law.

### 5.3 Notice of Material Change

- (a) From the date hereof until the termination of this Agreement, each Party shall promptly notify the other Party in writing of:
  - (i) any material change (actual, anticipated, contemplated or, to the knowledge of such Party or any of its Subsidiaries, threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of such Party and its Subsidiaries, taken as whole;

- (ii) any change in the facts relating to any representation or warranty set out in Sections 3.1 or 3.2 hereof, as applicable, which change is or may be of such a nature as to render any such representation or warranty misleading or untrue in a material respect; or
  - (iii) any material fact which arises and which would have been required to be stated herein had the fact arisen on or prior to the date of this Agreement.
- (b) Each of the Parties shall in good faith discuss with the other any change in circumstances (actual, anticipated, contemplated or, to its knowledge of its or any of its Subsidiaries, threatened, financial or otherwise) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other pursuant to this Section.

#### **5.4 Non-Solicitation**

Neither of the Parties will solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Business Combination, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any shareholder proposal or “takeover bid,” exempt or otherwise, within the meaning of the *Securities Act* (Ontario), for their respective securities or assets, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Business Combination, including, without limitation, allowing access to any third party to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations. In the event the a Party, including any of its officers or directors, receives any form of offer or inquiry, such Party shall forthwith (in any event within one business day following receipt) notify the other Party of such offer or inquiry and provide such other Party with such details as it may request.

#### **5.5 Other Covenants**

Each of the Parties covenants and agrees that it shall:

- (a) use all commercially reasonable efforts to consummate the Business Combination and all matters described in the Listing Statement, subject only to the terms and conditions hereof and thereof;
- (b) use all commercially reasonable efforts to obtain all appropriate Regulatory Approval; and
- (c) shall give the other Party and its representatives (a) upon reasonable notice, reasonable access during normal business hours to its and its Subsidiaries' (i) premises, (ii) property and assets (including all books and records, whether retained internally or otherwise), (iii) contracts, and (iv) senior personnel, so long as the access does not unduly interfere with the ordinary course conduct of business; and (b) such financial and operating data or other information with respect to the assets or business as may from time to time be reasonably requested.

### **ARTICLE 6 MUTUAL COVENANTS**

#### **6.1 Other Filings**

The Parties shall use all commercially reasonable efforts, as promptly as practicable hereafter, prepare and file all filings required under any securities Laws, the policies of the CSE, as required by the Securities Authorities or any other applicable Laws relating to the Business Combination contemplated hereby.



## **6.2 Additional Agreements**

Subject to the terms and conditions of this Agreement and subject to fiduciary obligations under applicable Laws, each of the Parties hereto agrees to use all commercially reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as promptly as practicable the Business Combination contemplated by this Agreement and to cooperate with each other in connection with the foregoing, including using commercially reasonable efforts:

- (a) to obtain all necessary waivers, consents and approvals from other Parties to material agreements, leases and other contracts or agreements;
- (b) to defend all lawsuits or other legal proceedings challenging this Agreement or the consummation of the Business Combination contemplated hereby;
- (c) to cause to be lifted or rescinded any injunction or restraining order or other order adversely affecting the ability of the Parties to consummate the Business Combination contemplated hereby;
- (d) to effect all necessary registrations and other filings and submissions of information requested by the CSE;
- (e) to effect all necessary registrations and other filings and submissions of information requested by Governmental Authorities; and
- (f) to fulfill all conditions and satisfy all provisions of this Agreement.

For purposes of the foregoing, the obligation to use “commercially reasonable efforts” to obtain waivers, consents and approvals to loan agreements, leases and other contracts shall not include any obligation to agree to a materially adverse modification of the terms of such documents or to prepay or incur additional material obligations to such other Parties.

## **ARTICLE 7 CONDITIONS AND CLOSING MATTERS**

### **7.1 Mutual Conditions Precedent**

The respective obligations of the Parties hereto to complete the Business Combination contemplated by this Agreement shall be subject to the satisfaction, on or before the Effective Date, of the following conditions precedent, each of which may be waived only by the mutual consent of the Parties:

- (a) issuance of a receipt from the OSC for the final Non-Offering Prospectus;
- (b) 105, upon completion of the Business Combination, will meet the minimum original listing requirements of the CSE and the CSE shall have conditionally approved the listing of the 105 Shares to be issued in connection with the Business Combination on the CSE following the Business Combination, subject to completion of the Business Combination and completion of the customary listing requirements of the CSE;
- (c) there shall not be in force any order or decree restraining or enjoining the consummation of the Business Combination;
- (d) this Agreement shall not have been terminated pursuant to Article 8;
- (e) all Regulatory Approvals and corporate approvals shall have been obtained;
- (f) the approval of the Transaction Resolution by the 105 Shareholders;
- (g) the Xigem Approval shall have been obtained; and

- (h) the requisite approval of the 105 Shareholders for the Amalgamation, Name Change, 105 Director and Officer and Appointments and the Stock Split shall have been obtained.

If any of the above conditions shall not have been complied with or waived by the Parties on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then a Party may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by the Party terminating the Agreement. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by a Party of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, such defaulting Party shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own non-compliance with its obligations under this Agreement.

## **7.2 Additional Conditions Precedent to the Obligations of Xigem**

The obligations of Xigem to complete the Business Combination contemplated by this Agreement shall also be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Xigem and may be waived by Xigem):

- (a) on or prior to the Effective Date, and effective upon completion of the Amalgamation, each of the directors other than Stephen Coates, and officers of 105 shall have tendered their resignations and provided mutual releases in a form acceptable to Xigem such that the board of directors and officers of 105, subject to the approval of the CSE and OSC, shall be reconstituted, and the officers shall be appointed, as set forth in Section 2.3;
- (b) no Material Adverse Change with respect to 105 shall have occurred between the date hereof and the Effective Date;
- (c) the completion of the Stock Split and Name Change;
- (d) 105 not have entered into any transaction or contract which would have a material effect on the financial and operational condition, or the assets of 105, excluding those transactions or contracts undertaken in the ordinary course of business, without first discussing and obtaining the approval of Xigem;
- (e) the 105 Lock-Up Agreements shall have been entered into;
- (f) the latest available financial statements of 105 are true and correct and shall have been prepared in accordance with IFRS, consistently applied;
- (g) 105 shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of 105 contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had ten (10) days to cure such misrepresentation, breach or non-performance), and the Chief Executive Officer of 105 or another officer satisfactory to Xigem shall so certify immediately prior to the Effective Date; and
- (h) 105 shall have liabilities of not more than \$100,000 immediately prior to the Effective Date, 50% of which will be converted into Post-Split 105 Shares prior to the Effective Date on the basis of a deemed price of \$0.04 per share, and 50% of which will be paid in cash on the Effective Date;
- (i) the 105 board of directors, and the Subco board of directors as necessary, shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by 105 to permit the consummation of the Business Combination and the transactions contemplated therewith.

If any of the above conditions shall not have been complied with or waived by Xigem on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to the cure provision provided for in Section 7.2(g), Xigem may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Xigem. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by Xigem of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, Xigem shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own noncompliance with its obligations under this Agreement.

### **7.3 Additional Conditions Precedent to the Obligations of 105**

The obligations of 105 to complete the Business Combination contemplated by this Agreement shall also be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of 105 and may be waived by 105):

- (a) no Material Adverse Change with respect to Xigem shall have occurred between the date hereof and the Effective Date;
- (b) the latest available financial statements of Xigem are true and correct and shall have been prepared in accordance with IFRS, consistently applied;
- (c) Xigem shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of Xigem contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had ten (10) days to cure such misrepresentation, breach or non-performance), and the Chief Executive Officer of Xigem or another officer satisfactory to 105 shall so certify immediately prior to the Effective Date;
- (d) if 105 has \$100,000 or less in liabilities at the Effective Date, then 50% of such liabilities will be converted into Post-Split 105 Shares prior to the Effective Date on the basis of a deemed price of \$0.04 share, and 50% of which will be paid in cash on the Effective Date;
- (e) the Xigem board of directors shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by Xigem to permit the consummation of the Amalgamation, the Business Combination and the transactions contemplated therewith; and
- (f) the Xigem Lock-Up Agreements shall have been entered into.

If any of the above conditions shall not have been complied with or waived by 105 on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to the cure provision provided for in Section 7.3(b), 105 may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by 105. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by 105 of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, neither Party shall rely on such failure (to satisfy one or more of the above conditions) as a basis for its own noncompliance with its obligations under this Agreement.

### **7.4 Merger of Conditions**

The conditions set out in Sections 7.1, 7.2 and 7.3 shall be conclusively deemed to have been satisfied, waived or released by the Parties on the filing of the Articles of Amalgamation with the Director and such other documents as are required to be filed under the OBCA for acceptance by the Director to give effect to the Amalgamation.

## **7.5 Closing Matters**

The completion of the transactions contemplated under this Agreement shall be effected via electronic exchange or at the offices of Xigem's counsel, Garfinkle Biderman LLP, at 1:00 p.m. (Toronto time) (or such other time as the Parties may agree upon) on the Effective Date.

## **ARTICLE 8 TERMINATION, AMENDMENT AND DISSENTING SHAREHOLDERS**

### **8.1 Termination**

This Agreement may be terminated by written notice promptly given to the other Party hereto, at any time prior to the Effective Date:

- (a) by mutual agreement in writing by the Parties; or
- (b) as set forth in Sections 7.1, 7.2 and 7.3 of this Agreement.

### **8.2 Effect of Termination**

In the event of the termination of this Agreement as provided in Section 8.1 hereof, this Agreement shall forthwith have no further force or effect and there shall be no obligation on the part of 105 or Xigem hereunder except as set forth in Sections 1.6, 1.7, 3.3, 8.2, 8.3, 9.1, 9.3, 9.5, 9.6, 9.8 and 9.9.

### **8.3 Fees and Expenses**

Xigem shall pay its own costs and expenses (including all legal, accounting and financial advisory fees and expenses) incurred in connection with the completion of the Business Combination, including without limitation, expenses related to the preparation, execution and delivery of all agreements including, without limitation, this Agreement and other documents referenced herein.

Xigem will pay all expenses and fees of 105 in connection with the Business Combination, subject to a maximum amount of \$25,000. Notwithstanding the foregoing, Xigem shall be responsible for paying the costs and fees payable to the CSE regarding their review of the listing application and Listing Statement, and Xigem shall also be responsible for all fees payable to the OSC in connection with its review of the Non-Offering Prospectus.

In the event that 105 breaches its obligations pursuant to Section 5.4 hereof, and the Business Combination is terminated, then it shall, on the termination date, forthwith pay to Xigem the sum of \$250,000 as a penalty, which amount shall be paid in full and final satisfaction of any liability which 105 and/or any of its directors and officers may have in respect thereof.

In the event that Xigem breaches its obligations pursuant to Section 5.4 hereof, and the Business Combination is terminated, then it shall, on the termination date, forthwith pay to 105 the sum of \$250,000 as a penalty, which amount shall be paid in full and final satisfaction of any liability which Xigem and/or any of its directors and officers may have in respect thereof.

### **8.4 Amendment**

This Agreement may, at any time on or before the Effective Date be amended by mutual agreement between the Parties hereto. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the Parties.

## 8.5 Dissenting Xigem Shareholders

On the earlier of the Effective Date, the making of an agreement between a Dissenting Xigem Shareholder and Xigem for the purchase of their Dissenting Xigem Shares or the pronouncement of a court order pursuant to Section 185 of the OBCA, a Dissenting Xigem Shareholder shall cease to have any rights as a Xigem Shareholder other than the right to be paid the fair value of its Dissenting Xigem Shares in the amount agreed to or as ordered by the court, as the case may be. In the event that a Dissenting Xigem Shareholder fails to perfect or effectively withdraws the Dissenting Xigem Shareholder's claim under Section 185 of the OBCA or otherwise forfeits the Dissenting Xigem Shareholder's right to make a claim under Section 185 of the OBCA, the Dissenting Xigem Shareholder's Dissenting Xigem Shares shall thereupon be deemed to have been exchanged as of the Effective Date for 105 Shares on the basis set forth in Section 2.1 hereof.

## 8.6 Waiver

A Party may (i) extend the time for the performance of any of the obligations or other acts of the other Party, (ii) waive compliance with any of the other Party's agreements or the fulfillment of any of its conditions contained herein or (iii) waive inaccuracies in another Party's representations or warranties contained herein or in any document delivered by the other Party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party.

## ARTICLE 9 GENERAL

### 9.1 Notices

All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered or sent if delivered personally or sent by e-mail or sent by prepaid overnight courier to the Parties at the following addresses (or at such other addresses as shall be specified by the Parties by like notice):

If to Xigem:

Xigem Technologies Corporation  
22 Adelaide Street East, Suite 3600  
Toronto, Ontario, M5H 4E3

Attention: Brian Kalish, Chief Executive Officer & Director  
E-mail: briank@xigemtechnologies.com

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

Garfinkle Biderman LLP  
Suite 801 - 1 Adelaide Street East  
Toronto, Ontario, M5C 2V9

Attention: Grant Duthie  
E-mail: gduthie@garfinkle.com

if to 105 or Subco:

10557536 Canada Corp.  
2100-401 Bay Street, P.O. BOX 55  
Toronto, Ontario  
M5H2Y4

Attention: Stephen Coates, Chief Executive Officer  
E-mail: stephen@grovecapitalgroup.com

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

Gardiner Roberts LLP  
Suite 3600 – 22 Adelaide Street West  
Toronto, Ontario, M5H 4E3

Attention: Kathleen E. Skerrett  
E-mail: kskerrett@grllp.com

## **9.2 Assignment**

Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the Parties hereto without the prior written consent of the other Party.

## **9.3 Complete Agreement**

This Agreement sets forth the entire understanding between the Parties hereto and supersedes all prior agreements, arrangements and communications, whether oral or written, with respect to the subject matter hereof, including but not limited to, the letter of intent dated September 17, 2020 between Xigem and 105. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the Parties hereto with respect to the subject matter hereof.

## **9.4 Further Assurances**

Each Party hereto shall, from time to time, and at all times hereafter, at the request of the other Party hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

## **9.5 Severability**

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law. Any provision of this Agreement that is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

## **9.6 Counterpart Execution**

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

## **9.7 Investigation by Parties**

No investigations made by or on behalf of either Party or any of their respective authorized agents at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made by the other Party in or pursuant to this Agreement.

## **9.8 No Contra Proferentem**

This Agreement has been reviewed by each Party's professional advisors, and revised during the course of negotiations between the Parties. Each Party hereto acknowledges that this Agreement is the product of their joint efforts, that it expresses their intentions, and that, if there is any ambiguity in any of its provisions, no rule of interpretation favouring one Party over another based on authorship will apply.

## 9.9 Public Announcement; Disclosure and Confidentiality

- (a) Unless and until the transactions contemplated in this Agreement will have been completed, none of the Parties shall make any public announcement concerning this Agreement or the matters contemplated herein, their discussions or any other memoranda, letters or agreements between them relating to the matters contemplated herein without the prior consent of the other Parties, which consent shall not be unreasonably withheld, provided that no Party shall be prevented from making any disclosure which is required to be made by law or any rules of a stock exchange or similar organization to which it is bound.
- (b) All information provided to or received by the Parties hereunder shall be treated as confidential (“**Confidential Information**”). Subject to the provisions of this Section, no Confidential Information shall be published by any Party hereto without the prior written consent of the others, but such consent in respect of the reporting of factual data shall not be unreasonably withheld. The consent required by this Section shall not apply to a disclosure to: (a) comply with any applicable laws, stock exchange rules or a regulatory authority having jurisdiction; (b) a director, officer or employee of a Party; (c) an affiliate (within the meaning of the OBCA) of a Party; (d) a consultant, contractor or subcontractor of a party that has a *bona fide* need to be informed; or (e) any third party to whom the disclosing Party may assign any of its rights under this Agreement; provided, however, that in the case of subsection (e) the third party or parties, as the case may be, agree to maintain in confidence any of the Confidential Information so disclosed to them.
- (c) The obligations of confidence and prohibitions against use of Confidential Information under this Agreement shall not apply to information that the disclosing Party can show by reasonable documentary evidence or otherwise: (a) as of the date of this Agreement, was in the public domain; (b) after the date of this Agreement, was published or otherwise became part of the public domain through no fault of the disclosing Party or an affiliate thereof (but only after, and only to the extent that, it is published or otherwise becomes part of the public domain); or (c) was information that the disclosing Party or its affiliates were required to disclose pursuant to the order of any Governmental authority or judicial authority.

*[Remainder of page intentionally left blank. Signature page follows.]*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**XIGEM TECHNOLOGIES CORPORATION**

Per:           *"Brian Kalish"*          

Brian Kalish  
Chief Executive Officer & Director

**10557536 CANADA CORP.**

Per:           *"Stephen Coates"*          

Stephen Coates  
Chief Executive Officer and Director



**SCHEDULE "A"**  
**AMALGAMATION AGREEMENT**

See attached.

## AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is made as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_,

AMONG:

**XIGEM TECHNOLOGIES CORPORATION**

a corporation incorporated under the laws of the Province of Ontario

(“Xigem”)

- and -

**10557536 CANADA CORP.**

a corporation existing under the laws of Canada

(“105”)

- and -

**2792189 ONTARIO INC.,**

a corporation incorporated under the laws of the Province of Ontario

(“Subco”);

**WHEREAS**, Xigem and 105 have agreed to effect an amalgamation of Xigem and Subco under the authority contained in the OBCA upon the terms and conditions hereinafter set out;

**AND WHEREAS**, Xigem and Subco are each incorporated under the OBCA;

**AND WHEREAS**, Subco is a wholly-owned subsidiary of 105;

**AND WHEREAS**, the authorized capital of Xigem consists of an unlimited number of Xigem Shares, of which 132,473,600 Xigem Shares are issued and outstanding at the date hereof as fully paid and non-assessable shares;

**AND WHEREAS**, the authorized capital of Subco consists of an unlimited number of Subco Shares, of which 1 Subco Share is issued and outstanding at the date hereof as a fully paid and non-assessable share, which is owned of record by 105;

**AND WHEREAS**, pursuant to the Amalgamation, and subject to the terms of this Agreement, Xigem and Subco shall amalgamate and continue as Amalco, which shall become a wholly-owned subsidiary of 105, and 105 shall issue to each Xigem Shareholder Post-Split 105 Shares to shareholders of Xigem on the basis of the Exchange Ratio;

**AND WHEREAS** Xigem, 105 and Subco have each made full disclosure to the other of all their respective assets and liabilities;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties agree as follows:

### 1. Interpretation

In this Agreement, including the recitals hereto, the following words and expressions shall have the respective meanings ascribed to them below:

“**105 Shares**” means the common shares in the capital of 105.

“**Agreement**” means this agreement, its recitals and exhibits, as the same may be amended, modified or supplemented from time to time.

“**Amalco Shareholder**” means a registered holder of Amalco Shares, from time to time, and “**Amalco Shareholders**” means all of such holders.

“**Amalco Shares**” means the common shares in the share capital of Amalco.

“**Amalco**” means the corporation resulting from the Amalgamation and continuing the corporate existence of the Amalgamating Corporations.

“**Amalgamating Corporations**” means Xigem and Subco, and “**Amalgamating Corporation**” means either of them as applicable.

“**Amalgamation**” means the amalgamation of the Amalgamating Corporations pursuant to the provisions of the OBCA in the manner contemplated in and pursuant to this Agreement.

“**Articles of Amalgamation**” means the articles of amalgamation giving effect to the Amalgamation to be filed with the Director pursuant to this Agreement, in the form attached hereto as Exhibit “A”.

“**Business Combination Agreement**” means the business combination agreement dated November 17, 2020 between Xigem and 105.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Certificate of Amalgamation**” means the certificate of amalgamation to be issued by the Director in respect of the Amalgamation.

“**Director**” means the Director appointed under Section 278 of the OBCA.

“**Dissenting Xigem Shareholder**” means a registered Xigem Shareholder who, in connection with the special resolution of the Xigem Shareholders which approves and adopts this Agreement, has exercised the right to dissent pursuant to Section 185 of the OBCA in strict compliance with the provisions thereof and thereby becomes entitled to be paid the fair value of his, her or its Xigem Shares and who has not withdrawn the notice of the exercise of such right as permitted by Section 185 of the OBCA.

“**Effective Date**” means the date shown on the Certificate of Amalgamation.

“**Effective Time**” means 12:01 a.m. (Toronto time) on the Effective Date or such other time on the Effective Date as may be agreed by Xigem and 105.

“**Exchange Ratio**” means 0.5 Post-Split 105 Shares for each one (1) Xigem Share.

“**Existing 105 Options**” means the stock options of 105, entitling the holders thereof to purchase up to 500,000 105 Shares at a price of \$0.10 per share on or before June 30, 2023.

“**Existing 105 Warrants**” means the common share purchase warrants of 105, entitling the holders thereof to purchase up to 2,250,000 105 Shares, with 2,000,000 at a price of \$0.01 per share expiring on July 31, 2021 and 250,000 at a price of \$0.25 expiring three months following the Effective Date.

“**fair value**” where used in relation to a Xigem Share held by a Dissenting Xigem Shareholder, means fair value as determined by a court under Section 185 of the OBCA or as agreed between Xigem and the Dissenting Xigem Shareholder.

“**Financing**” means a non-brokered private placement of 87,473,600 Xigem Units, at a price of \$0.025 per Xigem Unit, for gross proceeds of \$2,186,840 that closed on October 29, 2020.

“**OBCA**” means the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, as amended.

“**Parties**” means Xigem, Subco and 105, and “**Party**” means each of them as applicable.

“**Person**” means a natural person, partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity, and pronouns have a similarly extended meaning.

“**Post-Split 105 Shares**” collectively means the 105 Shares after giving effect to the Stock Split and individually a “**Post-Split 105 Share**”.

“**Stock Split Ratio**” means the ratio for the Stock Split, being 1.6453 Post-Split 105 Shares for every one (1) pre-Stock Split 105 Share held.

“**Stock Split**” means a subdivision of the issued and outstanding 105 Shares on the basis of the Stock Split Ratio.

“**Subco Shareholder**” means the registered holder of Subco Shares, being 105.

“**Subco Shares**” means the common shares in the capital of Subco.

“**Transfer Agent**” means Capital Transfer Agency ULC, at its principal office in Toronto, Ontario, being the transfer agent and registrar for the 105 Shares.

“**Xigem Warrants**” means the warrants of Xigem issued as part of the Xigem Units, and each entitling the holder thereof to purchase one (1) Xigem Share at an exercise price of \$0.035 per share, for a period of 12 months following the date of issuance.

“**Xigem Shareholder**” means a registered holder of Xigem Shares, from time to time, and “**Xigem Shareholders**” means all of such holders.

“**Xigem Shares**” means the common shares in the capital of Xigem.

“**Xigem Units**” means the units of Xigem, each consisting of one (1) Xigem Share and one (1) Xigem Warrant.

## **2. Paramountcy**

In the event of any conflict between the provisions of this Agreement and the provisions of the Business Combination Agreement, the provisions of this Agreement shall prevail.

## **3. Agreement to Amalgamate**

Each of the Parties hereby agrees to the Amalgamation such that the Amalgamating Corporations shall amalgamate to create and continue as Amalco under the provisions of Section 174 of the OBCA, on the terms and conditions set out in this Agreement.

## **4. Filing of Articles**

Following the approval of this Agreement by the shareholders of the Amalgamating Corporations in accordance with the OBCA, and in accordance with the terms and conditions of the Business Combination Agreement, including the satisfaction or waiver of all conditions precedent set forth in the Business Combination Agreement, Xigem shall file the Articles of Amalgamation with the Director as provided under the OBCA.

## **5. Conditions Precedent to the Amalgamation**

The Amalgamation is subject to the satisfaction or waiver by the party entitled to make such waiver, of the conditions precedent set forth in Article 7 of the Business Combination Agreement. The signing and delivery of the Articles of Amalgamation by Xigem and Subco shall be conclusive evidence that such conditions have been satisfied to the satisfaction of Xigem and 105, or waived by the party entitled to make such waiver, and that Xigem and Subco may amalgamate in accordance with the provisions of this Agreement.

## **6. Amalgamation Events**

Pursuant to the Amalgamation, on the Effective Date:

- (a) each issued and outstanding Xigem Share held by each Dissenting Xigem Shareholder will become an entitlement to be paid the fair value of such share;
- (b) each issued and outstanding Subco Share shall be exchanged for one (1) fully paid and non-assessable Amalco Share;
- (c) subject to Section 6(a), holders of outstanding Xigem Shares shall receive, in respect of each Xigem Share held, a number of Post-Split 105 Shares equal to the Exchange Ratio and the Xigem Shares will be cancelled;
- (d) following the Effective Time, all outstanding options, warrants or other convertible securities of Xigem will be similarly exchanged or converted in accordance with the Exchange Ratio such that, following the Effective Date, such options, warrants or other convertible securities will entitle the holders thereof to acquire for the same aggregate consideration the number of Post-Split 105 Shares that the holder would have been entitled to receive pursuant to the Business Combination had the holder exercised or converted its options, warrants or other convertible securities to become a Xigem Shareholder prior to the Effective Date;
- (e) as consideration for the issuance of Post-Split 105 Shares in exchange for the Xigem Shares, Amalco shall issue to 105 one (1) Amalco Share for each 105 Share so issued;
- (f) Xigem and Subco shall be amalgamated and continue as Amalco;
- (g) all of the property and assets of each of Xigem and Subco shall be the property and assets of Amalco and Amalco shall be liable for all of the liabilities and obligations of each of Xigem and Subco, including civil, criminal and quasi criminal, and all contracts, liabilities and debts of Subco and Xigem;
- (h) all rights of creditors against the property, assets, rights, privileges and franchises of Subco and Xigem and all liens upon their property, rights and assets shall be unimpaired by the Amalgamation and all debts, contracts, liabilities and duties of Subco and Xigem shall thenceforth attach to and be enforced against Amalco; and
- (i) no action or proceeding by or against Subco or Xigem shall abate or be affected by the Amalgamation but, for all purposes of such action or proceeding, the name of Amalco shall be substituted in such action or proceeding in place of Subco or Xigem, as the case may be.

## **7. Articles of Amalgamation**

The Articles of Amalgamation of Amalco shall be in the form attached hereto as Exhibit "A".

## **8. Name**

The Name of Amalco shall be "Xigem Technology Solutions Inc.", or such other name as mutually agreed to by the Parties.

**9. Registered Office**

Until changed in accordance with the OBCA, the registered office of Amalco shall be in the Province of Ontario.

**10. Authorized Capital**

The authorized capital of Amalco shall consist of an unlimited number of Amalco Shares, the rights, privileges, restrictions and conditions attaching to which shall be as set out in the Articles of Amalgamation attached hereto as Exhibit "A".

**11. Share Transfer Restrictions**

The Amalco Shares shall be subject to restrictions on transfer as set out in the Articles of Amalgamation attached hereto as Exhibit "A".

**12. Business**

There shall be no restrictions on the business which Amalco is authorized to carry on or the powers which Amalco may exercise.

**13. Number of Directors**

The board of directors of Amalco shall consist of not less than one (1) and not more than ten (10) directors, the exact number of which shall be determined by the directors from time to time.

**14. First Directors**

The first director(s) of Amalco shall be the person(s) whose names and residential addresses appear below:

<u>Name</u>	<u>Address</u>	<u>Resident Canada</u>
Brian Kalish	<i>[Redacted - Confidential Personal Information]</i>	Yes
Scott Wilson	<i>[Redacted - Confidential Personal Information]</i>	Yes
Stephen Coates	<i>[Redacted - Confidential Personal Information]</i>	Yes

The above director shall hold office from the Effective Date until the first annual meeting of Amalco Shareholders or until his successor is elected or appointed.

**15. By-laws**

The by-laws of Amalco shall be, to the extent not inconsistent with this Agreement, the by-laws of Subco, until repealed or amended.

**16. Fractional Shares**

No fractional 105 Shares or Amalco Shares will be issued or delivered to any former Xigem Shareholders or the former Subco Shareholder otherwise entitled thereto, if any. Instead, the number of 105 Shares or Amalco Shares issued to each former holder of Xigem Shares or Subco Shares will be rounded up to the nearest whole number.

**17. Stated Capital**

The stated capital account in the records of Amalco for the Amalco Shares shall be equal to the stated capital attributed to the Xigem Shares and the Subco Shares, determined immediately before the Amalgamation.

**18. Termination**

Subject to the terms of the Business Combination Agreement, this Agreement may be terminated by the board of directors of each of the Amalgamating Corporations, notwithstanding the approval of this Agreement by the shareholders of the Amalgamating Corporations, at any time prior to the issuance of the Certificate of Amalgamation. If this Agreement is terminated pursuant to this Section, this Agreement shall forthwith become void and of no further force and effect.

**19. Governing Law**

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party hereby irrevocably attorns to the jurisdiction of the courts of the Province of Ontario sitting in and for the judicial district of Toronto in respect of all matters arising under or in relation to this Agreement.

**20. Further Assurances**

Each of the Parties agrees to execute and deliver such further instruments and to do such further reasonable acts and things as may be necessary or appropriate to carry out the intent of this Amalgamation Agreement.

**21. Time of the Essence**

Time shall be of the essence of this Agreement.

**22. Amendments**

This Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

**23. Counterparts**

This Agreement may be signed in counterparts (including counterparts by facsimile), and all such signed counterparts, when taken together, shall constitute one and the same agreement, effective on this date.

*[Remainder of page intentionally left blank. Signature page follows.]*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**XIGEM TECHNOLOGIES CORPORATION**

Per: \_\_\_\_\_  
Brian Kalish  
Chief Executive Officer & Director

**10557536 CANADA CORP.**

Per: \_\_\_\_\_  
Stephen Coates and Director  
Chief Executive Officer

**2792189 ONTARIO INC.**

Per: \_\_\_\_\_  
Stephen Coates  
Director



**EXHIBIT "A"**  
**ARTICLES OF AMALGAMATION**

(TO BE INSERTED)



5. Method of amalgamation, check A or B  
 Méthode choisie pour la fusion – Cocher A ou B :

A - **Amalgamation Agreement / Convention de fusion :**

The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.

Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

or  
ou

B - **Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :**

The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.

Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of  
 Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

---

and are more particularly set out in these articles.  
 et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations Dénomination sociale des sociétés qui fusionnent	Ontario Corporation Number Numéro de la société en Ontario	Date of Adoption/Approval Date d'adoption ou d'approbation		
		Year année	Month mois	Day jour

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.  
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

7. The classes and any maximum number of shares that the corporation is authorized to issue:  
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:  
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

10. Other provisions, (if any):  
Autres dispositions, s'il y a lieu :

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".  
Les déclarations exigées aux termes du paragraphe 178(2) de la *Loi sur les sociétés par actions* constituent l'annexe A.

12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".  
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.

These articles are signed in duplicate.  
Les présents statuts sont signés en double exemplaire.

Name and **original signature** of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of office (e.g. president, secretary). **Only a director or authorized signing officer can sign on behalf of the corporation.** / Nom et **signature originale** d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). **Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.**

---

Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

---

Description of Office / Fonction

---

Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

---

Description of Office / Fonction

---

Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

---

Description of Office / Fonction

---

Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

---

Description of Office / Fonction

---

Names of Corporations / Dénomination sociale des sociétés

**By / Par**

---

**Signature / Signature**

---

Print name of signatory /  
Nom du signataire en lettres moulées

---

Description of Office / Fonction