

ASSET PURCHASE AGREEMENT

AMONG

EAF GROUP OF COMPANIES LTD.

AND

XIGEM TECHNOLOGIES CORPORATION

DATED AS OF FEBRUARY 24, 2023

TABLE OF CONTENTS

Article 1	INTERPRETATION	1
1.1	Defined Terms	1
1.2	Headings, etc.....	2
1.3	References.....	2
1.4	Gender and Number.....	2
1.5	Accounting Terms	2
1.6	Currency	2
1.7	Computation of Time.....	2
1.8	Third Party Beneficiaries	3
1.9	No Strict Construction	3
1.10	Statutes.....	3
1.11	Schedules	3
Article 2	PURCHASED ASSETS AND ASSUMED LIABILITIES	5
2.1	Purchased Assets	5
2.2	Parties	5
2.3	Excluded Assets.....	5
2.4	Assumed Liabilities	6
2.5	Excluded Liabilities	6
2.6	Non-Assigned Contracts	7
Article 3	PURCHASE PRICE.....	7
3.1	Purchase Price.....	7
3.2	Payment of the Purchase Price.....	8
3.3	Taxes.....	8
Article 4	REPRESENTATIONS AND WARRANTIES	9
4.1	Representations and Warranties of the Vendor	9
4.2	Representations and Warranties of the Purchaser.....	9
4.3	Disclosure	9
4.4	Survival of Representations and Warranties.....	9
Article 5	COVENANTS.....	10
5.1	Maintaining Records.....	10
5.2	Amounts Received Post-Closing	11
5.3	Confidentiality.	11
5.4	Non-Competition and Non-Solicitation.....	11
5.5	Post-Closing Cooperation regarding Contracts	12
5.6	License to use “Echo”.....	12
5.7	Security Interest.	Error! Bookmark not defined.
5.8	Access to Books and Records.....	Error! Bookmark not defined.
Article 6	CLOSING ARRANGEMENTS.....	13
6.1	Closing.....	Error! Bookmark not defined.
Article 7	NO EMPLOYMENT TRANSFERS.....	15
7.1	No Assumed Employees	15
Article 8	INDEMNIFICATION	16
8.1	Indemnification.....	16
8.2	Limitation on Indemnification, Deductible and Cap	16

8.3	General Indemnification Rules	17
8.4	Direct Claims	18
8.5	Notice of Third Party Claim	18
8.6	Defence of Third Party Claims	18
8.7	Assistance for Third Party Claims	19
8.8	Right of Set-Off	20
8.9	Duty to Mitigate.....	20
8.10	Purchase Price Adjustment	Error! Bookmark not defined. 7
Article 9	GENERAL	20
9.1	Fees and Expenses	20
9.2	Public Announcement.....	20
9.3	Successors, assigns and assignments	21
9.4	Entire Agreement.....	21
9.5	Amendments and Waivers	21
9.6	Notice.....	21
9.7	Further assurances.....	23
9.8	Governing Law	23
9.9	Severability	23
9.10	Payment by Wire Transfer.....	23
9.11	Tender	24
9.12	Counterparts.....	24
SCHEDULE 1.1	Definitions	2
1.1	Definitions	2
SCHEDULE 4.1	Representations and Warranties of the Vendor	1
	Corporate Matters	1
	General Matters Relating to the Business.....	2
SCHEDULE 4.2	Representations and Warranties of the Purchaser	1
4.2	Representations of the Purchaser.....	1

ASSET PURCHASE AGREEMENT dated as of February 24, 2023.

AMONG: **EAF GROUP OF COMPANIES LTD.**, a corporation existing under the laws of Ontario, having a place of business at 207 Edgeley Boulevard, Concord, Ontario Canada L4K 4B5;
(“Vendor”)

AND: **XIGEM TECHNOLOGIES CORPORATION**, a corporation existing under the laws of Canada, having a place of business at 67 - 70 Great Gulf Drive Vaughan, Ontario Canada L4K 0K7;
(“XIGEM” or the “Purchaser”)

WHEREAS the Vendor operates a vertically integrated pre-owned and new automobile: sales, service and financing business known as the EAF Group of Companies. The EAF Group of Companies carries on business as: EAF Digital, Echo Auto Finance, Echo Auto Group, Northern Light Debt Relief and Auto Protect;

WHEREAS the Vendor wish to sell to the Purchaser and the Purchaser agrees, on its behalf or a designate subsidiary, to purchase from the Vendor the Business (as defined below) upon the terms and subject to the conditions hereinafter set forth. The **“Business”** means EAF DIGITAL, which includes the Vendor’s software-as-a-service (**“SaaS”**) online automobile shopping and delivery platform based on artificial intelligence driven automobile shopping and delivery software owned and used exclusively by the Vendor. The Business includes, but is not limited to, behavioral data intelligence driven agency marketing, information architecture, content creation, design and lead generation organized to capture, convert and close purchases of automobiles and leverages online social media and data science platforms as well as a proprietary artificial intelligence platform known as EAFAIT;

THEREFORE, THE PARTIES AGREE AS FOLLOWS:

**ARTICLE 1
INTERPRETATION**

1.1 Defined Terms

Defined terms in Schedule 1.1 apply to this Agreement and its Schedules, unless specifically provided otherwise.

1.2 Headings, etc.

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings in this Agreement are for convenient reference only and are not to affect its interpretation. References to “Agreement”, “this Agreement”, “hereto”, “herein”, “hereunder”, “hereby” and “hereof” and similar expressions refer to this Agreement, and not to any particular Article, Section, clause or other portion hereof, and include all Schedules, appendices and amendments hereto, modifications or restatements hereof. Unless otherwise specified, the words “Article”, “Section” and “Schedule” followed by a number mean and refer to the specified Article, Section or Schedule of this Agreement.

1.3 References

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder. Notwithstanding the foregoing, reference made to any statute in the representations and warranties of the Vendor or of the Purchaser in this Agreement is to that statute as enacted at the time such representation and warranty is made.

1.4 Gender and Number

Any reference in this Agreement to gender includes all genders. Words importing the singular number only shall include the plural and vice versa. In this Agreement, the words “including”, “includes” and “include” mean “including (or includes or include) without limitation”.

1.5 Accounting Terms

In this Agreement, where a ratio, calculation or determination is to be made in accordance with generally accepted accounting principles, such ratio, calculation or determination shall be made on the basis of IFRS as at the time such ratios, calculations and determinations are to be made.

1.6 Currency

All references in this Agreement to dollars or to “\$” are expressed in lawful currency of Canada, and all amounts to be advanced, paid or calculated under the Agreement are to be advanced, paid or calculated in lawful currency of Canada, unless otherwise specifically indicated.

1.7 Computation of Time

1.7.1 *Time.* In this Agreement, time is of the essence.

1.7.2 *Computation of Time.* Unless otherwise specified herein, the deadline for a payment or an act is calculated by excluding the day on which the period commences and includes the date on which such period ends. If the last day of a period is not a Business Day, the period shall be extended to the next Business Day following the date on which such period would have otherwise ended.

1.7.3 *Business Days.* If any day on which an amount is to be determined or an action is to be taken hereunder is not a Business Day, then such amount shall be determined or such action shall be taken at or before the requisite time on the next succeeding day that is a Business Day.

1.7.4 *Toronto Time.* All references to hours in a day shall designate the time in Toronto, Ontario.

1.8 Third Party Beneficiaries

Subject to provisions relating to a Party's representative (Article 8) or beneficiaries (Section 5.4), nothing in this Agreement or in any Closing Document is intended or shall be implied to, or shall, confer upon any Person (other than the Parties) any rights or remedies of any kind.

1.9 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of *contra proferentum* or strict construction shall be applied against any Party.

1.10 Statutes

Unless specified otherwise, reference in this Agreement to a statute or statutory provision refers to that statute or statutory provision as it may be amended, or to any restated or successor statute or statutory provision of comparable effect. A reference to a statute includes any statutory instruments, rules and regulations made under such statute.

1.11 Schedules

1.11.1 The following Schedules attached hereto are incorporated herein by reference and deemed to form a part hereof:

Schedules:

Schedule 1.1	Definitions
Schedule 3.2	Vendor's Directions regarding Purchase Price
Schedule 4.1	Representations and Warranties of Vendor
Schedule 4.1.6	Organizational Structure
Schedule 4.1.6	Permits
Schedule 4.1.7	Consents and Regulatory Approvals
Schedule 4.1.8	Customers and Suppliers

Schedules:

Schedule 4.1.12	Financial Statements
Schedule 4.1.14(a)	Owned IP
Schedule 4.1.14(b)	Third Party Licensed IP
Schedule 4.1.14(c)	License to use Owned IP
Schedule 4.1.14(g)	Source Code
Schedule 4.1.15	Jurisdictions
Schedule 4.1.17(a)	Material Contracts
Schedule 4.1.21	Warranties
Schedule 4.1.22(b)	Vendor Sales Tax Registration Numbers
Schedule 4.1.23	Unusual Transactions
Schedule 4.2	Representations and Warranties of Purchaser
Schedule 4.2.4	Canadian Purchaser Sales Tax Registration Numbers
Schedule 5.5	Non-Assigned Customer Contracts

1.11.2 At Closing, the Parties shall execute the following substantially in the form specified in:

Exhibit A	Management Agreement
Exhibit B	Support and Voting Agreement
Exhibit C	Loan Agreement

or as mutually agreed to by the Parties.

1.11.3 The inclusion of information in the Schedules shall not be an admission or acknowledgment that such items are material, that such items have had, or would reasonably be expected to have, a Material Consequence, or that such items are within or outside of the Ordinary Course. Furthermore, the inclusion in the Schedules of information or the exclusion of information from the Schedules will not establish any level of materiality for purposes of this Agreement.

1.11.4 The headings, if any, of the individual sections and subsections of the Schedules are inserted for convenience only and will not constitute a part thereof or a part of this Agreement. The Schedules are arranged in sections corresponding to those contained in this Agreement. The disclosure of an item in one section or subsection of the Schedules as an exception to any particular covenant, representation or warranty will only be deemed adequately disclosed as an exception with respect to another covenant, representation or warranty to the extent that a reasonable person conducting due diligence would determine such item is relevant to such other covenant, representation or warranty, including an appropriate cross-reference thereto within the text of this Agreement or the Schedules.

1.11.5 The information and statements contained in the Schedules are not intended to constitute, and shall not be construed as constituting, representations, warranties, covenants or agreements of the Vendor except as and to the extent provided in the text of this Agreement.

ARTICLE 2 PURCHASED ASSETS AND ASSUMED LIABILITIES

2.1 Purchased Assets

Upon the terms and subject to the conditions contained herein, the Vendor hereby sells, assigns and transfers to the Purchaser and the Purchaser, on its own behalf or for a designated subsidiary, hereby purchase from the Vendor, all rights, titles and interests of the Vendor in the assets used by the Vendor in carrying on the Business, save and except for the Excluded Assets, including the following (the “**Purchased Assets**”):

- 2.1.1 the Assigned Intellectual Property Rights;
- 2.1.2 the Assumed Contracts;
- 2.1.3 the Permits, to the extent that they are transferable;
- 2.1.4 the Books and Records;
- 2.1.5 the full benefit of all assignable warranties and warranty rights (implied, express or otherwise) against suppliers of Vendor which apply to any of the Purchased Assets;
- 2.1.6 all causes of action, demands, judgments or claims of the Vendor relating to the Business or the Purchased Assets; and
- 2.1.7 the goodwill of the Business including the exclusive right of the Purchaser to represent themselves as carrying on the Business.

2.2 Parties

For greater clarity, the Purchaser is purchasing those Purchased Assets located in Canada.

2.3 Excluded Assets

Notwithstanding the provisions of Section 2.1 or any other provisions contained herein, or any instrument or document delivered pursuant hereto, the Purchased Assets do not include any of the following assets which are specifically excluded from the sale provided for in this Agreement (the “**Excluded Assets**”) which will remain the sole property of the Vendor:

- 2.3.1 all Cash;

- 2.3.2 all rights, titles and interests of the Vendor in any loan receivable from any Person;
- 2.3.3 all investments held by the Vendor in any Person;
- 2.3.4 any Leases;
- 2.3.5 all Employee Benefit Plans;
- 2.3.6 all Excluded Records; and
- 2.3.7 all rights, title and interests of the Vendor to any assets which are not used, directly or indirectly, in the operation of the Business.

2.4 Assumed Liabilities

The Purchaser agrees to assume, pay, satisfy, discharge, perform and fulfill, as and from the Effective Time, the following obligations and liabilities, save and except for the Excluded Liabilities (the “**Assumed Liabilities**”):

- 2.4.1 all liabilities and obligations incurred by the Business after the Closing;

2.5 Excluded Liabilities

The Purchaser shall not assume and shall have no obligation to discharge, perform or fulfill any of the following liabilities and obligations (collectively, the “**Excluded Liabilities**”):

- 2.5.1 all liabilities and obligations of the Vendor under this Agreement and all liabilities and obligations of the Vendor for fees or expenses incident to or arising out of or relating to this Agreement and the consummation of the transactions contemplated hereby and thereby;
- 2.5.2 all liabilities and obligations relating to any Indebtedness;
- 2.5.3 all liabilities and obligations in respect of the Excluded Assets;
- 2.5.4 all liabilities and obligations in connection with Employees;
- 2.5.5 all liabilities and obligations in connection with Leases;
- 2.5.6 all liabilities and obligations under any Employee Benefit Plans;
- 2.5.7 all liabilities and obligations of the Vendor for Taxes, including income Tax, HST payable and any Taxes relating to taxation periods up to and including the Closing Date;
- 2.5.1 all liabilities and obligations incurred by the Business prior to the Closing; and

2.5.2 any and all liabilities and obligations of the Vendor and/or the Business that is not an Assumed Liability.

2.6 Non-Assigned Contracts

In the event that (i) there are any Assumed Contracts which are not assignable in whole or in part without the consent, approval or waiver of another party or parties to them, or (ii) such consents, approvals or waivers have not yet been obtained as of Closing on terms satisfactory to the Purchaser, acting reasonably, then nothing in this Agreement will be construed as an assignment of any such Assumed Contracts (the “**Non-Assigned Contracts**”). In such a case, the Vendor and the Purchaser shall cooperate (at their own expense) in any lawful and reasonable arrangement reasonably proposed by the Purchaser under which the Purchaser shall obtain the economic rights and benefits under the Non-assigned Contract. Such arrangements may include (i) the subcontracting, sublicensing or subleasing to the Purchaser of any and all rights of the Vendor against the other party to such Non-Assigned Contracts arising out of a breach or cancellation thereof by the other party, and (ii) the enforcement by the Vendor of such rights. For greater certainty, the Non-Assigned Contracts shall include the contracts identified in Schedule 4.1.8 as “partial assignment”.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The aggregate purchase price (the “**Purchase Price**”) for the Purchased Assets shall be equal to 8,924,495 common shares of XIGEM (the “**Xigem Shares**”) based on an issue price of \$0.10 per share. The Vendor understands that the Xigem Shares issue to it pursuant to this Agreement: (1) shall not be resold under applicable Canadian securities laws before the date that is four months plus one day following the Closing Date unless the Vendor is relying upon an exemption under applicable Canadian Securities Laws and that the certificate which it shall receive evidencing the Xigem Shares shall bear a legend with respect to the resale restrictions under applicable Canadian securities Laws in substantially the following form:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE]. ANY PROPOSED TRANSFER OR TRADE OF THE SECURITY AFTER [THE DATE THAT IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE], SHALL BE SUBJECT TO RESTRICTIONS CONTAINED THE ASSET PURCHASE AGREEMENT MADE AS OF FEBRUARY 24, 2023 AND APPLICABLE SUPPORT AND VOTING TRUST AGREEMENTS.

and (2) the Vendor, and any Person specified in Schedule 3.2, shall not offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase,

purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, any Xigem Shares or any securities convertible into, exercisable or exchangeable for or that represent the right to receive Xigem Shares (including, without limitation, any Xigem Shares which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Canadian Securities Exchange and applicable Canadian securities laws which may be issued upon exercise of a stock option or warrant) whether now owned or hereafter acquired other than: (1) 50% of the Xigem Shares may be sold five (5) months after the Closing Date in accordance with applicable Canadian securities laws; and (2) the remaining 50% of the Xigem Shares may be sold ten (10) months after the Closing Date in accordance with applicable Canadian securities laws.

3.2 Payment of the Purchase Price

The Purchase Price shall be paid and satisfied at the Closing by the issuance of the Xigem Shares to the Persons specified by the Vendor in Schedule 3.2.

3.3 Taxes

- 3.3.1 *Transfer Taxes.* All amounts payable by the Purchaser to the Vendor pursuant to this Agreement do not include any sales, good and services, use, consumption, multi-staged, personal property, customs, excise, stamp, transfer or similar taxes, duties, or charges (collectively “**Sales Taxes**”), and all Sales Taxes are the responsibility, and for the account of the Vendor. If the Vendor is required by law or by administration thereof to collect any applicable Sales Taxes from the Purchaser, the Purchases shall provide any exemption from any such applicable Sales Taxes and, deliver to the Vendor such certificates, elections, or other documentation required by law or the administration thereof to substantiate and effect the exemption claimed by the Purchases.
- 3.3.2 *Accounts Receivable Election.* The Purchases and the Vendor agree to jointly elect to file an election with respect to the accounts receivable under section 22 of the Tax Act and, if applicable, the corresponding sections of any other provincial statute and any regulations under such statutes.
- 3.3.3 *Goods and Services Tax Election.* At Closing, if applicable, the Vendor and the Purchases shall jointly execute an election under subsection 167(1) of Part IX of the ETA in the forms prescribed for such purposes such that the sale of the Purchased Assets by the Vendor will take place without payment of any HST.
- 3.3.4 *Joint Election under Subsection 20(24) of Tax Act.* To the extent that such an election is available, the Vendor and the Purchases agree to jointly elect under subsection 20(24) and 20(25) of the Tax Act, and any equivalent provision under applicable provincial tax legislation, in the prescribed forms and within the time period permitted under provision under applicable provincial tax legislation in respect of amounts allocated for future obligations of the Vendor that are assumed by the Purchases hereunder. In this regard, the Purchases and the

Vendor acknowledge that a portion of the Purchased Assets transferred by the Vendor pursuant to this Agreement and having a value equal to the amount elected under subsection 20(24) of the Tax Act and the equivalent provisions of any applicable provincial or territorial statute, is being transferred by the Vendor as a payment for the assumption of such future obligations by the Purchases.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Vendor

4.1.1 The Vendor represents and warrants to the Purchaser the representations and warranties set forth in Schedule 4.1 and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in entering into this Agreement.

4.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor the representations and warranties set forth in Schedule 4.2 hereto and acknowledges and agrees that the Vendor is relying upon such representations and warranties in entering into this Agreement.

4.3 Disclosure

Disclosure of any fact or item in any Schedule hereto referenced by or to a particular Article or Section in this Agreement shall only be deemed to have been disclosed with respect to another Article or Section in this Agreement for which applicability of such information and disclosure is reasonably apparent to a reasonable person conducting due diligence (including, where appropriate, with cross-references). The specification of any dollar amount in the representations or warranties contained in this Agreement or the inclusion of any specific item in any Schedule hereto is not intended to imply that such amounts, or higher or lower amounts, or the items so included or other items, are or are not material, and no Party shall use the fact of the setting of such amounts or the inclusion of any such item in any dispute or controversy between the Parties as to whether any obligation, item or matter not described herein or included in a Schedule is or is not material for purposes of this Agreement. No disclosure relating to any possible breach or violation of any contracts or laws shall be construed as an admission or indication that such breach or violation exists or has actually occurred.

4.4 Survival of Representations and Warranties

4.4.1 *Vendor.* All representations and warranties made by the Vendor in this Agreement shall survive the Closing as follows:

- (a) the representations and warranties set forth in Sections 4.1.1 [Capacity and No Violation of Vendor], 4.1.2 [Required Authorizations] 4.1.3 [Title to Purchased Assets], 4.1.14 [Intellectual Property], 4.1.23 [Unusual Transactions] and 4.1.24 [No Broker] of Schedule 4.1 (collectively, the

“**Vendor’s Fundamental Representations**”) shall survive the Closing without time limit;

- (b) the representation and warranties set forth in Section 4.1.22 [Taxes] shall survive the Closing and continue for a period ending ninety (90) days following the expiration of all limitation periods pursuant to applicable Laws; and
- (c) all of the other representations and warranties of the Vendor in this Agreement shall survive the Closing and continue for a period of twelve (12) months from the Closing Date.

After such periods, the Vendor shall have no further liability hereunder with respect to such representations and warranties except with respect to Claims made within such periods in accordance with the terms of this Agreement.

4.4.2 *Purchaser.* All representations and warranties made by the Purchaser in this Agreement shall survive the Closing as follows:

- (a) the representations and warranties set forth in Sections 4.2 [Capacity; No Violation], 4.2.1 [Required Authorizations] and 4.2.5 [No Broker] of Schedule 4.2 (collectively, the “**Purchaser’s Fundamental Representations**”) shall survive the Closing without time limit and;
- (b) all of the other representations and warranties of the Purchaser in this Agreement shall survive the Closing and continue for a period of twelve (12) months from the Closing Date.

After such periods, the Purchaser shall have no further liability hereunder with respect to such representations and warranties except with respect to Claims made within such periods in accordance with the terms of this Agreement.

4.4.3 The covenants and agreements of each Party contained in this Agreement shall survive the Closing and continue until completed.

4.4.4 Notwithstanding anything herein contained to the contrary, in the case of any breach by a Party of any representation or warranty involving fraud, gross negligence or willful misconduct, there shall be no time limitation on the right of the other Party to bring any Claim in respect of such breach or failure and to be indemnified in respect thereof.

ARTICLE 5 POST-CLOSING COVENANTS.

5.1 Maintaining Records

The Purchaser agree that the Vendor is permitted to keep, for a period of three (3) years following the Closing Date, a copy of all Books and Records and all other documents,

information and records relating to the Business and pertaining to any period ending on or before the Closing Date. As long as the Vendor maintains the Books and Records and all other documents, information and records, the provisions of Section 5.3 shall apply.

5.2 Amounts Received Post-Closing

Each Party undertakes to collaborate with the other as regards to the collection of any payment received after the Closing Date which should be remitted to the other Party in accordance with this Agreement. Each of the Parties undertakes to make any such transfer promptly and to take any other reasonable measure that may be necessary to facilitate and redirect such transfers.

5.3 Confidentiality.

For five (5) years from Closing, the Vendor shall, and shall cause their Affiliates to hold, and shall use reasonable efforts to cause each of their respective representatives to hold, in confidence and not disclose to any third party any and all Confidential Information, to the extent relating to the Business, except to the extent that such information (a) is generally available to or known by the public (other than through disclosure by the Vendor, any of their Affiliates or their representatives in violation of this Section 3); (b) is lawfully acquired by the Vendor, any of their Affiliates or their representatives after the Closing from a source which, to the actual knowledge of the Vendor, after reasonable inquiry, is not prohibited from disclosing such information by a legal, contractual or fiduciary obligation; (c) is independently derived by the Vendor or any of their Affiliates after Closing without reference to or use of information subject to the confidentiality obligations of this Section 5.3; and (d) is required to be disclosed by Law and Vendor has provided prompt written notice to XIGEM of any such requirement and shall use reasonable efforts to cooperate with XIGEM in seeking to obtain any protective order or other arrangement pursuant to which the confidentiality of the Confidential Information is preserved. If such an order or arrangement is not obtained, the Vendor may disclose that portion of the Confidential Information as is required pursuant to such requirements based on the advice of counsel.

5.4 Non-Competition and Non-Solicitation

5.4.1 *Non-Competition.* The Vendor hereby agrees and undertakes in favour of the Purchaser and its successors and assigns (collectively, the “**Beneficiaries**”), on its own behalf or in connection with any of its Affiliates, directly or indirectly, in any capacity whatsoever, including as an employer, employee, principal, agent, joint venturer, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchiser, franchisee, distributor, consultant, supplier or trustee, for a five (5) year term following the Closing Date (the “**Restricted Period**”), to refrain from selling, manufacturing, offering for sale, marketing or performing services for, owning or having an interest in, managing, operating, participating with or assisting in any way in, any Person, or allowing their name to be used by a Person that, directly or indirectly, competes with the Business.

Notwithstanding the foregoing, the Vendor and its Affiliates (the “**Vendor Group**”) may continue to purchase or cause its channel partners and customers to purchase products and/or services only from the Business in accordance with the Operating Agreement (the “**Vendor’s Post-Closing Resale Obligations**”).

5.4.2 *Non-Solicitation – Clients.* As a separate and independent covenant, throughout the Restricted Period, the Vendor hereby agrees and undertakes in favour of the Beneficiaries, on its own behalf or in connection with any of its Affiliates, directly or indirectly, in any capacity whatsoever, including as an employer, employee, principal, agent, joint venturer, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchiser, franchisee, distributor, consultant, supplier or trustee, that it shall not, directly or indirectly, solicit, initiate discussions or otherwise contact a Customer for the purposes of offering goods, selling, marketing or offering for sale, products or services in competition with the Business or to incite the said Customer or to amend or sever its business relationship with the Purchaser in connection with the Business.

5.4.3 *Non-solicitation – Employees.* As a separate and independent covenant, throughout the Restricted Period, the Vendor, on its own behalf or in connection with any of its Affiliates, directly or indirectly, in any capacity whatsoever, including as an employer, employee, principal, agent, joint venturer, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchiser, franchisee, distributor, consultant, supplier or trustee, hereby agrees and undertakes in favour of the Beneficiaries that it shall not, directly or indirectly, solicit, or in any way entice any Employee to leave his or her employment with, or otherwise amend or terminate the terms of its relationship with the Purchaser other than in accordance with the Operating Agreement.

5.5 Post-Closing Cooperation regarding Contracts

In addition to the Assumed Contracts, the Business has been conducted with other customer Contracts listed in Schedule 0 (the “**Non-Assigned Customer Contracts**”) which the parties have elected not to assign pursuant to this Agreement but address as part of the Management Agreement in order to preserve the continuity of the Business after Closing.

5.6 License to use “Echo”

The Vendor grants the Purchaser a worldwide, royalty-free, non-exclusive, non-transferable, right to use “Echo” trademark (word and logo) preceding the product name of products and or services of the Business in accordance with the Management Agreement.

5.7 Security Interest

The Vendor hereby undertakes to file all forms and/or registrations necessary to release any Encumbrances registered with respect to the Purchase Assets.

5.8 Access to Books and Records

As long as there is any Indebtedness owing under the Loan Agreement, the Vendor shall permit the Purchaser and/or its examiners, as designated by the Purchaser, to conduct monthly visits and inspections of the property and assets of the Vendor and each of its subsidiaries during normal business hours upon reasonable prior notice given to the Vendor. During such inspections, the Purchaser and/or its examiners shall be entitled to examine and make copies of all books and records relating to the property and assets of the Vendor and each of its subsidiaries, and the Vendor shall ensure that, during such inspections, the Purchaser and/or its examiners have free and unrestricted access to the property and assets of the Vendor and each of its subsidiaries and every part thereof and to such books and records, and that the Purchaser and/or its examiners will be provided with such information and data relating to the property and assets of the Vendor and each of its subsidiaries as the Purchaser and/or its examiners may reasonably request. Such inspections shall not exceed twelve (12) in any calendar year during the pendency of the term of the Loan Agreement prior to an Event of Default under the Loan Agreement. After an Event of Default, the Lender and/or its examiner may, in its sole discretion thereafter, exceed the limit on the number of inspections.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 The obligation of the Purchaser to complete the purchase of the Purchased Assets is subject to the fulfillment of the conditions set forth in this Section 6.1 at the Closing, which conditions are for the exclusive benefit of the Purchaser and any or all of which may be waived in whole or in part, by the Purchaser in its sole discretion by notice given to the Vendor.

6.1.1 Consent of Lenders. The consent of the lenders of the Vendors to discharge their Encumbrances on the Purchased Assets shall have been obtained effective as of the Closing.

6.1.2 Truth of Representation and Warranties. All representations and warranties of the Vendor contained in this Agreement shall have been true in all material respects, as of the date of this Agreement and shall be true in all material respects, as of the Closing Date with the same effect as though made on and as of that date (except to the extent that any representation or warranty is affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement or otherwise consented to in writing by the Purchaser and the Vendor shall have delivered to the Purchaser a certificate addressed to the Vendors dated the Closing Date to that effect.

6.1.3 Vendor's Obligations. The Vendor shall have performed its obligations under this Agreement to the extent required to be performed on or before the Closing Date, including delivery of all documents, instruments and other items specified elsewhere in this Agreement and delivery of the following:

(a) certified copies of resolutions of directors and shareholders of the Vendor approving the entering into of this Agreement and the completion of the transactions contemplated hereby.

6.1.4 Adverse Proceedings. No injunction, judgment, Order, decree or ruling is in effect that would prevent the performance of this Agreement or the consummation of any of the transactions contemplated hereby or declare unlawful any of the transactions contemplated by this Agreement.

6.2 The obligation of the Vendor to complete the sale of the Purchased Assets is subject to the fulfillment of the conditions set forth in this Section 6.2 at the Closing, which conditions are for the exclusive benefit of the Vendor and any or all of which may be waived in whole or in part, by the Vendors in their sole discretion by notice given to the Purchaser.

6.2.1 Truth of Representation and Warranties. All representations and warranties of the Purchaser contained in this Agreement shall have been true in all material respects, as of the date of this Agreement and shall be true in all material respects, as of the Closing Date with the same effect as though made on and as of that date) and the Purchaser shall have delivered to the Vendor a certificate addressed to the Vendors dated the Closing Date to that effect.

6.2.3 Purchaser's Obligations. The Purchaser shall have performed its obligations under this Agreement to the extent required to be performed on or before the Closing Date, including delivery of all documents, instruments and other items specified elsewhere in this Agreement and delivery of the following:

(a) certified copies of resolutions of directors of the Purchaser approving the entering into of this Agreement and the completion of the transactions contemplated hereby.

6.2.4 Adverse Proceedings. No injunction, judgment, Order, decree or ruling is in effect that would prevent the performance of this Agreement or the consummation of any of the transactions contemplated hereby or declare unlawful any of the transactions contemplated by this Agreement.

6.3 The transactions contemplated herein shall take place by electronic means at 10:00am on the Closing Date by the Vendor and Purchaser upon satisfaction of the following:

6.3.1 The Vendors shall deliver or cause to be delivered at the Closing the following:

(a) a certificate of a senior officer of each of the Vendor, acting in its capacity and without any personal liability, confirming as of the Closing Date, the representations and warranties as provided in Section 4.1 in accordance with Section 6.1.2;

(b) the Books and Records of the Business;

(c) A copy of the Management Agreement executed by the Vendor;

- (d) Copies of the Support and Voting Agreement executed by the Persons specified in Schedule 3.2;
- (e) A copy of the Loan Agreement executed by the Vendor and each applicable subsidiary;
- (f) The Assigned Intellectual Property Rights of the Business as well as the Source Code relating to such rights; and
- (g) all such further documents as may reasonably be required to give full effect to the provisions of this Agreement.

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor, each acting reasonably in good faith.

6.3.2 The Purchaser shall deliver or cause to be delivered at the Closing the following:

- (a) the payment of the Purchase Price in accordance with Sections 3.1 and 3.2;
- (b) certificates of senior officers of the Purchaser, acting in their capacity and without any personal liability, confirming as of the Closing Date, the representations and warranties as provided in Section 4.21 in accordance with Section 6.2.1;
- (c) A copy of the Management Agreement executed by the Purchaser;
- (d) A copy of the Loan Agreement executed by the Purchaser;

All documentation shall be in form and substance acceptable to the Purchaser and the Vendor, each acting reasonably in good faith.

ARTICLE 7

NO EMPLOYMENT TRANSFER

7.1 No Assumed Employees

For greater certainty, the Purchaser shall not assume any obligations of the Vendor and/or the Business.

ARTICLE 8 INDEMNIFICATION

8.1 Indemnification

8.1.1 Subject to Sections 4.4 and 8.2,

- (a) the Vendor agrees it will indemnify and hold the Purchaser and the Purchaser's directors, officers, employees, successors and assigns harmless from and against any Loss which they may suffer as a result of the following:
 - (i) a failure by the Vendor to observe or perform any covenant or obligation contained herein;
 - (ii) a breach of Vendor's representations and warranties under Section 4.1; or
 - (iii) the Excluded Liabilities;
- (b) the Purchaser agrees that it will indemnify and hold the Vendor and the Vendor's directors, officers, employees, successors and assigns harmless from and against any Loss which they may suffer as a result of the following:
 - (i) a failure by any of the Purchaser to observe or perform any covenant or obligation contained herein;
 - (ii) a breach of any of the Purchaser's representations and warranties under Section 4.2; or
 - (iii) the Assumed Liabilities.

(the Party or other indemnified Person making a claim for indemnification under any provision of this Article 8 being the "**Indemnified Party**", and the Party providing indemnification being the "**Indemnifier**" for the purposes of this Article 8).

8.2 Limitation on Indemnification, Deductible and Cap

8.2.1 *Limitations on Indemnification of the Purchaser.* Except in connection with the Vendor's Fundamental Representations, the restrictive covenants in Section 5.44 and fraud, wilful misconduct or gross negligence (for which, in each case, the Threshold shall not apply and the maximum aggregate liability shall not exceed the Purchase Price), no Claims for indemnification may be made by the Purchaser against the Vendor in respect of any Loss resulting from any matter referred to in Section 8.1.1(a) unless and until the aggregate amount of the Losses suffered or incurred by the Purchaser, taken as a whole, collectively

exceeds [REDACTED] (the “**Threshold**”), in which event, the amount of Losses which may be recovered by the Purchaser shall commence at the first dollar of Loss. [REDACTED]

- 8.2.2 *Limitations on Indemnification of the Vendor.* Except in connection with the Purchaser’s Fundamental Representations and fraud, wilful misconduct or gross negligence (for which, in each case, the Threshold shall not apply and the maximum aggregate liability shall not exceed the Purchase Price), no Claims for indemnification may be made by the Vendor against the Purchaser in respect of any Loss resulting from any matter referred to in Section 8.1.1(b) unless and until the aggregate Losses suffered or incurred by the Vendor, taken as a whole, collectively exceed the Threshold, in which event, the amount of such Losses which may be recovered by the Vendor shall commence at the first dollar of Loss.

8.3 General Indemnification Rules

The obligations of the Indemnifier to indemnify the Indemnified Party in respect of any Loss shall also be subject to the principles set forth in this Section 8.3.

- 8.3.1 *Recovery Once.* With respect to any Loss suffered by the Indemnified Party, no liability shall attach to the Indemnifier to the extent that the same Loss has been recovered by the Indemnified Party under any other representation or warranty contained in this Agreement or any other document referred to herein and, accordingly, the Indemnified Party may only recover once in respect of the same Loss.
- 8.3.2 *Insurance.* The obligation of indemnification shall not apply to the extent that any Loss claimed is recovered or recoverable through insurance to the Indemnified Party less any deductible paid or increase in premiums resulting from such claim.
- 8.3.3 *Remedy.* To the extent that any breach of representation or warranty contained in this Agreement is capable of remedy, the Indemnified Party shall afford the Indemnifier a reasonable opportunity to remedy the matter complained.
- 8.3.4 *Fault of Party.* The obligation of indemnification shall not apply to the extent that any Loss results from the fault of the Party seeking indemnification or from fraud committed by such Party.
- 8.3.5 *Tax Benefits.* The obligation of indemnification shall be reduced to the extent the Indemnified Party receives any Tax benefits, including the reduction of any income Tax by reason of the Losses being claimed as a deduction or reduction of the income Tax payable.

8.4 Direct Claims

Any Direct Claim shall be asserted by giving the Indemnifier reasonably prompt written notice thereof, but in any event not later than thirty (30) days after the Indemnified Party becomes aware of acts, omissions or facts that may give rise to such Direct Claim. Such notice to the Indemnifier shall describe the Direct Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifier shall then have a period of thirty (30) days within which to respond in writing to such Direct Claim (the “**Response Period**”). If the Indemnifier does not so respond within the Response Period, the Indemnifier shall be deemed to have rejected such Claim, and in such event the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party. If the Indemnifier agrees prior to the expiration of the Response Period as to the validity of the Direct Claim, the Indemnifier shall promptly pay to the Indemnified Party the amount of such Direct Claim forthwith upon such amount being quantified. If the Parties fail to agree as to the validity of the Direct Claim or its amount, any Party may exercise all remedies as may be available to such Party.

8.5 Notice of Third Party Claim

Except as set forth in Section 8.6.3, if an Indemnified Party receives notice of the commencement or assertion of any Third Party Claim, the Indemnified Party shall give the Indemnifier reasonably prompt notice thereof, but in any event no later than thirty (30) days after receipt of such notice of such Third Party Claim. Such notice to the Indemnifier shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount of the Loss that has been or may be sustained by the Indemnified Party.

8.6 Defence of Third Party Claims

8.6.1 *Assumption of Defence.* The Indemnifier may participate in or assume the defence of any Third Party Claim by giving notice to that effect to the Indemnified Party not later than thirty (30) days after receiving notice of that Third Party Claim (the “**Notice Period**”). The Indemnifier’s right to do so shall be subject to: (i) the rights of any insurer or other party who has potential liability in respect of that Third Party Claim; (ii) the Indemnifier acknowledging in writing to the Indemnified Party that Losses that may be assessed against the Indemnified Party in connection with such Third Party Claim constitute Losses for which the Indemnified Party shall be indemnified pursuant to this Agreement, (iii) the Indemnifier provides the Indemnified Party with evidence acceptable to the Indemnified Party that the Indemnifier will have the financial resources to defend against the Third Party Claim and fulfill its indemnification obligations hereunder with counsel reasonably satisfactory to the Indemnified Party, and (iv) the Indemnifier shall not be entitled to assume or maintain control of the defense of any Third Party Claim and shall pay the reasonable fees and expenses of counsel retained by the Indemnified Party if (a) the Third Party Claim relates to or arises in connection with any criminal proceeding, action,

indictment, allegation or investigation (b) the Third Party Claim seeks an injunction or equitable relief against the Indemnified Party or any of its Affiliates or (c) the Indemnifier Party has failed or is failing to reasonably prosecute or defend the Third Party Claim. The Indemnifier agrees to pay all of its own expenses of participating in or assuming such defence. The Indemnified Party shall cooperate in good faith in the defence of each Third Party Claim, even if the defence has been assumed by the Indemnifier, and may participate in such defence assisted by counsel of its own choice at its cost and expense, provided that the Indemnifier and its legal counsel shall lead the defence. If the Indemnified Party has not received the notice within the Notice Period that the Indemnifier has elected to assume the defence of such Third Party Claim, the Indemnified Party may, at its option, elect to settle or compromise the Third Party Claim or assume such defence, assisted by counsel of its own choosing and the Indemnifier shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Loss suffered or incurred by the Indemnified Party with respect to such Third Party Claim.

8.6.2 *Settlement.* The Indemnifier shall not settle any Third Party Claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld, unless:

- (a) the terms of the compromise and settlement require only the payment of money and do not require the Indemnified Party to admit any wrongdoing or take or refrain from taking any action; and
- (b) the Indemnified Party receives, as part of the compromise and settlement, an unconditional release, which is in form and substance satisfactory to the Indemnified Party, acting reasonably, from any and all obligations or liabilities it may have with respect to the Third Party Claim.

8.6.3 *Refusal of tax election.* The Vendor undertakes to allow the Purchaser to contest any notice of assessment or payment request issued by a Governmental Authority respecting the filing of an election pursuant Sections 3.3 and/or 3.4. Notwithstanding the foregoing, the Purchaser shall immediately inform the Vendor in writing of any assessment, proposed assessment and payment request.

8.7 Assistance for Third Party Claims

The Indemnifier and the Indemnified Party shall use all reasonable efforts to make available to the Party which is undertaking and controlling the defence of any Third Party Claim (the “**Defending Party**”):

- 8.7.1 those employees whose assistance, testimony or presence is necessary to assist the Defending Party in evaluating and in defending any Third Party Claim; and
- 8.7.2 all documents, records and other materials in the possession of such Party reasonably required by the Defending Party for its use in defending any Third Party Claim.

Each of them shall otherwise cooperate with the Defending Party. The Indemnifier shall be responsible for all expenses associated with making such documents, records and materials available and for all reasonable expenses of any employees made available by the Indemnified Party to the Indemnifier hereunder but not for salaries.

8.8 Right of Set-Off

The Parties expressly agree that the Purchaser may set off against any amount to which it may be entitled under Section 8.1.1 against any amount to which it may be entitled to pay pursuant to any other agreement or relationship with the Vendor, including under the Management Agreement.

8.9 Duty to Mitigate

Nothing in this Agreement shall in any way restrict or limit the general obligation at law of an Indemnified Party to mitigate any Loss which it may suffer or incur by reason of the breach by an Indemnifier of any representation or warranty or the breach of any covenant of the Indemnifier hereunder. If any Loss can be reduced by any recovery, settlement or otherwise under or pursuant to any insurance coverage, or pursuant to any Claim against, recovery from, settlement with or payment by any other Person, the Indemnified Party shall take all appropriate steps to enforce such Claim, recovery, settlement or payment.

8.10 Purchase Price Adjustment

Any indemnification payment made under this Article 8 shall be treated by the Purchaser and the Vendor as an adjustment to the Purchase Price.

ARTICLE 9 GENERAL

9.1 Fees and Expenses

Except as set out in the joint retainer letter with CC Corporate Counsel Professional Corporation, it is the responsibility of each Party to pay the professional fees of its legal counsel, financial advisors, accountants and of any other consultant engaged in connection with the transactions contemplated hereby, including with respect to the preparation, execution and delivery of this Agreement, and all other costs and expenses incurred in connection with the transactions contemplated hereby.

9.2 Public Announcement

All public notices to third parties and all other announcements, press releases and publicity concerning the Agreement or the transactions contemplated by the Agreement must be jointly planned and coordinated by the Vendor and the Purchaser. Neither Party will act unilaterally in this regard without the prior consent of the other Party unless, and only to the extent that, disclosure is required to meet the timely disclosure obligations of any Party

under applicable securities Laws or stock exchange rules in circumstances where prior consultation with the other Party is not practicable, or the disclosure is to the Party's board of directors, senior management and its legal, accounting, financial or other professional advisers.

9.3 Successors, assigns and assignments

Neither the Agreement nor any right or obligation under the Agreement may be assigned by either Party without the prior consent of the other Parties. This Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.

9.4 Entire Agreement

The Agreement, together with the other Closing Documents, constitutes the entire agreement between the Parties pertaining to the subject matter of the Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, including the letter of intent dated November 23, 2022. There are no representations, warranties or other agreements between the Parties in connection with the subject matter of the Agreement except as specifically set out in the Agreement or the other Closing Documents. No Party has been induced to enter into the Agreement in reliance on, and there will be no liability assessed with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in the Agreement or in the other Closing Documents.

9.5 Amendments and Waivers

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendor and the Purchaser. No waiver of any of the provisions of this Agreement shall constitute a waiver of any other provision (whether or not similar). No waiver shall be binding unless executed in writing by the Party to be bound by the waiver.

9.6 Notice

Requests, notices, consents or any other communications to be provided under this Agreement shall be submitted in writing and delivered personally, by registered mail or by facsimile or by email and registered mail: (i) to the respective addresses listed below, and (ii) in the case of an alternative address or other personal or electronic communication number indicated in a notice by a Party to the other Parties, to such address or personal or electronic communication number.

Notice to the Vendor:

EAF GROUP OF COMPANIES LTD

207 Edgeley Boulevard
Concord, Ontario L4K 4B5

Attention: Themis Georges
Email: [REDACTED]

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

CC Corporate Counsel Professional Corporation

20 Great Gulf Drive, Suite 14
Vaughan, Ontario, L4K 0K7

Attention: John Tobia
Telephone: [REDACTED]
Email: [REDACTED]

Notice to Purchaser:

XIGEM TECHNOLOGIES CORPORATION

70 Great Gulf Drive, Unit 67
Vaughan, Ontario L4K 0K7

Attention: Brian Kalish
Email: [REDACTED]

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

CC Corporate Counsel Professional Corporation
20 Great Gulf Drive, Suite 14
Vaughan, Ontario, L4K 0K7

Attention: John Tobia
Telephone: [REDACTED]
Email: [REDACTED]

Requests, notices or other communications provided personally shall be conclusively deemed to have been provided on the date of actual delivery and, if sent by registered mail, on the third Business Day following the deposit in the mail, and if transmitted by facsimile

or email, on the date of delivery thereof if transmitted during the normal business hours of the addressee on a Business Day and on the following Business Day if not transmitted during such hours. If the Party sending a request, notice or other communication knows or reasonably ought to know of difficulties with the postal system which could delay the delivery of mail, such request, notice or other communication should not be sent by mail but rather delivered personally or sent by email.

9.7 Further assurances

Each Party will, at the requesting Party's cost, execute and deliver any further agreements and documents and provide any further assurances as may be reasonably required by the other Party or Parties to give effect to the Agreement and, without limiting the generality of the foregoing, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide any assurances, undertakings and information as may be required from time to time by all Governmental Authorities or as may be required from time to time under applicable securities Laws.

9.8 Governing Law

The Agreement is governed by, and is to be construed and interpreted in accordance with, the laws applicable in the Province of Ontario. Each of the Parties irrevocably submits and attorns to the jurisdiction of the courts of the Province of Ontario (judicial district of Toronto) to determine all issues, whether at law or in equity arising from the Agreement. To the extent permitted by applicable Law, each of the Parties irrevocably waives any objection (including any claim of inconvenient forum) to the venue of any legal proceeding arising out of or relating to the Agreement in the courts of the Province of Ontario (judicial district of Toronto), or that the subject matter of the Agreement may not be enforced in these courts, and irrevocably agrees not to seek, and hereby waives any right to, judicial review by any court which may be called upon to enforce the judgment of these courts, of the substantive merits of any such suit, action or proceeding. To the extent a Party has or hereafter may acquire any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, that Party irrevocably waives that immunity in respect of its obligations under the Agreement.

9.9 Severability

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision shall be severed from this Agreement and the remaining provisions shall remain in full force and effect.

9.10 Payment by Wire Transfer

Any money to be paid or tendered by one Person to another pursuant to the Agreement must be paid by wire transfer of immediately available funds to an account designated in writing by the Person entitled to receive the payment.

9.11 Tender

Any tender of documents or money pursuant to the Agreement may be made upon the Parties or their respective counsel.

9.12 Counterparts

This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Agreement.

[Remainder of page intentionally left blank]

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

EAF GROUP OF COMPANIES LTD

By: “*THEMIS GEORGAKOPOULOS*”
Name: THEMIS GEORGAKOPOULOS
Title: CEO

XIGEM TECHNOLOGIES CORPORATION

By: “BRIAN KALISH”
Name: BRIAN KALISH
Title:CEO

[Signature page to the Asset Purchase Agreement]

SCHEDULE 1.1 DEFINITIONS

1.1 Definitions

- 1.1.1 “**Affiliate**” has the meaning given to the term “Affiliate” in the *Business Corporations Act (Ontario)*, as in force on the date hereof;
- 1.1.2 “**Agreement**” means this Agreement, its preamble and all its Schedules, and all modifications thereto made by a written agreement between the Parties;
- 1.1.3 “**Applicable Rate**” means the prime business rate of interest reported from time to time by the Bank of Canada;
- 1.1.4 “**Assigned Intellectual Property Rights**” means the Intellectual Property Rights used in the Business and listed in Schedule 4.1.14(a).
- 1.1.5 “**Assumed Contracts**” means those contracts identified in in paragraph (a) and (f) in the definition of Material Contract.
- 1.1.6 “**Assumed Liabilities**” has the meaning given to it in Section 2.4;
- 1.1.7 “**Beneficiaries**” has the meaning given to it in Section 5.4.1;
- 1.1.8 “**Books and Records**” means all books, records, files and papers of the Vendor and any of Affiliates relating to the Business, including but not limited to title documentation, Software documentation (including but not limited to source code(s), operator and user manuals, training materials, guides, listings, specifications and any revisions or additions to such documents), electronic data, financial and tax working papers, financial and tax books and records, business reports, business plans and projections, sales and advertising materials, sales and purchases records and correspondence, trade association files, research and development records, lists of present and former suppliers, all other documents and data (technical or otherwise) relating to the Business, the Purchased Assets, and all copies and recordings of the foregoing
- 1.1.9 “**Business**” has the meaning given to it in the preamble;
- 1.1.10 “**Business Day**” means any day on which Canadian chartered banks are generally open for business in Toronto, Ontario, other than a Saturday, a Sunday or a public holiday under applicable Laws;

- 1.1.11 “**Cash**” means cash and cash equivalents of the Vendor, including term deposits, outstanding cheques, guaranteed investment certificates and similar readily liquid instruments;
- 1.1.12 “**Claim**” means any claim, complaint, demand, grievance, prosecution or legal, judicial, arbitral or administrative proceedings, including assessment or reassessment and any appeal or application for review;
- 1.1.13 “**Customer**” means any Person to whom the Vendor provides services or sell products in relation to the Business;
- 1.1.14 “**Closing**” means the conclusion on the date hereof of the sale by the Vendor and the purchase by the Purchaser of the Purchased Assets when all conditions to Closing have been satisfied or waived by the Parties;
- 1.1.15 “**Closing Date**” means March 6, 2023 or such other date determined in accordance with this Agreement as agreed to by the Parties in writing;
- 1.1.16 “**Closing Documents**” means any agreement, assignment or any other document delivered with respect to the Closing in accordance with this Agreement;
- 1.1.17 “**Confidential Information**” means information, whether in written or electronic form, that is of a proprietary or confidential nature, or not generally available to the public, relating to the Business;
- 1.1.18 “**Consent**” means any consent, approval, permit, waiver, ruling, exemption or acknowledgement from any Person which is provided for or required in respect of, or pursuant to the terms of any Material Contract or as otherwise listed in Schedule 4.1.7 in connection with the sale of the Purchased Assets to the Purchaser on the terms contemplated in this Agreement, to permit the Purchaser to carry on the Business after the Closing Date or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement;
- 1.1.19 “**Contract**” means any agreement, understanding, undertaking, indenture, commitment, license or lease, whether written or verbal, including all purchase orders whether filled or unfilled;
- 1.1.20 “**Current Assets**” means, in respect of the Business, the aggregate sum of the values of the Accounts Receivable, and Prepaid Amounts;
- 1.1.21 “**Defending Party**” has the meaning given to it in Section 8.7;
- 1.1.22 “**Direct Claim**” means any Claim by an Indemnified Party against an Indemnifier which does not result from a Third Party Claim;
- 1.1.23 “**Effective Time**” means 12:00 a.m. (Toronto Time) on the Closing Date;

- 1.1.24 “**Employees**” means those individuals who are employed in the Business, whether on a full-time or part-time basis, active or inactive;
- 1.1.25 “**Employee Benefit Plan**” means all plans that provide for pension or retirement income or benefits for the benefit of Employees;
- 1.1.26 “**Encumbrance**” means any security interest, mortgage, deed of trust, charge, pledge, priority, hypothec, lien, encumbrance, restriction or option;
- 1.1.27 “**Environment**” means the ambient air, all layers of the atmosphere, all water including surface water and underground water, all land and organic and inorganic matter, and includes indoor spaces;
- 1.1.28 “**Environmental Laws**” means any Laws relating to the Environment and protection of the Environment, the regulation of chemical substances or products, health and safety, including occupational health and safety, and the transportation of dangerous goods;
- 1.1.29 “**Equipment**” means all equipment, machinery, technology and communications hardware and infrastructure, furniture, fixtures and parts and supplies of all kind, held for use or used in connection with the Business, whether currently owned or on order, including those identified in Schedule **Error! Reference source not found.**;
- 1.1.30 “**ETA**” means the *Excise Tax Act* (Canada) and its regulations;
- 1.1.31 “**Excluded Assets**” has the meaning given to it in Section 2.2;
- 1.1.32 “**Excluded Liabilities**” has the meaning given to it in Section 2.5;
- 1.1.33 “**Financial Statements**” means the trial balance sheet of Echo Auto Group Limited as of September 30, 2022 and the forecasted financial statements of the Business in the context of the Vendor's operations for the period January 1, 2023 to December 31, 2027 which are attached hereto as Schedule 4.1.;
- 1.1.34 “**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”).;
- 1.1.35 “**Governmental Authorities**” means: (a) any government, department, central bank, court, tribunal, arbitral body, commission, board, office or any agency, multinational, federal, provincial, state, regional, municipal or local, either nationally or internationally, (b) anybody exercising quasi-governmental regulatory authority, administration, expropriation or any Tax Authority under the direction of one of the foregoing authorities or on behalf of it, and (c) any agency, court or judicial or quasi-judicial tribunal;
- 1.1.36 “**GST/HST**” means the federal goods and services tax and harmonized sales tax imposed under the ETA;

- 1.1.37 “**Hazardous Substance**” means any substance, waste, liquid, gaseous or solid matter, fuel, micro-organism, sound, vibration, ray, heat, odor, radiation, plasma, organic or inorganic matter which is or is deemed to be, hazardous, hazardous waste, solid or liquid waste, toxic, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination, regulated by any Environmental Laws;
- 1.1.38 “**Indebtedness**” means any obligations for borrowed money;
- 1.1.39 “**Indemnified Party**” has the meaning given to it in Section 8.1.1;
- 1.1.40 “**Indemnifier**” has the meaning given to it in Section 8.1.1;
- 1.1.41 “**Intellectual Property**” means, in relation to the Business:
- (a) trade-marks, design marks, logos, service marks, certification marks, official marks, trade names, business names, corporate names, trade dress, and other characters, brand elements or other distinguishing features used in association with wares or services, whether or not registered or the subject of an application for registration (“**Trade-marks**”);
 - (b) inventions, arts, processes, machines, articles of manufacture, compositions of matter, business methods, formula, developments and improvements, whether or not patented or the subject of an application for patent and whether or not patentable, methods and processes for making any of them, and related documentation (whether in written or electronic form) and know-how;
 - (c) software in source code or object code form, documentation, literary works, artistic works, pictorial works, graphic works, musical works, dramatic works, audio visual works, performances, sound recordings and signals, including their content, and any compilations of any of them, whether or not registered or the subject of an application for registration and whether or not registrable (“**Works**”);
 - (d) domain names, whether registered primary domain names or secondary or other higher level domain names (“**Domain Names**”);
 - (e) industrial designs and all variants of industrial designs, whether or not registered or the subject of an application for registration and whether or not registrable (“**Designs**”); and
 - (f) trade secrets, technical expertise, and research data and other Confidential Information relating to goods and services;
- but in each case only to the extent used in connection with the Business.

1.1.42 **“Intellectual Property Rights”** means:

- (a) any common law principle or statutory provision which may provide a right in Intellectual Property, including all:
 - (i) common law rights and registrations, pending applications for registration and rights to file applications for the Trade-marks, including all rights of priority;
 - (ii) patents and pending patent applications;
 - (iii) copyrights in Works and all registrations, pending applications for registration of Works;
 - (iv) registrations and pending applications for registration of Domain Names and all other common law and statutory rights in Domain Names; and
 - (v) industrial design rights, design patents, design registrations, pending patent and design applications of Designs; and
- (b) all rights to enforce the rights and obtain remedies for a violation of any of the rights listed in (a) above;

1.1.43 **“Inventory”** means, collectively, all inventories of stock-in-trade and merchandise related to the Business as of the Closing Date, including all finished goods, work in progress, raw materials, manufacturing supplies, spare parts, packaging materials and all other materials and supplies used or consumed in the production of finished goods and owned by the Vendor in connection with the Business (including those in possession of suppliers, customers, shippers and other third parties), less the estimated reserves for obsolescence and excess inventory;

1.1.44 **“Knowledge of the Vendor”** means the knowledge of [REDACTED], after reasonable internal inquiry;

1.1.45 **“Laws”** means all laws (including common law), orders, rules, and all federal, provincial, state or municipal regulations, domestic or foreign, and all Orders of a Governmental Authority;

1.1.46 **“Loss”** means any direct loss, liability, damage, cost, expense, charge, fine, penalty or assessment actually suffered by an Indemnified Party, including the costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise and all interest, and reasonable professional fees and disbursements, but excluding any punitive damages, loss of profit or other indirect damage;

- 1.1.47 “**Material Consequence**” means any change that is material and adverse to the Business, the results of operations or the financial condition of the Business, except for any change caused by, pertaining to or arising from the following:
- (a) conditions generally affecting the industry in which the Business operates or the markets for any of the products or services of the Business, except to the extent specifically related to or disproportionately impacting the Business;
 - (b) the initiation, occurrence or continuation of war (whether declared or undeclared), armed hostilities or acts of terrorism;
 - (c) a natural disaster;
- 1.1.48 “**Material Contract**” means:
- (a) the Contracts with customers (by revenue) of the Business as identified in Schedule 4.1.8 and Contracts with the suppliers of the Business which have an annual cost in excess of [REDACTED];
 - (b) a Contract involving an amount in excess of [REDACTED] relating to Indebtedness or the mortgaging, pledging or otherwise placing an Encumbrance on any material asset or material group of assets of the Business;
 - (c) a Contract under which the Vendor has provided or are the beneficiaries of a guaranty, performance bond or similar agreement for an amount in excess of [REDACTED] relating to the Business;
 - (d) a Contract under which the Vendor is a lessee of or holds or operate any asset relating to the Business, owned by any other Person;
 - (e) a Contract under which the Vendor is a lessor of or permit any third party to hold or operate any assets owned by the Vendor relating to the Business;
 - (f) a Contract relating to any Intellectual Property Rights relating to the Business, including as set out in Schedule 4.1.14(b).
- 1.1.49 “**Non-Assigned Contracts**” has the meaning given to it in Section 2.6;
- 1.1.50 “**Non-Assigned Customer Contracts**” has the meaning given to it in Section 0;
- 1.1.51 “**Notice Period**” has the meaning given to it in Section 8.6;
- 1.1.52 “**Notified Claim**” means a Claim against the Business in connection to which the Vendor received written notice or service thereof;

- 1.1.53 “**Order**” means any final and binding order, judgment, proceeding, decree, injunction, decision, sentence or stipulation of a court, tribunal, arbitrator or any other Governmental Authority;
- 1.1.54 “**Ordinary Course**” means, with respect to an action taken by a Person, such action is consistent with the current practices of such Person and is taken in the ordinary course of the normal day-to-day operations of such Person, or any change or effect which arises in the ordinary course of the normal day-to-day operations of a Person;
- 1.1.55 “**Owned IP**” has the meaning given to it in Section 4.1.14(a);
- 1.1.56 “**Parties**” means collectively, the Vendor and the Purchaser, and “**Party**” means any one of them;
- 1.1.57 “**Permits**” means the authorizations, registrations, permits, certificates of approval, approvals, grants, licenses, quotas, consents, commitments, rights or privileges (other than those relating to Intellectual Property Rights) issued or granted by any Governmental Authority that are used or held by the Vendor in connection with the Business;
- 1.1.58 “**Person**” means an individual, body corporate, limited liability company, sole proprietorship, partnership or trust or unincorporated association, unincorporated syndicate, unincorporated organization, or another entity, and a natural person acting in his or her individual capacity or in his or her capacity as executor, trustee, administrator or legal representative, and any Governmental Authority;
- 1.1.59 “**Personal Information**” means information about an individual who can be identified by the Person who holds that information;
- 1.1.60 “**Prepaid Amounts**” means the aggregate sum of all prepaid expenses and other current assets of ongoing benefit to the Vendor, including prepaid licenses, maintenance, marketing and lease payments;
- 1.1.61 “**Privacy Laws**” means any Laws that regulate the collection, use or disclosure of Personal Information;
- 1.1.62 “**Purchased Assets**” has the meaning given to it in Section 2.1;
- 1.1.63 “**Purchase Price**” has the meaning given to it in Section 3.1;
- 1.1.64 “**Purchaser**” has the meaning given to it in the preamble of this Agreement;
- 1.1.65 “**Purchaser’s Fundamental Representations**” has the meaning given to it in Section 4.4.2(a);

- 1.1.66 “**Regulatory Approvals**” means the permits, licenses, certifications, authorizations or approvals of, or notifications to, any Governmental Authority are required to be obtained by the Purchaser to carry on the Business in the Ordinary Course after the Closing Date or which is necessary to permit the Parties to perform their obligations under this Agreement;
- 1.1.67 “**Response Period**” has the meaning given to it in Section 8.4;
- 1.1.68 “**Restricted Period**” has the meaning given to it in Section 5.4.1;
- 1.1.69 “**Retained Intellectual Property Rights**” has the meaning given to it in Section 4.1.14(a).
- 1.1.70 “**Sales Taxes**” has the meaning given to it in Section 3.3.1;
- 1.1.71 “**Subsidiary**” has the meaning given to the term “Subsidiary” in the *Business Corporations Act* (Ontario), as in force on the date hereof;
- 1.1.72 “**Tax**” or “**Taxes**” means all taxes, duties, fees, premiums, assessments, imposts, levies, rates, withholdings, dues, government contributions and other charges of any kind whatsoever imposed by any Governmental Authority, whether direct or indirect, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof, including those levied on, or measured by, or referred to as income, gross income, gross receipts, net proceeds, profits, capital gains, alternative or add-on, or minimum, capital, transfer, land transfer, sales, retail sales, consumption, use, goods and services, harmonized sales, value-added, ad valorem, turnover, excise, stamp, non-resident withholding, business, franchising, business licenses, real and personal property (tangible and intangible), environmental, transfer, payroll, employee withholding, employment, health, employer health, social services, development, occupation, education or social security, and all contributions, premiums, surtaxes, all customs duties, countervail, anti-dumping, special import measures and import and export taxes, all license, franchise and registration fees, all provincial workers’ compensation payments, and all employment insurance, health insurance and Canada, Quebec and other government pension plan contributions;
- 1.1.73 “**Tax Act**” means the *Income Tax Act* (Canada);
- 1.1.74 “**Tax Authorities**” means the Canada Revenue Agency, the *Agence du revenu du Québec*, as well as any other national, state, local, provincial or other Governmental Authority responsible for the administration, implementation, assessment, fixation, application, compliance, collection or other impositions of Taxes;
- 1.1.75 “**Tax Return**” means any return, report, declaration, designation, election, undertaking, waiver, notice, filing, information return, statement, form, certificate or any other document or materials relating to Taxes, including any

related or supporting information with respect to any of the foregoing, filed or to be filed with any Governmental Authority in connection with the determination, assessment, collection or administration of Taxes;

- 1.1.76 “**Third Party Claim**” means any Claim asserted against an Indemnified Party that is paid or payable to, or claimed by, any Person who is not a Party or an Affiliate of a Party;
- 1.1.77 “**Third Party Licensed IP**” has the meaning given to it in Section 4.1.14(b);
- 1.1.78 “**Threat of Claim**” a Claim or a question shall be deemed to be a Threat of Claim if a written request or declaration has been made, or if a written notice has been given;
- 1.1.79 “**Threshold**” has the meaning given to it in Section 8.2.1;
- 1.1.80 “**Vendor**” has the meaning given to it in the preamble;
- 1.1.81 “**Vendor’s Fundamental Representations**” has the meaning given to it in Section 4.4.1(a);
- 1.1.82 “**Vendor’s Post-Closing Resale Obligations**” has the meaning given to it in Section 5.4.1;

SCHEDULE 4.1
Representations and Warranties of the Vendor

Corporate Matters

4.1.1 *Capacity and No Violation*

- (a) The Vendor is a corporation duly incorporated and validly existing under the laws of Ontario. The Vendor has the corporate power to own and operate its property, and is duly qualified to carry on the Business as currently conducted under the laws of each jurisdiction which the Business is currently conducted. No resolution has been adopted relating to the dissolution or liquidation of the Vendor.
- (b) This Agreement, and each Closing Document, have been duly executed and delivered by the Vendor and constitutes a legal, valid and binding agreement of it, enforceable against it in accordance with its respective terms, subject only to any limitation under applicable Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (c) The execution and delivery of and performance by the Vendor of this Agreement:
 - (i) does not and will not constitute or result in a material breach of (a) its constating documents or by-laws, or (b) any applicable Law; or
 - (ii) does not and will not result in the creation or incurrence of any Encumbrance on the Purchased Assets.
- (d) The Vendor is parent company of the wholly-owned subsidiaries Schedule specified in Schedule 4.1.1(d).

4.1.2 *Required Authorizations.* The Vendor has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder and thereunder have been duly authorized by all necessary corporate action on the part of the Vendor.

4.1.3 *Title to the Purchased Assets.* The Vendor has valid, good and marketable title to each of the Purchased Assets free and clear of all Encumbrances.

General Matters Relating to the Business

- 4.1.4 *Condition of Tangible Assets.* The Equipment and other tangible movable property forming part of the Purchased Assets are, in all material respects, in good operating condition, and repair (taking into account the age of such property) ordinary wear and tear excepted and are sufficient for the conduct of the Business as conducted in the twelve (12) months prior to Closing.
- 4.1.5 *Books and Records.* The Books and Records fairly and correctly set out, in all material respects, the financial position of the Business and all material financial transactions of the Business and are set out in Schedule 4.1.5.
- 4.1.6 *Compliance with Laws and Permits*
- (a) The Vendor is conducting the Business in material compliance with all applicable Laws where failure to do so would have a Material Consequence.
 - (b) All Permits material to the Business are listed in Schedule 4.1.6 (the “**Material Permits**”). These Material Permits are the only Permits (other than those relating to Intellectual Property) required enabling the Vendor to carry on the Business as currently conducted. The Vendor is not in default or breach of any Material Permit.
- 4.1.7 *Consents and Regulatory Approvals.* Except as disclosed in Schedule 4.1.7:
- (a) there is no requirement to obtain any Consent of a party under any Material Contract to which the Vendor is a party in order to complete the transactions contemplated by this Agreement; and
 - (b) no authorization, Regulatory Approval, Order, consent of, or filing with, any Governmental Authority is required on the part of the Vendor in connection with the execution, delivery and performance of this Agreement.
- 4.1.8 *Customers and Suppliers.* Schedule 4.1.8 sets forth a complete list of the customers (by revenue) of the Business for the twelve (12)-month period ending November 30, 2022, containing their name and revenue generated for such period and the suppliers (by dollars spent) of the Business for such period containing their name and cost of purchases for such period.
- 4.1.9 *Deleted*
- 4.1.10 *Deleted*
- 4.1.11 *Environmental Matters.*
- (a) The Vendor is in compliance in all material respects with all applicable Environmental Laws with respect to the Business where failure to do so would have a Material Consequence.

- (b) There has been no release, disposal, dumping or escape of any Hazardous Substance in the course of the Business except in material compliance with Environmental Laws.
- (c) The Vendor has not received written notice of any kind of an actual or threatened release, disposal, dumping or escape of a Hazardous Substance from, at, on, or under any of premises where the Business is conducted.
- (d) The Vendor has not received any written notice of Claim alleging material non-compliance with Environmental Laws with respect to the Business from any Governmental Authority or other third party.

4.1.12 *Financial Statements.*

- (a) Copies of the Financial Statements are attached in Schedule 4.1.12. The Financial Statements present fairly, in all material respect:
 - (i) the assets, the liabilities and the financial condition of the Business, as at the respective dates of the Financial Statements; and
 - (ii) the sales, earnings and results of the operations of the Business during the periods covered by the Financial Statements.
- (b) The Financial Statements have been prepared in accordance with IFRS consistently applied according to past business practices.

4.1.13 *Deleted*

4.1.14 *Intellectual Property*

- (a) Schedule 4.1.14(a) sets forth a list of all issued, registered and pending applications for registration of Intellectual Property Rights of the Vendor as well as material non-registered Intellectual Property Rights of the Vendor (collectively, the “**Owned IP**”) identifying which: (i) are used by the Business and therefore constitute “**Assigned Intellectual Property Rights** and (ii) which are used in the Business but elsewhere by the Vendor and therefore constitute “**Retained Intellectual Property Rights**”, which shall be subject to the IP License Agreement executed concurrently herewith.
- (b) Schedule 4.1.14(b) sets forth a list of all material Contracts with respect to Intellectual Property to which the Vendor is a party, either as licensee or licensor (the “**Third Party Licensed IP**”), identifying which are used by the Business and therefore constitute Assumed Contracts and which shall be retained by the Vendor and subject to a sub-license in favour of the Purchaser (to the extent permitted by the terms of the license or, if not, for

which the Purchaser shall enter into distinct agreements post-Closing directly with the third party).

- (c) The Owned IP is owned free and clear of any Encumbrances. Except as provided in Schedule 4.1.14(c) and except licenses granted by the Vendor in the Ordinary Course for marketing, promotional and advertising purposes, the Vendor has not granted to any Person any material right or license to use the Owned IP.
- (d) The Owned IP and Third Party Licensed IP are sufficient for the conduct of the Business at Closing as conducted in the twelve (12) months prior to Closing. No third party has advised the Vendor, or to the Knowledge of the Vendor, has threatened, that any product or service marketed or sold by the Business violates any license or infringes any Intellectual Property of any other Person.
- (e) The Vendor is not in material default or material breach of any license agreement relating to the Third Party Licensed IP. The Vendor has not received any notices or other communications regarding litigation, proceeding, claim, demand, arbitration, mediation, dispute resolution, suit, action, investigation or judicial review alleging that the Business or the Vendor has used the Owned IP, or provided services or products in the conduct of the Business that would or does infringe, would or does misappropriate, dilute or otherwise violate in any way the Intellectual Property of another Person. The Vendor is not, nor will it be as a result of the execution and delivery of this Agreement and/or the Closing Documents or the performance of its obligations under this Agreement or the Closing Documents, in breach of any material license, sublicense or other agreement relating to the Owned IP or any Licensed IP.
- (f) The conduct by the Vendor of the Business and the use of the Owned IP do not infringe the intellectual property rights of any Person.
- (g) Other than as specified in Schedule 4.1.14(g), no Intellectual Property used in the Business contains, or operates in such a way that it is compiled with or linked to, any open source software code, such that it imposes any terms on other source code which the source code is used to develop, or with which the source code is associated. The Intellectual Property specified in in Schedule 4.1.14(g) complies in all material respects with the terms of the license agreements governing the use of the open source code used in connection with the Business.

4.1.15 *Jurisdictions.* The Vendor is qualified to do business in connection with the Business only in the jurisdictions disclosed in Schedule 4.1.15.

4.1.16 *Litigation.* There are no legal, judicial, arbitral or administrative proceedings against or involving the Vendor in connection with the Business or, to the

Knowledge of the Vendor, threatened. There is no outstanding judgment, decree, Order, ruling or injunction involving the Vendor in connection with the Business or relating in any way to the transactions contemplated by the Agreement.

4.1.17 *Material Contracts*

- (a) Schedule 4.1.17(a) contains a list of all Material Contracts to which the Vendor is a party or bound. Each Material Contract is a valid and binding obligation of the Vendor and, to the Knowledge of the Vendor, each other party thereto, enforceable against such Vendor and such other party in accordance with its terms. Other than disclosed in Schedule 4.1.7 [*Consents and regulatory approvals*], no consent is required to assign a Material Contract to the Purchaser or its designated Affiliate.
- (b) True and complete copies of all Material Contracts have been provided to the Purchaser.
- (c) The Vendor is not in material default or material breach of any Material Contract, and, to the Knowledge of the Vendor, there exists no state of facts which, after notice or lapse of time or both, would constitute such a material default or breach by any party under a Material Contract.
- (d) To the Knowledge of the Vendor, no counterparty to any Material Contract is in default of any of its obligations under any Material Contract.
- (e) The Vendor is entitled to all benefits under each Material Contract. The Vendor has not received any written notice of termination of any Material Contract.
- (f) To the Knowledge of the Vendor, no event has occurred, and no circumstance exists, which, with notice or lapse of time or both, would reasonably be expected to constitute a breach or default under any Material Contract or permit termination, modification or acceleration under any Material Contract. The Vendor has not been provided or received any notice with respect to the termination of, modification of, acceleration under or failure to renew any Material Contract. No other party to any Material Contract has expressly or impliedly waived any material breach by any Person of any covenant, agreement, restriction, stipulation or obligation relating thereto or omitted to take any action in respect of its rights thereunder.

4.1.18 *Deleted.*

4.1.19 *Options to purchase the Purchased Assets.* No Person has any agreement or option or any right or privilege (whether by Law, pre-emptive, contractual or otherwise) capable of becoming an agreement, for the purchase of any of the Purchased Assets, other than in the Ordinary Course.

4.1.20 *Personal Information.* All Personal Information in connection with the Business in the possession of the Vendor has been collected, used and disclosed in compliance in all material respects with all applicable Privacy Laws.

4.1.21 *Warranties*

- (a) Schedule 4.1.21(a) lists all warranties given to customers on products or services supplied by the Vendor in connection with the Business.
- (b) There are no Claims against the Vendor relating to the Business on account of warranties or with respect to the production or sale of defective or inferior products or the provision of services, nor, to the Knowledge of the Vendor, is there any basis for any Claim against or Loss on the part of the Vendor relating to the production or sale of products or the provision of services relating to the Business before the date of this Agreement.

4.1.22 *Taxes*

- (a) There are no Encumbrance for Taxes against the Purchased Assets. None of the Purchased Assets is the subject of any trust arising under any applicable Law relating to Taxes;
- (b) The Vendor is registered for HST purposes and the sales tax registration numbers are set out in Schedule 4.1.22(b).
- (c) No failure, if any, of the Vendor to duly and timely withhold, remit, collect or pay all Taxes, including all instalments on account of Taxes for the current year, that it is obligated to withhold, remit, collect or pay will result in any Encumbrance on any of the Purchased Assets.
- (d) There are no proceedings, investigations, audits or claims now pending or threatened against the Vendor in respect of any Taxes, and there are no matters under discussion, audit or appeal with any Governmental Authority relating to Taxes, which in either case will result in any Encumbrance on any of the Purchased Assets.

4.1.23 *Unusual Transactions.* Except as disclosed in Schedule 4.1.23, since December 31, 2022, the Vendor has operated the Business in the Ordinary Course and have not:

- (a) subjected any of the Purchased Assets, or permitted any of the Purchased Assets to be subjected, to any Encumbrance;
- (b) sold, leased or otherwise disposed of or transferred any Purchased Assets other than in the Ordinary Course;
- (c) modified, amended or terminated any Material Contract (except for Material Contracts which expire by the passage of time);

- (d) waived or released any right or rights in connection with the Business which it has or had, resulting, collectively or individually, in a Material Consequence;
- (e) made any material change in any method of accounting or auditing practice except as required by IFRS; or
- (f) agreed or offered to do any of the things described in this Section 4.1.23.

4.1.24 *Deleted*

4.1.25 *No Broker*. Except as disclosed in Schedule 4.1.25, the Vendor has no obligation to any broker, agent or similar Person in respect of the transactions contemplated herein.

SCHEDULE 4.2
Representations and Warranties of the Purchaser

4.2 Representations of the Purchaser *Capacity and No Violation*

- (a) The Purchaser is a corporation duly incorporated and validly existing under its jurisdiction of incorporation. The Purchaser has the corporate power to own and operate its property, and to carry on the business as currently conducted. No resolution has been adopted relating to the dissolution or liquidation of any of the Purchaser.
 - (b) This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding agreement of it, enforceable against it in accordance with its respective terms, subject only to any limitation under applicable Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
 - (c) The execution and delivery of and performance by the Purchaser of this Agreement does not and will not constitute or result in a material breach of:
 - (i) their constating documents or by-laws, or
 - (ii) any applicable Law.
- 4.2.1 *Required Authorizations.* The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder and thereunder. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder and thereunder have been duly authorized by all necessary corporate action on the part of the Purchaser.
- 4.2.2 *Approvals and Consents.* The Purchaser is not required to obtain any consent, approval, notice, Order, authorization, deposit or Permit from a Governmental Authority or from any other Person with respect to the execution and delivery of this Agreement or in connection with the completion by it of the transactions contemplated under this Agreement.
- 4.2.3 *Litigation.* There is no Order or Claim or, to the knowledge of the Purchaser, any Threat of Claim from a Governmental Authority which could adversely affect the ability of the Purchaser to enter into this Agreement or to perform their obligations hereunder or thereunder.

- 4.2.4 *Sales Tax.* The Purchaser is registered for HST purposes and the sales tax registration numbers are set out in Schedule 4.2.4.
- 4.2.5 *No Broker.* Except as disclosed in Schedule 4.1.25, the Purchaser has no obligation of any kind to a broker, intermediary, agent or other similar Person in respect of the transactions contemplated herein.