

LOAN FACILITY AGREEMENT

AGREEMENT dated 14 July, 2020

BETWEEN The party referred to in Item 1 of the Schedule (“Lender”)

AND The party referred to in Item 2 of the Schedule (“Borrower”)

RECITALS

- A. The Borrower has applied to list its Shares on the CSE and in the course of making such application wishes to enter into this Loan Facility Agreement to facilitate such application.
- B. This agreement supercedes and replaces all prior discussions and regarding this Loan which is offered only to “sophisticated and professional investors only” under Australian securities laws, who also are “accredited investors” as defined in MI45-106 and sets out the terms upon which the Borrower will borrow funds and repay interest and grant stock options.
- C. The Lender has agreed to loan the Borrower the Principal Sum on the terms and conditions herein.

AGREEMENT

1. INTERPRETATION

Definitions

In this Agreement unless the context otherwise requires:

“**Agreement**” means this loan facility agreement between the Borrower and the Lender;

“**CSE**” means the Canadian Securities Exchange, operated by CNSX Markets Inc.;

“**Interest rate**” means the rate of interest set out in Item 4 of the Schedule;

“**Loan**” means a loan by the Lender to the Borrower of the Principal Sum pursuant to the terms of this Agreement;

“**Month**” means calendar month;

“**Principal Sum**” means the amount referred to in Item 3 of the Schedule (or so much of it as remains outstanding);

“Share” means one common share of the Borrower.

“**2 Year Working Capital Loan**” means a two year loan facility in the amount of \$880,000.00 made available to the Borrower for working capital purposes;

“**Year**” means twelve months;

Words importing the singular include the plural and vice versa and words importing any gender include every other gender; and

All currency and financial amounts are in Australian dollars except with reference to any currency prefaced with “CAN” which is Canadian dollars.

2. PAYMENT AND CONSIDERATION

- 2.1 The Lender will, on or before the Commencement Date as defined in Schedule 1 hereto, pay the Principal Sum to the trust account of the solicitors acting on behalf of the Borrower, as set out in Item 7 of Schedule 1.
- 2.2 The parties acknowledge the Principal Sum lent or to be lent by the Lender to the Borrower at the request of the Borrower will form the consideration for this Agreement and the Borrower acknowledges the receipt of the Principal Sum from the Lender.

3. REPAYMENT

- 3.1 The Borrower will pay to the Lender:
 - (a) Within 5 business days of the Commencement Date, the amount equivalent to the Interest Rate computed by reference to the Principal Sum; and
 - (b) Within 5 business days of the first anniversary of the day upon which the Borrower lists its Shares on the CSE, the amount equivalent to the Interest Rate computed by reference to the Principal Sum (as at that date); and
 - (c) Within 5 business days of the second anniversary of the Commencement Date, the Principal Sum (as at that date).
- 3.2 Despite clause 3.1, the Borrower:
 - (a) may repay the Principal Sum to the Lender at any time after the Commencement Date and prior to the second anniversary of the Commencement Date; or
 - (b) must within 10 business days repay the Principal Sum to the Lender if:
 - (i) the working capital (excluding the 2 Year Working Capital Loan) of the Borrower exceeds \$1M; or

- (ii) the Borrower fails to list on the CSE; or
- (iii) the Borrower completes a minimum financing of CAN\$2,000,000.00 (or equivalent thereof),

and the Borrower is not liable for any further interest payments to the Lender to the extent it has repaid the Principal Sum.

- 3.3 The Borrower will use its best endeavours to repay all amounts owing as set out in clauses 3.1 and 3.2 however if the Borrower lists on the CSE but does not repay the Principal Sum or the interest to the Lender as set out in clauses 3.1 and 3.2, any unpaid amounts will convert to Shares 30 days after the second anniversary of the Commencement Date. The amounts owing to the Lender will convert to Shares calculated on the "Volume Weighted Average Price" of the Shares based on the 30 days preceding the second anniversary of the Commencement Date.
- 3.4 Any repayment by the Borrower to the Lender will be made to the Lender's account details as set out in Item 8.
- 3.5 For the avoidance of doubt, any repayment of the Principal Sum (or part thereof) by the Borrower to the Lender shall reduce the Principal Sum by the amount of such repayment.
- 3.6 The parties therefore agree if the Borrower repays the Principal Sum to the Lender pursuant to clause 3.2(b)(ii) within 4 months of the Commencement Date, the Principal Sum will be, and will be deemed to be, the equivalent of the Principal Sum less the first interest payment paid pursuant to clause 3.1(a) and upon such payment no further amount or liability is owed by the Borrower to the Lender.

4. INTEREST

- 4.1 To the extent the Principal Sum or any part of it remains unpaid beyond the terms set out in clause 3 or does not convert to Shares as set out in clause 3.3, the Borrower will pay interest to the Lender:
 - (a) on the Principal Sum or on so much of it as remains from time to time unpaid at the Interest Rate;
 - (b) computed from the date of the advance of the Principal Sum as set out in Item 5 of the Schedule.

5. GRANT OF OPTION

- 5.1 Upon receipt of the Principal Sum by the Borrower, and subject to the Borrower listing its shares on the CSE, the Borrower grants to the Lender (or the Lender's nominee) the right to acquire shares of the Borrower ("Option") as set out herein.

- 5.2 The Option grants to the Lender the right to acquire one Share for every AUD\$2.00 loaned by the Lender to the Borrower pursuant to the terms of this Agreement at an exercise price of CAN\$0.10 per Share.
- 5.3 To exercise the Option the Lender must notify the Borrower in writing prior to expiry (as set out in clause 5.4 below) that it wishes to exercise the Option and make payment to the Borrower of the total exercise price. The parties will promptly complete all necessary forms to give effect to the exercise of the Option.
- 5.4 The Option expires at the end of the day of the second anniversary of the first day the Shares are first listed on the CSE.

6. STAMP DUTY AND OTHER COSTS

- 6.1 The Borrower will pay all stamp duty on this Agreement and any security collateral or auxiliary thereto and will indemnify the Lender in respect of it.
- 6.2 The Borrower agrees to indemnify the Lender and keep the Lender indemnified in respect of all stamp duty payable in respect of the Principal Sum.

7. COSTS

- 7.1 Each party will pay its own costs in the preparation, negotiation and execution of this Agreement.

8. GENERAL

8.1 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes every previous agreement, communication, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, among the Parties with respect to the subject matter of this Agreement except as specifically set out herein. No director, officer, employee or agent of any Party has any authority to make any representation, warranty or covenant not contained in this Agreement, and each Party agrees that it has executed this Agreement without reliance upon any such representation or promise. No consent or waiver, express or implied, by either Party to or of any breach or default by the other of any or all of its obligations under this Agreement shall eliminate or modify the need for a specific consent or waiver in any other or subsequent instance. This Agreement may not be amended except by written agreement executed by both Parties to this Agreement. This Agreement shall not be assignable by the Borrower without the consent of the Lender and any attempted assignment without such consent shall be null and void. The Lender may assign its rights under this Agreement to any Person. This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns. Time is of the essence of this Agreement. Each party shall, at its own expense, execute and deliver all such further agreements and documents and do such further acts and things as may be reasonably required to give effect to this Agreement. This Agreement shall be governed by and construed in accordance with

the laws of the Victoria Australia and the parties submit to the jurisdiction of the courts in Victoria Australia.

8.2 Further assurances: Each party hereto shall from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that another party hereto may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

8.3 Notices. Every notice, request, demand or communication required or permitted to be given under this Agreement shall be in writing and delivered by hand or email to the Party which it is to be given as follows:

To the Lender, to the contact person set out in Item 1 of Schedule 1

To the Borrower: EYEFI Group Technologies Inc.

Attn.: Ben Melin

Email: ben.melin@dlkadvisory.com.au

or to such other address, facsimile number or email address as is specified by a Party by notice to the other Party given in accordance with this Section 8.3. Any such notice, demand, request or direction shall be deemed to have been given and received if delivered, on the next Business Day after the day of delivery, and if sent by facsimile transmission, on the first Business Day after the day of transmittal.

8.4 Independent Legal Advice. The Parties hereto acknowledge and agree that they have been advised to seek, and have had the opportunity to obtain, independent legal advice with respect to the terms of this Agreement prior to its execution, and further acknowledge and agree that they fully understand the terms of this Agreement and their respective rights and obligations hereunder.

8.5 Execution and Counterparts. This Agreement may be executed in any number of counterparts and any Party may deliver any such counterpart by facsimile or other electronic transmission. Each counterpart, when so executed and delivered, shall be deemed to be an original and all such executed counterparts taken together shall constitute one and the same instrument.

8.6 Lender Warranty. The Lender warrants they are either a “sophisticated investor” pursuant to section 708(8) of the *Corporations Act 2001 (Cth)* or a “professional investor” pursuant to section 708(11) of the *Corporations Act 2001 (Cth)*.

8.7 Deposit Account. The Lender acknowledges the deposit of funds to the trust account of the solicitors acting for the Borrower is solely for the purpose of facilitating the transaction contemplated by this Agreement and that such funds are held on trust for the Borrower and the Agent, not the Lender, subject to the terms of this Agreement.

9. ESCROW AGENT

EYEFI Pty Ltd ("the Agent") agrees to act as "escrow agent" in respect of this Agreement being a repository of the Principal Sum solely to facilitate the intentions of this Agreement on behalf of the Borrower. The Agent is an Australian based, wholly owned subsidiary of the Borrower and the Borrower warrants the Agent is authorised by the Borrower to act as its agent for the purposes of this Agreement. The Agent agrees to accept payment of the Principal Sum from the Lender pursuant to this Agreement and to hold and deal with such payment for the purposes herein.

EXECUTED as an agreement.

SIGNED by THE LENDER)
in the presence of:)

.....
Wit[redacted].....

..... [redacted]
LENDER

The signature of EYEFI Group)
Technologies Inc. was affixed hereto)
by its authorized signatory:)

[redacted]



Simon Langdon, director

The signature of EYEFI Pty Ltd)
ACN 114 673 684 was affixed hereto)
by its authorized signatory:)

[redacted]

Simon Langdon, director

SCHEDULE 1 – LOAN FACILITY DETAILS

- Item 1:** The Lender: **958 Consulting Pty Ltd**
1/315 Main Street
Mornington VICTORIA, AUSTRALIA
3931
- Item 2:** The Borrower: **EYefi Group Technologies Inc.**
(Inc.:BC1181950) of #301-175 West 2nd
Street, North Vancouver, BC V7M 0A5
- Item 3:** Principal Sum: \$100,000
- Item 4:** Interest Rate: 10%.
- Item 5:** Commencement Date: 16 July 2020
- Item 6:** Term of Loan: The term of the Loan is two (2) years, subject to the provisions of this Agreement.
- Item 7:** Borrower Account Details: 
- Item 8:** Lender Account Details: 

EYEfi Group Technologies Inc.

.....

("Borrower")

and

EYEfi Pty Ltd

.....

("Agent")

and

The person or entity listed in item 1 of schedule 1

.....

("Lender")

LOAN FACILITY AGREEMENT
