

**BUSINESS COMBINATION AGREEMENT**

**BETWEEN**

**GENERATIVE AI SOLUTIONS CORP.**

– and –

**ULTRON CAPITAL CORP.**

- and -

**1399318 B.C. LTD.**

**FEBRUARY 16, 2023**

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SCHEDULE A AMALGAMATION AGREEMENT	

## BUSINESS COMBINATION AGREEMENT

**THIS AGREEMENT** is made as of February 16, 2023

### **BETWEEN:**

**ULTRON CAPITAL CORP.**

a company incorporated under the laws in the Province of British Columbia  
("Ultron")

-and-

**GENERATIVE AI SOLUTIONS CORP.**

a company incorporated under the laws of the Province of British Columbia  
("Issuer")

-and-

**1399318 B.C. LTD.**

a company incorporated under the laws of the Province of British Columbia  
("Subco")

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

### **WHEREAS:**

- A. Issuer is a reporting issuer in Canada and its SV Shares (as defined below) are listed on the CSE and quoted on the QB board of the OTC.
- B. Pursuant to a letter of intent between the Issuer and Ultron dated January 25, 2023, Ultron and Issuer propose to combine the business and assets of Ultron with those of Issuer.
- C. The Parties intend to carry out the proposed business combination by way of a statutory amalgamation under the provisions of the BCBCA (as defined below) and related transaction steps.
- D. Following the Business Combination (as defined below), the Ultron Shareholders (as defined below) will collectively hold approximately 90.2% of the Resulting Issuer Shares, and the Issuer Shareholders (as defined below) will collectively hold approximately 9.8% of the Resulting Issuer Shares (as defined below).
- E. Following completion of the Business Combination, it is expected that the Common Shares (as defined below) will be listed on the CSE (as defined below).
- F. The board of directors of Ultron has: (i) determined that this Agreement, the Amalgamation (as defined below) and the other transactions contemplated by this Agreement are fair to, and in the best interests of, Ultron and its shareholders and that, considering the financial position of the amalgamating companies, no reasonable concern exists that Amalco (as defined below) will be unable to fulfill the obligations of Ultron to its creditors, to the extent such exist; (ii) approved this Agreement, the Amalgamation and the other transactions contemplated hereby; and (iii) determined to recommend that the shareholders of Ultron approve this Agreement, the Amalgamation and the other transactions contemplated hereby.
- G. The boards of directors of Issuer and Subco have each approved this Agreement, the Amalgamation and the other transactions contemplated hereby, and the board of directors of Subco has: (i) determined that this Agreement, the Amalgamation and the other transactions contemplated by this Agreement are in the best interests of Subco and Issuer, as its sole shareholder, and (ii) determined to recommend that the sole

shareholder of Subco approve this Agreement, the Amalgamation and the other transactions contemplated hereby.

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

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions**

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

- (a) "**Agreement**", "**this Agreement**", "**herein**", "**hereto**", and "**hereof**" and similar expressions refer to this business combination agreement, including the schedules attached hereto, as the same may be amended or supplemented from time to time.
- (b) "**Amalco**" means the amalgamated company resulting from the Amalgamation.
- (c) "**Amalco Articles**" means the Articles substantially in the form attached as Exhibit A to the Amalgamation Agreement.
- (d) "**Amalco Shares**" means the common shares in the authorized share structure of Amalco.
- (e) "**Amalgamation**" means the amalgamation of Ultron and Subco in accordance with the BCBCA.
- (f) "**Amalgamation Application**" means the amalgamation application in respect of the Amalgamation required by section 275(1)(a) of the BCBCA to be filed with the Registrar substantially in the form attached as Exhibit B to the Amalgamation Agreement, together with any changes to that application as permitted under this Agreement, the Amalgamation Agreement or as agreed to by the Amalgamating Companies.
- (g) "**Amalgamation Agreement**" means the agreement among Ultron, Issuer and Subco in respect of the Amalgamation, to be substantially in the form attached as Schedule A to this Agreement.
- (h) "**BCBCA**" means the *Business Corporations Act* (British Columbia) as the same has been and may hereafter from time to time be amended.
- (i) "**Business Combination**" means the series of transactions, as detailed in this Agreement, through which the businesses of Ultron and Issuer will be combined, including the Amalgamation and the Ultron Appointments.
- (j) "**Business Day**" means any day, excluding Saturday or Sunday, on which banking institutions are open for business in Vancouver, British Columbia.
- (k) "**CDS**" means the Canadian Depository for Securities.
- (l) "**Common Shares**" means the common shares in the authorized share structure of the Issuer as constituted upon filing of the Notice of Alteration with respect to the Issuer Amendment in accordance with the BCBCA.

- (m) "**Conditional Acceptance**" means the conditional acceptance of the CSE for the Listing of the Common Shares.
- (n) "**Confidential Information**" has the meaning ascribed thereto in Section 8.8(b) hereof.
- (o) "**Conversion**" means the conversion of all issued and outstanding MV Shares to SV Shares on a 1,000:1 basis.
- (p) "**Certificate of Amalgamation**" means the certificate in respect of the Amalgamation issued by the Registrar in accordance with the BCBCA.
- (q) "**Completion Deadline**" means April 30, 2023 or such later date as may be mutually agreed between the Parties in writing.
- (r) "**CSE**" means the Canadian Securities Exchange.
- (s) "**Debt Instrument**" has the meaning ascribed thereto in Section 3.1(cc) hereof.
- (t) "**Dissenting Ultron Shares**" means the Ultron Shares held by Dissenting Shareholders.
- (u) "**Dissenting Shareholder**" means a registered holder of Ultron Shares who, in connection with the special resolution of the Ultron Shareholders approving the Amalgamation, has exercised the right to dissent pursuant to section 272 of the BCBCA in strict compliance with the provisions thereof and thereby becomes entitled to be paid the payout value of his, her or its Ultron Shares and who has not withdrawn the notice of the exercise of such right as permitted by section 245 of the BCBCA.
- (v) "**Documents**" has the meaning ascribed thereto in Section 2.1(a) hereof.
- (w) "**DRS Statement**" means a statement evidencing a shareholding position under the Direct Registration System.
- (x) "**Effective Date**" means the date shown on the Certificate of Amalgamation giving effect to the Amalgamation.
- (y) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date or such other time on the Effective Date as may be agreed by Ultron and Issuer.
- (z) "**Exchange Ratio**" means 51,176,001 Common Shares divided by the number of Ultron Shares issued and outstanding at the relevant time, provided that if the Ultron Private Placement is over-subscribed, the number of Common Shares above shall be increased proportionately to the over-allotment of Ultron Shares issued pursuant to the Ultron Private Placement.
- (aa) "**Governing Documents**" means, in respect of each Party, as applicable, its certificate, its notice of articles as amended, and its articles, as amended.
- (bb) "**Government Authority**" means any foreign, national, provincial, local or state government, any political subdivision or any governmental, judicial, public or statutory instrumentality, court, tribunal, agency (including those pertaining to health, safety or the environment), authority, body or entity, or other regulatory bureau, authority, body or entity having legal jurisdiction over the activity or Person in question and, for greater certainty, if applicable, includes the CSE.
- (cc) "**Issuer**" means Generative AI Solutions Corp. as it exists prior to the completion of the Business Combination.

- (dd) "**IFRS**" means International Financial Reporting Standards applicable as at the relevant date.
- (ee) "**in writing**" means written information including documents, files, software, records and books made available, delivered or produced to one Party by or on behalf of the other Party.
- (ff) "**Issuer Financial Statements**" has the meaning ascribed thereto in Section 3.2(o) hereof.
- (gg) "**Issuer Amendment**" means the alteration to the Issuer's articles and notice of articles to: (i) alter the special rights and restrictions of the SV Shares and the MV Shares; (ii) reconstitute the SV Shares as "Class B Shares"; and (iii) create the Common Shares and add the special rights and restrictions of the Common Shares, which such special rights and restrictions will be on such terms as agreed between the Parties.
- (hh) "**Issuer Meeting**" means a special meeting of the shareholders of Issuer to be held in order to seek approval of the Issuer Shareholders for such matters as may be necessary in accordance with Section 2.1(a).
- (ii) "**Issuer Options**" means the stock options of Issuer exercisable into SV Shares, of which, as of the date of this Agreement, there are 22,900 Issuer Options issued and outstanding.
- (jj) "**Issuer Shareholder**" means a registered holder of Issuer Shares, from time to time.
- (kk) "**Issuer Shares**" means, collectively, the Common Shares, SV Shares and MV Shares.
- (ll) "**Issuer Warrants**" means the SV Share purchase warrants of Issuer, of which, as of the date of this Agreement, there are 413,011 Issuer Warrants issued and outstanding.
- (mm) "**Laws**" means all laws, statutes, codes, ordinances, decrees, rules, regulations, by laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or license of any Government Authority, statutory body or self-regulatory authority, and the term "applicable" with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Government Authority (or any other Person) having jurisdiction over the aforesaid Person or Persons or its or their business, undertaking, property or securities.
- (nn) "**Listing**" means the listing of the Common Shares on the CSE.
- (oo) "**Listing Statement**" means a CSE Form 2A listing statement of the Resulting Issuer to be prepared jointly by Ultron and Issuer in respect of the Business Combination in accordance with the policies of the CSE.
- (pp) "**Material Adverse Change**" means any change in the financial condition, operations, assets, liabilities, or business of a Party and its Subsidiaries, considered as a whole, which is materially adverse to the business of such Party and its Subsidiaries, considered as a whole, other than a change: (a) which arises out of or in connection with a matter that has been publicly disclosed or otherwise disclosed in writing by such Party to the other Party prior to the date of this Agreement; (b) resulting from conditions affecting the medical marijuana industry as a whole; or (c) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere.

- (qq) "**Material Adverse Effect**" means any event, change or effect that is or would reasonably be expected to be materially adverse to the financial condition, operations, assets, liabilities, or business of a Party and its Subsidiaries, considered as a whole, provided, however, that a Material Adverse Effect shall not include an adverse effect resulting from a change: (a) which arises out of or in connection with a matter that has been publicly disclosed or otherwise disclosed in writing by such Party to the other Party prior to the date of this Agreement; (b) resulting from conditions affecting the medical marijuana industry as a whole; or (c) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere.
- (rr) "**material fact**" has the meaning ascribed thereto in the *Securities Act* (British Columbia) as the same has been and may hereafter from time to time be modified.
- (ss) "**MV Share**" means the multiple voting shares in the authorized share structure of the Issuer.
- (tt) "**Notice of Alteration**" means the notice of alteration of the Issuer giving effect to the Issuer Amendment, in such form as to be agreed upon between the Parties, acting reasonably.
- (uu) "**Party**" means each of Issuer, Ultron and Subco individually, and collectively, the "**Parties**".
- (vv) "**payout value**" where used in relation to an Ultron Share held by a Dissenting Shareholder, means payout value as determined by a court under section 245 of the BCBCA or as agreed between Ultron and the Dissenting Shareholder.
- (ww) "**Person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Government Authority, syndicate or other entity, whether or not having legal status.
- (xx) "**Registrar**" means the Person appointed as the Registrar of Companies under section 400 of the BCBCA.
- (yy) "**Regulatory Approval**" means any approval, consent, waiver, permit, order or exemption from any Government Authority having jurisdiction or authority over any Party or the Subsidiary of any Party which is required or advisable to be obtained in order to permit the Business Combination to be effected and "**Regulatory Approvals**" means all such approvals, consents, waivers, permits, orders or exemptions.
- (zz) "**Reporting Jurisdictions**" has the meaning ascribed thereto in Section 3.2(f) hereof.
- (aaa) "**Resulting Issuer**" means Issuer upon completion of the Business Combination.
- (bbb) "**Resulting Issuer Convertible Securities**" means the Resulting Issuer Options and the Resulting Issuer Warrants.
- (ccc) "**Resulting Issuer Options**" means, the Issuer Options upon the completion of the Business Combination.
- (ddd) "**Resulting Issuer Share**" has the meaning ascribed thereto in Section 2.1(d)(ii) hereof.
- (eee) "**Resulting Issuer Warrants**" means the Issuer Warrants upon the completion of the Business Combination.



- (fff) "**Securities Authorities**" means the applicable securities commissions or similar securities regulatory authorities in each of the Reporting Jurisdictions.
- (ggg) "**Subco**" means 1399318 B.C. Ltd., a company incorporated under the laws of Province of British Columbia, and wholly-owned Subsidiary of Issuer.
- (hhh) "**Subco Shares**" means the common shares in the authorized share structure of Subco.
- (iii) "**Subsidiary**" has the meaning ascribed thereto in the BCBCA.
- (jjj) "**SV Shares**" means the subordinate voting shares, which will be reconstituted as Class B Shares in accordance with the Issuer Amendment, in the authorized share structure of Issuer and upon the completion of the Business Combination, in the authorized share structure of the Resulting Issuer.
- (kkk) "**Tax Act**" means the *Income Tax Act* (Canada), and the regulations thereunder, each as amended, modified, restated or replaced from time to time.
- (lll) "**Taxes**" means all federal, state, provincial, territorial, county, municipal, local or foreign taxes, duties, imposts, levies, assessments, tariffs and other charges imposed, assessed or collected by a Government Authority, including (i) any gross income, net income, gross receipts, business, royalty, capital, capital gains, goods and services, value added, severance, stamp, franchise, occupation, premium, capital stock, sales and use, real property, land transfer, personal property, ad valorem, transfer, escheat payments, unclaimed property, license, profits, windfall profits, environmental, payroll, employment, employer health, pension plan, anti-dumping, countervail, excise, severance, stamp, occupation or premium tax; (ii) all withholdings on amounts paid to or by the relevant person; (iii) all employment insurance premiums, Canada, Quebec and any other pension plan contributions or premiums; and (iv) any and all fines, penalties, interest or additions to tax and additional amounts imposed in connection with or with respect to any amounts described in clauses (i) to (iv) above, in each case, whether disputed or not.
- (mmm) "**Tax Returns**" means all returns, reports, declarations, elections, designations, notices, filings, information returns, and statements of, or in respect of Taxes that are filed or required to be filed with any applicable Government Authority, including all amendments, schedules, associated calculations, attachments or supplements thereto and whether in tangible or electronic form.
- (nnn) "**Ultron**" means Ultron Capital Corp. as it exists prior to the completion of the Business Combination.
- (ooo) "**Ultron Acquisition**" has the meaning ascribed thereto in Section 4.1(b)(iii) hereof;
- (ppp) "**Ultron Appointments**" means, subject to the completion of the Amalgamation, the reconstitution of the board of directors and management of Issuer, as more particularly set out in Section 2.3.
- (qqq) "**Ultron Financial Statements**" has the meaning ascribed thereto in Section 3.1(m) hereof.
- (rrr) "**Ultron Meeting**" means a special meeting of the shareholders of Ultron to be held in order to seek shareholder approval for the Amalgamation.
- (sss) "**Ultron Private Placement**" means the non-brokered private placement of Ultron Shares for at least 8,175,000 Ultron Shares at a price of no less than \$0.15 per Ultron Share.

(ttt) **"Ultron Shareholder"** means a registered holder of Ultron Shares, from time to time, and **"Ultron Shareholders"** means all such holders.

(uuu) **"Ultron Shares"** means the class A common shares in the authorized share structure of Ultron.

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

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

## **1.3 Currency**

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

## **1.4 Headings, etc.**

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

## **1.5 Date for any Action**

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

## **1.6 Governing Law**

This Agreement shall be governed by and interpreted in accordance with the Laws of the Province of British Columbia and the Laws of Canada applicable therein. Each Party hereby irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia sitting in and for the judicial district of Vancouver in respect of all matters arising under or in relation to this Agreement.

## **1.7 Attornment**

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

**ARTICLE 2**  
**THE BUSINESS COMBINATION**

**2.1 Business Combination Steps**

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

- (a) Issuer shall duly call and convene the Issuer Meeting not later than April 29, 2023 at which the Issuer Shareholders will be asked to approve such matters which require approval of the Issuer Shareholders, as may be agreed to by the parties and which may include the Amalgamation, the Amalgamation Agreement (together, with this Agreement, the "**Documents**"), and the Issuer Amendment, and Issuer shall use all commercially reasonable efforts to obtain the approval of the Issuer Shareholders for the any such matters;
- (b) following the receipt of necessary shareholder approvals at the Issuer Meeting and Ultron Meeting, Issuer and Ultron shall take all necessary corporate steps to: (i) execute the Amalgamation Agreement and file the Notice of Alteration with respect to the Issuer Amendment in accordance with the BCBCA; and (ii) complete the Conversion;
- (c) Ultron and Subco shall amalgamate by way of amalgamation pursuant to sections 269 and 270 of the BCBCA on the terms and subject to the conditions contained in the Documents;
- (d) the Parties shall jointly complete and file the Amalgamation Application with the Registrar to give effect to the Amalgamation and at the Effective Time:
  - (i) Ultron and Subco will amalgamate under the provisions of the BCBCA and continue as one company, being Amalco;
  - (ii) subject to Section 2.1(e), holders of outstanding Ultron Shares shall receive such number of fully paid and non assessable Common Shares for each Ultron Share held in accordance with the Exchange Ratio (such Common Shares, together with the SV Shares and MV Shares after giving effect to the completion of the Business Combination, are herein called the "**Resulting Issuer Shares**");
  - (iii) any convertible debt instruments of Ultron shall be assigned to the Resulting Issuer in accordance with its terms, and any Ultron Shares to be issued upon the conversion of any such instruments shall be issued as Resulting Issuer Shares on an equivalent basis;
  - (iv) Amalco will issue to the Resulting Issuer one fully paid and non-assessable Amalco Share for each Common Share so issued;
  - (v) each outstanding Subco Share will be exchanged for fully paid and non-assessable Amalco Shares on the basis of one Amalco Share for each Subco Share;
  - (vi) Issuer will add to its capital maintained in respect of the Issuer Shares an amount equal to the aggregate paid-up capital, for purposes of the Tax Act, of the Ultron Shares immediately prior to the Amalgamation (less the paid-up capital of any Dissenting Ultron Shares held by Dissenting Shareholders who do not exchange their Ultron Shares for Common Shares on the Amalgamation);

- (vii) Amalco will add to its capital maintained in respect of the Amalco Shares an amount equal to the aggregate paid-up capital, for purposes of the Tax Act, of the Subco Shares and the Ultron Shares immediately prior to the Amalgamation (less the paid-up capital of any Dissenting Ultron Shares held by Dissenting Shareholders who do not exchange their Ultron Shares for Common Shares on the Amalgamation);
- (viii) all of the property and assets of each of Ultron and Subco will be the property and assets of Amalco and, subject to Section 2.1(d)(iii) hereof, Amalco will be liable for all of the liabilities and obligations of each of Ultron and Subco; and
- (ix) Amalco will be a wholly-owned Subsidiary of Issuer;
- (e) in accordance with Section 7.5, Ultron Shares which are held by a Dissenting Shareholder shall not be converted as prescribed by Section 2.1(d)(ii). However, if a Dissenting Shareholder fails to perfect or effectively withdraws its claim under section 245 of the BCBCA or forfeits its right to make a claim under section 272 of the BCBCA or if its rights as a shareholder of Ultron are otherwise reinstated, such Dissenting Shareholder's Dissenting Ultron Shares shall thereupon be deemed to have been converted as of the Effective Date as prescribed by Section 2.1(d)(ii);
- (f) on the Effective Date, the Issuer will reconstitute its board of directors and management to give effect to the Ultron Appointments;
- (g) as soon as practicable after the Effective Date, in accordance with normal commercial practice and Section 2.2(f), the Resulting Issuer shall issue or cause to be issued certificates, DRS Statements or electronic positions within CDS representing the appropriate number of the Common Shares to the former Ultron Shareholders. No fractional Common Shares will be delivered to any Ultron Shareholder otherwise entitled thereto and instead the number of Common Shares to be issued to each former Ultron Shareholder will be rounded down to the nearest whole number, and no cash or other consideration shall be paid or payable in lieu of such fraction of a Common Share; and
- (h) the Parties shall take any other action and do anything, including the execution of any other agreements, documents or instruments, that are necessary or useful to give effect to the Business Combination.

## 2.2 Implementation Covenants

- (a) **Preparation of Issuer Meeting Documentation.** Issuer shall duly prepare documentation required in connection with the Issuer Meeting, and deliver such documentation to Issuer Shareholders.
- (b) **Listing Statement.** Ultron, Issuer and the Resulting Issuer shall use commercially reasonable efforts to jointly prepare the Listing Statement together with any other documents required by applicable Laws in connection with the Business Combination and the Resulting Issuer shall file the final Listing Statement required by applicable Laws as soon as reasonably.
- (c) **Listing.** Issuer shall use all commercially reasonable efforts to have the issuance of all the Common Shares accepted by the CSE for Listing.
- (d) **Preparation of Filings.** Ultron and Issuer shall cooperate in the preparation of any documents and taking of all actions reasonably deemed by Ultron or Issuer to be necessary to discharge their respective obligations under applicable Laws in connection with the Business Combination and all other matters contemplated in the Documents, and in connection therewith:

- (i) each of Ultron and Issuer shall furnish to the other all such information concerning it and its shareholders as may be required to effect the actions described in this Article 2, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Business Combination will contain any untrue statement of a material fact or omit to state a material fact required to be stated in any such document or necessary in order to make any information so furnished for use in any such document not misleading in the light of the circumstances in which it is furnished or to be used;
  - (ii) Ultron and Issuer shall each promptly notify the other if at any time before the Effective Date it becomes aware that the any disclosure document, including the Listing Statement, filed in connection with the Business Combination contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the disclosure document. In any such event, Ultron and Issuer shall cooperate in the preparation of a supplement or amendment to such disclosure document, as required and as the case may be, and, if required, shall cause the same to be filed with the applicable Securities Authorities; and
  - (iii) each of Ultron and Issuer shall ensure that any such disclosure document, including the Listing Statement, complies with all applicable Laws and, without limiting the generality of the foregoing, that the disclosure document does not contain any untrue statement of a material fact or omit to state a material fact with respect to itself required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made.
- (e) **Amalgamation Agreement, etc.** The Parties hereby acknowledge that the Amalgamation Agreement shall be substantially in the form attached as Schedule A to this Agreement. The Parties shall, subject to the terms and conditions of this Agreement and subject to and following the receipt of all Regulatory Approvals, jointly complete and file the duly executed Amalgamation Application and related documents which will be filed by Ultron with the Registrar.
- (f) **Resulting Issuer Shares and Procedures.**
- (i) On the Effective Date: (i) the Ultron Shareholders (other than Dissenting Shareholders who are ultimately entitled to be paid payout value for their Dissenting Ultron Shares) shall be deemed to be the registered holders of the Resulting Issuer Shares to which they are entitled hereunder (which for greater certainty shall consist of Common Shares); (ii) the Resulting Issuer shall issue such Resulting Issuer Shares to Ultron Shareholders in accordance with their entitlement; and (iii) certificates formerly representing Ultron Shares which are held by such Ultron Shareholders shall cease to represent any claim upon or interest in Ultron other than the right of the registered holder to receive the number of Resulting Issuer Shares to which it is entitled hereunder, all in accordance with the provisions of the Amalgamation Agreement.
  - (ii) As soon as reasonably practicable after the Effective Date, the Resulting Issuer will direct its transfer agent to forward to, or hold for pick-up by, each former Ultron Shareholder: (i) the certificates or DRS Statements representing the Resulting Issuer Shares to which such Ultron Shareholder is entitled; or (ii) confirmation of a non-certificated electronic position transfer in CDS representing the Resulting Issuer Shares to which such Ultron Shareholder is entitled, all in accordance with the provisions of the Amalgamation Agreement.

- (iii) Issuer, as the registered holder of the Subco Shares, shall be deemed to be the registered holder of the Amalco Shares to which it is entitled hereunder and Resulting Issuer shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled hereunder. Until delivery of such certificate, the share certificate or certificates representing the Subco Shares held by Issuer will be evidence of Issuer's right to be registered as a shareholder of Amalco. Share certificates evidencing Subco Shares shall cease to represent any claim upon or interest in Subco other than the right of the registered holder to receive the number Amalco Shares to which it is entitled pursuant to the terms hereof and the Amalgamation.

### **2.3 Board of Directors and Senior Officers**

Each of the Parties hereby agrees that upon completion of the Business Combination and giving effect to the Ultron Appointments, and subject to approval by the CSE, the board of directors and senior officers of the Resulting Issuer shall consist of the following:

<u>Name</u>	<u>Title</u>
Ryan Selby	Chief Executive Officer and Director
Paul Ciullo	Chief Financial Officer
Aaron Bowden	Director
Pat Gray	Director

### **2.4 CSE Listing and Escrow**

The Issuer is currently listed on the CSE with the status of inactive issuer (as such term is defined in the policies of the CSE). The Common Shares will become listed on the CSE, and the Issuer's inactive status will be changed to active status. The Parties acknowledge that the CSE will require some or all of the Resulting Issuer Shares issued pursuant to the Business Combination to be held in escrow and Issuer, Ultron and the Resulting Issuer, as applicable, agree to comply and use its reasonable efforts to cause its shareholders to comply with all such escrow requirements of the CSE, provided that all Parties agree to use their reasonable commercial efforts to obtain the most advantageous escrow terms for holders of Resulting Issuer Shares, and in particular holders of Resulting Issuer Shares which were holders of Ultron Shares immediately prior to completion of the Amalgamation.

## **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

### **3.1 Representations and Warranties of Ultron**

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

- (a) Ultron has been duly incorporated and is validly existing under the laws of the Province of British Columbia and is current and up-to-date with all filings required to be made by it in such jurisdiction;
- (b) All of Ultron's Subsidiaries are listed on Schedule 3.1(b). Each Subsidiary of Ultron has been duly incorporated and is validly existing under the laws of its jurisdiction of formation and is current and up-to-date with all filings required to be made by it in such jurisdiction, all of the issued shares

in the capital of each of each Subsidiary are owned directly or indirectly by Ultron, free and clear of any pledge, lien, security interest, charge, claim or encumbrance or in relation to inter-corporate security, and neither Ultron nor any Subsidiary is a party or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any securities of any of its Subsidiaries or securities convertible into or exchangeable for any securities of any of its Subsidiaries;

- (c) Ultron has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;
- (d) the authorized share structure of Ultron as of the date hereof consist of an unlimited number of Ultron Shares, of which, at the date hereof, there are 43,001,001 Ultron Shares issued and outstanding; except for such Ultron Shares and a promissory note in the principal amount of \$350,000, which may be converted into Ultron Shares no earlier than 12 months from the date of issuance at a price of \$0.10 per Ultron Share, Ultron has no other securities issued and outstanding at the date hereof;
- (e) Ultron is not a party to and has not granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any Ultron Shares, or securities convertible into or exchangeable for Ultron Shares or the shares of any Subsidiary;
- (f) Ultron is not a reporting issuer nor an associate of any reporting issuer (as defined in the *Securities Act* (British Columbia) or the *Securities Act* of any other province of Canada) and the Ultron Shares do not trade on any exchange;
- (g) Ultron has all requisite corporate capacity, power and authority, and possesses all material certificates, authority, permits and licenses issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct the business as now conducted by Ultron on a consolidated basis, and to own its assets, and is in compliance in all material respects with such certificates, authorities, permits or licenses. Ultron has received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the business, operations, financial condition, income or future prospects of Ultron on a consolidated basis;
- (h) the Ultron board of directors have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by Ultron to permit the consummation of the Business Combination and the transactions contemplated therewith;
- (i) Ultron is the absolute legal and beneficial owner of, and has good and marketable title to, all of the material property or assets thereof free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, other than those reflected or reserved against it in the Ultron Financial Statements;
- (j) each of the Documents has been or at the Effective Time will be, duly authorized, and with respect to this Agreement, executed and delivered by Ultron and constitutes a valid and binding obligation of Ultron enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other Laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of Ultron, other than the submission of

the Amalgamation to the Ultron Shareholders, is necessary to authorize this Agreement and the transactions contemplated hereby;

- (k) the entering into and the performance by Ultron of the Business Combination contemplated in the Documents: (a) do not require any consent, approval, authorization or order of any court or governmental agency, body or Government Authority, except that which may be required under applicable corporate and securities legislation (including the policies of the CSE as may be necessary or desirable to obtain the Conditional Acceptance and meet any requirements in respect of the Listing); (b) will not contravene any statute or regulation of any Government Authority which is binding on Ultron where such contravention would have a Material Adverse Effect; and (c) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of Ultron or any mortgage, note, indenture, contract or agreement instrument, lease or other document to which Ultron is a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect;
- (l) there are no legal, regulatory, governmental or similar proceedings pending or, to the knowledge of Ultron, contemplated or threatened, to which Ultron or its Subsidiaries is a party or to which the property of Ultron or any of its Subsidiaries is subject;
- (m) the audited consolidated financial statements of Ultron for the fiscal years ending January 31, 2021, 2022 and 2023 and the notes thereto (the "**Ultron Financial Statements**") have been prepared in accordance with IFRS and present fairly, in all material respects, the financial position of Ultron as at such date, and do not omit to state any material fact that is required by IFRS or by applicable Law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;
- (n) there are no plans for retirements, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation incentive or otherwise contributed to or required to be contributed to, by Ultron or its Subsidiaries for the benefit of any current or former director, officer, employee or consultant of Ultron or its Subsidiaries;
- (o) Ultron is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of Ultron or its Subsidiaries;
- (p) Ultron and its Subsidiaries collectively own and possess adequate enforceable rights to use all trademarks, patents, copyrights and trade secrets used or proposed to be used in the conduct of the business thereof and, to the best of Ultron's knowledge, after due inquiry, neither Ultron nor its Subsidiaries are infringing upon the rights of any other Person with respect to any such trademarks, patents, copyrights or trade secrets and, no Person has infringed any such trademark, patents, copyrights or trade secrets;
- (q) there are no material liabilities of Ultron or its Subsidiaries whether direct, indirect, absolute, contingent or otherwise which are not disclosed or reflected in the Ultron Financial Statements except for those incurred in the ordinary course of business as of the date hereof;
- (r) all Taxes due and payable by Ultron and its Subsidiaries, including instalments on account of Taxes, whether or not such Taxes are shown on a Tax Return or on any assessments or reassessments, have been paid or provision made therefor in the Ultron Financial Statements



except where the failure to pay such Taxes would not result in a Material Adverse Effect for Ultron or its Subsidiaries. All Tax Returns required to be filed by Ultron and its Subsidiaries have been filed with all appropriate Government Authorities and all such Tax Returns are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of Ultron, no examination of any Tax Return of Ultron or its Subsidiaries is currently in progress and there are no issues or disputes outstanding with any Government Authority respecting any Taxes that have been paid, or may be payable, by Ultron and its Subsidiaries. There are no agreements with any Government Authority providing for an extension of time for any assessment or reassessment of Taxes with respect to Ultron or its Subsidiaries;

- (s) Ultron and its Subsidiaries have duly and timely withheld or caused to be withheld all Taxes and other amounts required by applicable Law to have been withheld in connection with any amounts paid or owing to any employee, director, officer, non-resident Person or other third party and has duly and timely remitted or paid to the appropriate Government Authority such Taxes and other amounts required by applicable Law to be remitted or paid or by it;
- (t) Ultron is a "taxable Canadian corporation" (within the meaning of the Tax Act);
- (u) there is no Person, firm or company acting or purporting to act at the request of Ultron who is or will be entitled to any brokerage or finder's fee in connection with the transactions contemplated herein;
- (v) each of Ultron and its Subsidiaries has conducted and is conducting its business in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and with all Laws material to its operation, and neither Ultron nor its Subsidiaries has received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the licenses, leases or other instruments conferring rights to Ultron or its Subsidiaries for the conduct of their business;
- (w) to the knowledge of Ultron, after due inquiry, all activities of Ultron and its Subsidiaries have been, up to and including the date hereof, conducted in compliance, in all material respects, with any and all applicable Laws;
- (x) to the knowledge of Ultron, any and all material agreements pursuant to which Ultron or its Subsidiaries holds any of their material assets are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, neither Ultron nor its Subsidiaries is in default of any of the material provisions of any such agreements including, without limitation, failure to fulfil any payment or work obligation thereunder nor has any such default been alleged, Ultron is not aware of any material disputes with respect thereto and such assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licenses and concessions pursuant to which Ultron and its Subsidiaries derive their interests in such material assets are in good standing and there has been no material default under any such leases, licenses and concessions and all real or other property taxes required to be paid with respect to such assets to the date hereof have been paid;
- (y) except as disclosed in the Ultron Financial Statements, neither Ultron nor its Subsidiaries has any loan or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any Person not dealing at "arm's length" (as such term is defined in the Tax Act);

- (z) to the knowledge of Ultron, there are no outstanding labour disputes, (whether filed or lodged with Ultron or its Subsidiaries or any other Person or organization), pending labour disruptions or pending unionization with respect to Ultron or its Subsidiaries;
- (aa) neither Ultron nor its Subsidiaries is bound by or a party to any collective bargaining agreement;
- (bb) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which Ultron or its Subsidiaries is a party, any restriction upon or impediment to the declaration or payment of dividends by the directors of Ultron or its Subsidiaries or the payment of dividends by Ultron or its Subsidiaries to the holders of their securities;
- (cc) except as disclosed in the Ultron Financial Statements, neither Ultron nor its Subsidiaries is party to any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money ("**Debt Instrument**") or any agreement contract or commitment to create, assume or issue any Debt Instrument;
- (dd) neither Ultron nor its Subsidiaries is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Ultron or its Subsidiaries to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Ultron or its Subsidiaries or which would prohibit or restrict Ultron or its Subsidiaries from entering into and completing the Business Combination;
- (ee) neither Ultron nor its Subsidiaries is a party to any agreement, nor is Ultron or its Subsidiaries aware of any agreement, which in any manner affects the voting control of any of the Ultron Shares or other securities of Ultron or its Subsidiaries;
- (ff) neither Ultron nor its Subsidiaries is aware of any pending or contemplated change to any applicable Law or governmental position that would materially affect the business of Ultron or its Subsidiaries taken as a whole or the legal environments under which Ultron and its Subsidiaries operate;
- (gg) no representation, warranty or statement of Ultron in this Agreement contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading; and
- (hh) the corporate records and minute books of Ultron and its Subsidiaries contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since their respective dates of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed.

### **3.2 Representations and Warranties of Issuer**

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

- (a) Issuer has been duly incorporated and is validly existing under the laws of the Province of British Columbia and is current and up-to-date with all filings required to be made by it in such jurisdiction;

- (b) Subco is the only Subsidiary of Issuer. Subco has been duly incorporated and is validly existing under the laws of its jurisdiction of formation and is current and up-to-date with all filings required to be made by it in such jurisdiction, all of the issued shares in the authorized share structure of Subco are owned directly or indirectly by Issuer, free and clear of any pledge, lien, security interest, charge, claim or encumbrance or in relation to inter-corporate security, and neither Issuer nor Subco is a party or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any securities of Issuer or Subco or securities convertible into or exchangeable for any securities of Issuer or Subco;
- (c) Issuer and Subco have full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out their obligations under this Agreement;
- (d) the current authorized share structure of the Issuer consists of: (i) an unlimited number of SV Shares, of which 4,733,706 SV Shares are currently issued and outstanding; and (ii) an unlimited number of MV Shares, of which 815.667 MV Shares are currently issued and outstanding. Except for such SV Shares and MV Shares, the Issuer Warrants, the Issuer Options, Issuer has no other securities outstanding nor is it a party to or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any SV Shares, MV Shares or securities convertible into or exchangeable for SV Shares or MV Shares;
- (e) on the Effective Date, the Resulting Issuer Shares will be duly and validly issued and outstanding as fully paid and non-assessable and the Resulting Issuer Convertible Securities will be duly and validly created and issued;
- (f) Issuer is a reporting issuer, or the equivalent thereof, in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (collectively, the "**Reporting Jurisdictions**") and is not currently in default of any requirement of the applicable Laws of each of the Reporting Jurisdictions and other regulatory instruments of the Securities Authorities in such provinces, and no order ceasing, halting or suspending trading in securities of Issuer or prohibiting the distribution of such securities has been issued to and is outstanding against Issuer and no investigations or proceedings for such purposes are, to the knowledge of Issuer, pending or threatened;
- (g) Since November 30, 2022, Issuer has not entered into any contract in respect of its business or assets, other than in the ordinary course of business, and has continued to carry on its business and maintain its assets in the ordinary course of business, with the exception of reasonable costs incurred in connection with the Business Combination, and without limitation but subject to the above exceptions, has maintained payables and other liabilities at levels consistent with past practice, not engaged or committed to engage in any extraordinary material transactions and has not made or committed to make distributions, dividends or special bonuses;
- (h) Issuer and Subco are in compliance in all material respects with their disclosure obligations under applicable Laws and all documents filed by Issuer pursuant to such obligations are in compliance in all material respects with applicable Laws and, other than in respect of documents that have been amended or refiled did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;
- (i) Issuer and Subco have all requisite corporate capacity, power and authority, and possesses all material certificates, authority, permits and licenses issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct the business as now

conducted by them and to own their assets and are in compliance in all material respects with such certificates, authorities, permits or licenses. Neither Issuer nor Subco have received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the business, operations, financial condition, income or future prospects of Issuer or Subco;

- (j) the Issuer board of directors, and the Subco board of directors as necessary, have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by Issuer and Subco to permit the consummation of the Business Combination and the transactions contemplated therewith, subject to receipt of the necessary shareholder approvals at the Issuer Meeting;
- (k) Issuer and Subco are the absolute legal and beneficial owner of, and have good and marketable title to, all of the material property or assets thereof free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever, other than those reflected or reserved against it in the Issuer Financial Statements;
- (l) each of the Documents have been, or at the Effective Time will be, duly authorized and, with respect to this Agreement, executed and delivered by Issuer and Subco and constitutes a valid and binding obligation of Issuer and Subco enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other Laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of Issuer is necessary to authorize this Agreement and the transactions contemplated hereby;
- (m) the entering into and the performance by Issuer and Subco of the transactions contemplated in the Documents:
  - (i) do not require any consent, approval, authorization or order of any court or governmental agency or body, except that which may be required under applicable corporate and securities legislation (including the policies of the CSE, as may be necessary to obtain the Conditional Acceptance and to complete the Listing);
  - (ii) will not contravene any statute or regulation of any Government Authority which is binding on Issuer or Subco where such contravention would have a Material Adverse Effect; and
  - (iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of Issuer or Subco or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which Issuer or Subco is or will be a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect;
- (n) there are no legal or governmental proceedings pending or, to the knowledge of Issuer, contemplated or threatened, to which Issuer or Subco is a party or to which the property of Issuer or Subco is subject;
- (o) the audited annual financial statements of Issuer for the fiscal year ended February 28, 2021 and 2022, the unaudited financial statements for the nine months ended November 30, 2022 and the

notes thereto (the "**Issuer Financial Statements**"), have been prepared in accordance with IFRS, present fairly, in all material respects, the financial position of Issuer as at such date, and do not omit to state any material fact that is required by IFRS or by applicable Law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;

- (p) except as disclosed in the Issuer Financial Statements, there are no plans for retirements, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation incentive or otherwise contributed to or required to be contributed to, by Issuer for the benefit of any current or former director, officer, employee or consultant of Issuer;
- (q) Issuer and Subco collectively own and possess adequate enforceable rights to use all trademarks, patents, copyrights and trade secrets used or proposed to be used in the conduct of the business thereof and, to the best of Issuer's knowledge, after due inquiry, Issuer is not infringing upon the rights of any Person with respect to any such trademarks, patents, copyrights or trade secrets;
- (r) there are no material liabilities of Issuer whether direct, indirect, absolute, contingent or otherwise which are not disclosed or reflected in the Issuer Financial Statements except for those incurred in the ordinary course of business as of the date hereof;
- (s) except as disclosed in the Issuer Financial Statements, neither Issuer nor Subco have engaged in any transaction with any Person not dealing at "arm's length" (as such term is defined in the Tax Act);
- (t) all Taxes due and payable by Issuer have been paid or provision made therefor in the financial statements of Issuer except for where the failure to pay such Taxes would not result in a Material Adverse Effect for Issuer. All Tax Returns required to be filed by Issuer have been filed with all appropriate governmental authorities and all such Tax Returns are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. Except as set out in the Issuer Financial Statements, to the knowledge of Issuer, no examination of any Tax Return of Issuer is currently in progress and there are no issues or disputes outstanding with any Government Authority respecting any Taxes that have been paid, or may be payable, by Issuer. There are no agreements with any Government Authority providing for an extension of time for any assessment or reassessment of Taxes with respect to Issuer;
- (u) Each of Issuer and Subco is a "taxable Canadian corporation" (within the meaning of the Tax Act).
- (v) there is no Person, firm or company acting or purporting to act at the request of Issuer who is entitled to any brokerage or finder's fee in connection with the transactions contemplated in the Documents;
- (w) each of Issuer and Subco has conducted and is conducting its business in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and with all Laws material to its operation and has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any concessions, licenses, leases or other instruments conferring rights to Issuer;
- (x) to the knowledge of Issuer, after due inquiry, all activities of Issuer and Subco have been, up to and including the date hereof, conducted in compliance, in all material respects, with any and all applicable Laws;

- (y) to the knowledge of Issuer, any and all material agreements pursuant to which Issuer and Subco holds any of their material assets are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, Issuer or Subco are not in default of any of the material provisions of any such agreements including, without limitation, failure to fulfil any payment or work obligation thereunder nor has any such default been alleged, Issuer is not aware of any material disputes with respect thereto and such assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licenses and concessions pursuant to which Issuer derives its interests in such material assets are in good standing and there has been no material default under any such leases, licenses and concessions and all real or other property taxes required to be paid with respect to such assets to the date hereof have been paid;
- (z) except as disclosed in the Issuer Financial Statements, Issuer has no loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any Person not dealing at "arm's length" (as such term is defined in the Tax Act);
- (aa) to the knowledge of Issuer and Subco, there are no outstanding labour disputes, (whether filed or lodged with Issuer, Subco or any other Person or organization), pending labour disruptions or pending unionization with respect to Issuer;
- (bb) neither Issuer nor Subco is bound by or a party to any collective bargaining agreement;
- (cc) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which Issuer or Subco is a party, any restriction upon or impediment to the declaration or payment of dividends by the directors of Issuer or Subco or the payment of dividends by Issuer or Subco to the holders of its securities;
- (dd) except as disclosed in the Issuer Financial Statements, Issuer is not a party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument;
- (ee) neither Issuer nor Subco is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Issuer or Subco to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Issuer or Subco or which would prohibit or restrict Issuer or Subco from entering into and completing the Business Combination;
- (ff) neither Issuer nor Subco is a party to any agreement, nor is Issuer or Subco aware of any agreement, which in any manner affects the voting control of any of the securities of Issuer or Subco;
- (gg) neither Issuer nor Subco is aware of any pending or contemplated change to any applicable Law or governmental position that would materially affect the business of Issuer or Subco taken as a whole or the legal environments under which Issuer and Subco operate;
- (hh) no representation, warranty or statement of Issuer or Subco in the Documents contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading; and
- (ii) the corporate records and minute books of Issuer and Subco contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since their

respective dates of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed.

### 3.3 Survival

For greater certainty, the representations and warranties of each of Ultron, Issuer and Subco contained herein shall survive the execution and delivery of this Agreement and shall terminate and be extinguished on the earlier of the termination of this Agreement in accordance with its terms and the Effective Time.

## ARTICLE 4 CONDUCT OF BUSINESS

### 4.1 Conduct of Business by the Parties

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

- (a) it shall, and shall cause its Subsidiaries to conduct business in, and not take any action except in, the usual and ordinary course of business, with the exception of reasonable costs incurred in connection with the Business Combination, and it shall and shall cause its Subsidiaries to use all commercially reasonable efforts to maintain and preserve its business organization, assets, employees and advantageous business relationships and it shall not, and shall cause its Subsidiaries to not, without the prior written consent of the other Parties, enter into any contract in respect of its business or assets, other than in the ordinary course of business, and without limitation but subject to the foregoing, shall maintain payables and other liabilities at levels consistent with past practice, shall not engage or commit to engage in any extraordinary material transactions and shall not make or commit to make distributions, dividends or special salaries or bonuses, without the prior written consent of the other Parties; and
- (b) other than as contemplated by this Agreement, it shall not directly or indirectly do or permit to occur any of the following:
  - (i) amend its Governing Documents;
  - (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its shares owned by any Person other than inter-corporate loans and advances;
  - (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any shares, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire shares other than, in the case of Ultron: (A) the issuance of Ultron Shares pursuant to the Ultron Private Placement; and (B) the issuance of Ultron Shares pursuant to its acquisition of R&R&D Solutions Inc. (the "**Ultron Acquisition**");
  - (iv) redeem, purchase or otherwise acquire any of its outstanding shares or other securities including, without limitation, under an issuer bid;
  - (v) split, combine or reclassify any of its shares;
  - (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of itself or any of its Subsidiaries; and

- (vii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing, except as permitted above.

## **ARTICLE 5 COVENANTS**

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

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

### **5.2 Representations and Warranties**

- (a) Ultron covenants and agrees that from the date hereof until the termination of this Agreement it shall not, and shall ensure that its Subsidiaries do not, take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 3.1 being untrue in any material respect.
- (b) Issuer covenants and agrees that, from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 3.2 being untrue in any material respect.

### **5.3 Notice of Material Change**

- (a) From the date hereof until the termination of this Agreement, each Party shall promptly notify the other Party in writing of:
  - (i) any material change (actual, anticipated, contemplated or, to the knowledge of such Party or any of its Subsidiaries, threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of such Party and its Subsidiaries, taken as whole;
  - (ii) any change in the facts relating to any representation or warranty set out in Sections 3.1 or 3.2 hereof, as applicable, which change is or may be of such a nature as to render any such representation or warranty misleading or untrue in a material respect; or
  - (iii) any material fact which arises and which would have been required to be stated herein had the fact arisen on or prior to the date of this Agreement.
- (b) Each of the Parties shall in good faith discuss with the other any change in circumstances (actual, anticipated, contemplated or, to its knowledge of its or any of its Subsidiaries, threatened, financial or otherwise) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other pursuant to this section.

### **5.4 Non-Solicitation**

None of the Parties shall solicit any offers to purchase its shares or assets and neither Issuer nor Ultron will initiate or encourage any discussions or negotiations with any third party with respect to such a transaction or amalgamation, merger, take-over, plan of arrangement or similar transaction during the period commencing on the date hereof and ending on the termination of this Agreement. The Parties shall immediately cease and cause to be terminated any existing discussions or negotiations with any third party



related to any of the foregoing. In the event any of the Parties is approached in respect of any such transaction, it shall immediately notify the other.

## **5.5 Other Covenants**

Each of the Parties covenants and agrees that it shall:

- (a) use all commercially reasonable efforts to consummate the Business Combination, subject only to the terms and conditions hereof and thereof;
- (b) use all commercially reasonable efforts to obtain all appropriate Regulatory Approvals;
- (c) not, except as set out herein, and other than in connection with the Business Combination, split, consolidate or reclassify any of its outstanding securities, nor declare, set aside or pay any dividends on or make any other distributions on or in respect of its outstanding securities; and
- (d) not, except as set out herein, and other than in connection with the Business Combination, reorganize, amalgamate or merge with any other Person, nor acquire by amalgamating, merging or consolidating with, purchasing a majority of the voting securities or substantially all of the assets of or otherwise, any business or Person which acquisition or other transaction would reasonably be expected to prevent or materially delay the Business Combination contemplated hereby.

## **5.6 Other Filings**

The Parties shall, as promptly as practicable hereafter, prepare and file all filings required under any securities Laws, the rules of the CSE or any other applicable Laws relating to the Business Combination contemplated hereby.

## **5.7 Additional Agreements**

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

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

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

## **5.8 Support of Business Combination**

- (a) Each Party covenants and agrees that it shall:
  - (i) use its reasonable commercial efforts to cause its shareholders to vote their respective shares in favour of the Business Combination, the Listing and all of the matters contemplated thereunder, to take all reasonable actions to consummate the Business Combination, the Listing and the transactions contemplated thereunder, subject only to the terms and conditions hereof and to not take any action contrary to or in opposition to the Business Combination or the Listing, except as required by statutory Law;
  - (ii) use all commercially reasonable efforts to obtain all appropriate Regulatory Approvals;
  - (iii) not, except as set out herein, and other than in connection with the Business Combination, reorganize, amalgamate or merge with any other Person, nor acquire by amalgamating, merging or consolidating with, purchasing a majority of the voting securities or substantially all of the assets of or otherwise, any business or Person which acquisition or other transaction would reasonably be expected to prevent or materially delay the Business Combination contemplated hereby; and
  - (iv) co-operate fully with the other Parties and to use all reasonable commercial efforts to otherwise complete the Business Combination and the Listing, unless such cooperation and efforts would subject such Party to liability or would be in breach of applicable Laws.
- (b) Issuer covenants and agrees that it shall use its reasonable commercial efforts to cause each director and officer of Issuer and each Issuer Shareholder holding 10% or more of all issued and outstanding Issuer Shares, to comply with any escrow provisions imposed by the CSE; and (ii) not to sell, offer to sell, secure, transfer or otherwise dispose of any Issuer Shares which such Person may hold until the earlier of: (i) the completion of the Business Combination; and (ii) the termination of this Agreement.

## **5.9 Other Filings**

The Parties shall, as promptly as practicable hereafter, prepare and file all filings required under any securities Laws, the rules of the CSE or any other applicable Laws relating to the Business Combination contemplated hereby.

# **ARTICLE 6 CONDITIONS AND CLOSING MATTERS**

## **6.1 Mutual Conditions Precedent**

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

- (a) there shall not be in force any order or decree restraining or enjoining the consummation of the Business Combination or the Listing;

- (b) Issuer shall have completed the Conversion and the Issuer Amendment;
- (c) Issuer shall have filed the Notice of Alteration with respect to the Issuer Amendment in accordance with the BCBCA;
- (d) Ultron shall have completed the Ultron Private Placement;
- (e) Ultron shall have completed the Ultron Acquisition;
- (f) this Agreement shall not have been terminated pursuant to Article 7;
- (g) except as contemplated herein, each Party shall not have entered into any transaction or contract which would have a material effect on the financial and operational condition, or the assets of each Party, excluding those transactions or contracts undertaken in the ordinary course of business, without first discussing and obtaining the approval of the other Party;
- (h) the requisite approval of the shareholders of Issuer of the Amalgamation and the Issuer Amendment shall have been obtained; and
- (i) the requisite approval of the shareholder of Ultron of the Amalgamation shall have been obtained.

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

## **6.2 Additional Conditions Precedent to the Obligations of Ultron**

The obligations of Ultron to complete the Business Combination contemplated by this Agreement shall also be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Ultron and may be waived by Ultron and any one or more of which, if not satisfied or waived, will relieve Ultron of any obligation under this Agreement):

- (a) on or prior to the Effective Date, and effective upon completion of the Amalgamation, Jordan Crocket and Patrick Gray shall have tendered their resignations as a director and chief executive officer, respectively, and provided mutual releases in a form acceptable to Ultron and the board of directors and management of Issuer shall have been reconstituted, and the officers shall have been appointed, as set forth in Section 2.3;
- (b) no Material Adverse Change with respect to Issuer shall have occurred between the date hereof and the Effective Date;
- (c) Issuer shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of Issuer contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had three days to cure such misrepresentation, breach

or non-performance), and the chief executive officer of Issuer or another officer satisfactory to Ultron shall so certify immediately prior to the Effective Date; and

- (d) all Regulatory Approvals (including the Conditional Acceptance) and corporate approvals shall have been obtained.

If any of the above conditions shall not have been complied with or waived by Ultron on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to the cure provision provided for in Section 6.2(c), Ultron may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Ultron. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by Ultron of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, Ultron shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own non-compliance with its obligations under this Agreement.

### **6.3 Additional Conditions Precedent to the Obligations of Issuer**

The obligations of Issuer to complete each step of the Business Combination contemplated by this Agreement shall also be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Issuer and may be waived by Issuer and any one or more of which, if not satisfied or waived, will relieve Issuer of any obligation under this Agreement):

- (a) no Material Adverse Change with respect to Ultron or its Subsidiaries taken as a whole shall have occurred between the date hereof and the Effective Date;
- (b) Ultron shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of Ultron contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had three days to cure such misrepresentation, breach or non-performance), and the president of Ultron or another officer satisfactory to Issuer shall so certify immediately prior to the Effective Date; and
- (c) the number of Dissenting Ultron Shares held by Dissenting Shareholders in connection with the resolutions authorizing the Amalgamation shall not exceed 10% of the number of issued and outstanding Ultron Shares.

If any of the above conditions shall not have been complied with or waived by Issuer on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to the cure provision provided for in Section 6.3(b), Issuer may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Issuer or Subco. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by Issuer or Subco of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, neither Party shall rely on such failure (to satisfy one or more of the above conditions) as a basis for its own non-compliance with its obligations under this Agreement.

#### **6.4 Merger of Conditions**

The conditions set out in Sections 6.1, 6.2 and 6.3 shall be conclusively deemed to have been satisfied, waived or released by the Parties on the filing of the Amalgamation Application with the Registrar and such other documents as are required to be filed under the BCBCA for acceptance by the Registrar to give effect to the Amalgamation.

#### **6.5 Closing Matters**

The completion of the transactions contemplated under this Agreement shall be effected via electronic exchange or at the offices of Issuer's counsel, Gowling WLG (Canada) LLP, at the Effective Time.

### **ARTICLE 7 TERMINATION, AMENDMENT AND DISSENTING SHAREHOLDERS**

#### **7.1 Termination**

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

- (a) by mutual agreement in writing by the Parties; or
- (b) as set forth in Sections 6.1, 6.2 and 6.3 of this Agreement.

#### **7.2 Effect of Termination**

In the event of the termination of this Agreement as provided in Section 7.1 hereof, this Agreement shall forthwith have no further force or effect and there shall be no obligation on the part of Issuer or Ultron hereunder except as set forth in Section 7.3 hereof and this Section 7.2, which provisions shall survive the termination of this Agreement. Nothing herein shall relieve any Party from liability for any breach of this Agreement.

#### **7.3 Fees and Expenses**

- (a) Each of Ultron and Issuer shall pay its own costs and expenses (including all legal, accounting and financial advisory fees and expenses) incurred in connection with the completion of the Business Combination, including without limitation, expenses related to the preparation, execution and delivery of all agreements including, without limitation, this Agreement and other documents referenced herein.
- (b) All reasonable costs incurred by Issuer and all fees and disbursements of Issuer's counsel will be paid by the Resulting Issuer.

#### **7.4 Amendment**

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

#### **7.5 Dissenting Shareholders**

On the earlier of: (i) the Effective Date; (ii) the making of an agreement between a Dissenting Shareholder and Ultron for the purchase of their Dissenting Ultron Shares; or (iii) the pronouncement of a court order pursuant to section 245 of the BCBCA, a Dissenting Shareholder shall cease to have any rights as a Ultron

Shareholder other than the right to be paid the payout value of its Dissenting Ultron Shares in the amount agreed to or as ordered by the court, as the case may be. Notwithstanding anything in this Agreement to the contrary, Dissenting Ultron Shares which are held by a Dissenting Shareholder shall not be exchanged for Common Shares on the Effective Date as provided in Section 2.1 hereof. However, in the event that a Dissenting Shareholder fails to perfect or effectively withdraws the Dissenting Shareholder's claim under section 245 of the BCBCA or otherwise forfeits the Dissenting Shareholder's right to make a claim under section 272 of the BCBCA, the Dissenting Shareholder's Dissenting Ultron Shares shall thereupon be deemed to have been exchanged as of the Effective Date for Common Shares on the basis set forth in Section 2.1 hereof.

## **7.6 Waiver**

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

## **ARTICLE 8 GENERAL**

### **8.1 Notices**

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

if to Ultron:

Ultron Capital Corp.  
3855 159a Street  
Surrey, B.C. V3Z 0Y3

Attention: Ryan Selby  
E-mail: 

with a copy which shall not constitute notice to:

Irwin Lowy LLP  
217 Queen Street West, Suite 401  
Toronto, ON M5V 0R2

Attention: Steven Agnew  
E-mail: 

if to Issuer or Subco:

Generative AI Solutions Corp. c/o Gowling WLG (Canada) LLP  
550 Burrard St #2300  
Vancouver, BC V6C 2B5

Attention: Paul Ciullo  
E-mail: [REDACTED]

with a copy which shall not constitute notice to:

Gowling WLG (Canada) LLP  
Suite 1600, 1 First Canadian Place  
100 King Street West  
Toronto, ON M5X 1G5

Attention: Sharagim Habibi  
E-mail: [REDACTED]

## **8.2 Assignment**

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

## **8.3 Complete Agreement**

This Agreement sets forth the entire understanding between the Parties hereto and supersedes all prior agreements, arrangements and communications, whether oral or written, with respect to the subject matter hereof, including but not limited to, the letter of intent dated January 25, 2023, between Ultron and Issuer. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the Parties hereto with respect to the subject matter hereof.

## **8.4 Further Assurances**

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

## **8.5 Severability**

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

## **8.6 Counterpart Execution**

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

## 8.7 Investigation by Parties

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

## 8.8 Public Announcement; Disclosure and Confidentiality

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

*[remainder of page intentionally left blank; signature page follows]*



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

**ULTRON CAPITAL CORP.**

Per: (Signed) "Ryan Selby"  
Name: Ryan Selby  
Title: Director

**GENERATIVE AI SOLUTIONS CORP.**

Per: (Signed) "Patrick Gray"  
Name: Patrick Gray  
Title: CEO

**1399318 B.C. LTD.**

Per: (Signed) "Paul Ciullo"  
Name: Paul Ciullo  
Title: President

**SCHEDULE A  
AMALGAMATION AGREEMENT**

(Attached)

## AMALGAMATION AGREEMENT

**THIS AGREEMENT** is made as of [●], 2023

### **BETWEEN:**

**ULTRON CAPITAL CORP.**

a company incorporated under the laws in the Province of British Columbia  
("Ultron")

-and-

**GENERATIVE AI SOLUTIONS CORP.**

a company incorporated under the laws of the Province of British Columbia  
("Issuer")

-and-

**1399318 B.C. LTD.**

a company incorporated under the laws of the Province of British Columbia  
("Subco")

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

### **WHEREAS:**

- A. Ultron and Issuer have agreed to combine their businesses and assets pursuant to the Business Combination Agreement.
- B. Ultron and Subco are each incorporated under the BCBCA.
- C. Subco is a wholly-owned subsidiary of Issuer.
- D. The authorized share structure of Ultron consists of an unlimited number of Ultron Shares, of which [●] Ultron Shares are issued and outstanding at the date hereof as fully paid and non-assessable shares.
- E. The authorized share structure of Subco consists of an unlimited number of Subco Shares, of which [●] Subco Shares are issued and outstanding at the date hereof as fully paid and non-assessable shares, all of which are owned beneficially and of record by Issuer;
- F. Pursuant to the Amalgamation, and subject to the terms of the Business Combination Agreement, Ultron and Subco shall amalgamate and continue as Amalco, which shall become a wholly-owned subsidiary of Issuer, and Issuer shall issue to each Ultron Shareholder [●] Issuer Share for each one Ultron Share held.
- G. Ultron, Issuer and Subco have each made full disclosure to the other of all their respective assets and liabilities.

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

## **1. Interpretation**

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

- (a) "**Agreement**" means this agreement, its recitals and exhibits, as the same may be amended, modified or supplemented from time to time;
- (b) "**Ultron Shares**" means the class A common shares in the authorized share structure of Ultron;
- (c) "**Ultron Shareholder**" means a registered holder of Ultron Shares, from time to time, and "**Ultron Shareholders**" means all of such holders.
- (d) "**Amalco**" means the company to be constituted upon completion of the Amalgamation;
- (e) "**Amalco Articles**" means the articles of Amalco substantially in the form attached hereto as Exhibit A;
- (f) "**Amalco Shareholder**" means a registered holder of Amalco Shares, from time to time, and "**Amalco Shareholders**" means all of such holders;
- (g) "**Amalco Shares**" means the common shares in the authorized share structure of Amalco;
- (h) "**Amalgamating Companies**" means Ultron and Subco and "**Amalgamating Companies**" means either of them as applicable;
- (i) "**Amalgamation**" means the amalgamation of the Amalgamating Companies pursuant to the provisions of the BCBCA in the manner contemplated in and pursuant to this Agreement;
- (j) "**Amalgamation Application**" means the amalgamation application in respect of the Amalgamation required by section 275(1)(a) of the BCBCA to be filed with the Registrar substantially in the form attached as Exhibit B hereto, together with any changes to that application as permitted under this Agreement, the Business Combination Agreement or as agreed to by the Amalgamating Companies.
- (k) "**BCBCA**" means the *Business Corporations Act* (British Columbia);
- (l) "**Business Combination Agreement**" means the business combination agreement dated February 16, 2023 between Ultron, Issuer and Subco;
- (m) "**CDS**" means the Canadian Depository for Securities;
- (n) "**Certificate of Amalgamation**" means the certificate of amalgamation to be issued by the Registrar in respect of the Amalgamation in accordance with the BCBCA;
- (o) "**Dissenting Ultron Shares**" means the Ultron Shares held by Dissenting Shareholders.
- (p) "**Dissenting Shareholder**" means a registered Ultron Shareholder who, in connection with the special resolution of the Ultron Shareholders which approves and adopts this Agreement, has exercised the right to dissent pursuant to Section 272 of the BCBCA in strict compliance with the

provisions thereof and thereby becomes entitled to be paid the payout value of his, her or its Ultron Shares and who has not withdrawn the notice of the exercise of such right as permitted by Section 245 of the BCBCA;

- (q) "**Effective Date**" means the date shown on the Certificate of Amalgamation;
- (r) "**Exchange Ratio**" means [●] Issuer Shares divided by the number of Ultron Shares issued and outstanding at the relevant time;
- (s) "**Issuer Shares**" means the common shares in the authorized share structure of Issuer as constituted upon filing upon filing of the Notice of Alteration with respect to the Issuer Amendment (as defined in the Business Combination Agreement) in accordance with the BCBCA;
- (t) "**payout value**" where used in relation to a Ultron Share held by a Dissenting Shareholder, means the payout value as determined by a court under Section 245 of the BCBCA or as agreed between Ultron and a Dissenting Shareholder;
- (u) "**Person**" means a natural person, partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity, and pronouns have a similarly extended meaning;
- (v) "**Registrar**" means the Registrar appointed under Section 400 of the BCBCA;
- (w) "**Subco**" means 1399318 B.C. Ltd., a company incorporated under the BCBCA;
- (x) "**Subco Shares**" means the common shares in the authorized share structure of Subco;
- (y) "**Subco Shareholder**" means the sole registered holder of Subco Shares, being Issuer; and
- (z) "**Tax Act**" means the *Income Tax Act* (Canada), as may be amended from time to time and any successor thereto including the regulations promulgated thereunder.

## 2. **Paramountcy**

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

## 3. **Agreement to Amalgamate**

Each of the Parties hereby agrees to the Amalgamation such that the Amalgamating Companies shall amalgamate to create and continue as Amalco under the provisions of Section 270 of the BCBCA, on the terms and conditions set out in this Agreement.

## 4. **Filing of Amalgamation Application**

Following the approval of this Agreement by the shareholders of the Amalgamating Companies in accordance with the BCBCA, and in accordance with the terms and conditions of the Business Combination Agreement, including the satisfaction or waiver of all conditions precedent set forth in the Business Combination Agreement, Ultron shall file the Amalco Articles in the minute books of Amalco and the Parties shall jointly complete and file the Amalgamation Application with the Registrar as provided under the BCBCA.

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

The Amalgamation is subject to the satisfaction or waiver by the Party entitled to make such waiver, of the conditions precedent set forth in Article 6 of the Business Combination Agreement. The signing and delivery of the Amalgamation Application by Ultron and Subco shall be conclusive evidence that such conditions have been satisfied to the satisfaction of Ultron and Issuer, or waived by the Party entitled to make such waiver, and that Ultron and Subco may amalgamate in accordance with the provisions of this Agreement.

## **6. Amalgamation Events**

Pursuant to the Amalgamation, on the Effective Date:

- (a) Ultron and Subco will amalgamate under the provisions of the BCBCA and continue as one company, being Amalco;
- (b) Subject to Section 2.1(e) of the Business Combination Agreement, holders of outstanding Ultron Shares shall receive such number of fully paid and non assessable Issuer Shares for each Ultron Share held in accordance with the Exchange Ratio;
- (c) Amalco shall issue to Issuer one fully paid and non-assessable Amalco Share for each Issuer Share so issued;
- (d) each outstanding Subco Share will be exchanged for fully paid and non-assessable Amalco Shares on the basis of one Amalco Share for each Subco Share;
- (e) Issuer will add to its capital maintained in respect of the Issuer Shares an amount equal to aggregate paid-up capital, for purposes of the Tax Act, of the Ultron Shares immediately prior to the Amalgamation (less the paid-up capital of any Dissenting Ultron Shares held by Dissenting Shareholders who do not exchange their Ultron Shares for Issuer Shares on the Amalgamation);
- (f) Amalco will add to its capital maintained in respect of the Amalco Shares an amount equal to the aggregate paid-up capital, for purposes of the Tax Act, of the Subco Shares and the Ultron Shares immediately prior to the Amalgamation (less the paid-up capital of any Dissenting Ultron Shares held by Dissenting Shareholders who do not exchange their Ultron Shares for Issuer Shares on the Amalgamation);
- (g) any convertible debt instruments of Ultron shall be assigned to the Resulting Issuer in accordance with its terms, and any Ultron Shares to be issued upon the conversion of any such instruments shall be issued as Resulting Issuer Shares on an equivalent basis;
- (h) all of the property and assets of each of Ultron and Subco will be the property and assets of Amalco and, subject to Section 6(g) hereof, Amalco will be liable for all of the liabilities and obligations of each of Ultron and Subco; and
- (i) Amalco will be a wholly-owned subsidiary of Issuer.

## **7. Amalco**

The Amalco Articles shall be in the form annexed hereto as Exhibit A.

## **8. Name**

The name of Amalco shall be "[●]" or such other name as mutually agreed to by the Parties.

**9. Registered Office**

Until changed in accordance with the BCBCA, the registered office of Amalco shall be Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, British Columbia, V6C 2B5.

**10. Authorized Share Structure**

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

**11. Share Transfer Restrictions**

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

**12. Business**

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

**13. Number of Directors**

The board of directors of Amalco shall consist of one (1) director.

**14. First Directors**

The first director of Amalco shall be the Persons whose names and residential addresses appear below:

<u>Name</u>	<u>Address</u>
Paul Ciullo	

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

**15. Fractional Shares**

No fractional Issuer Shares or Amalco Shares will be issued or delivered to any former Ultron Shareholders or the former Subco Shareholder otherwise entitled thereto, if any. Instead, the number of Issuer Shares or Amalco Shares issued to each former holder of Ultron Shares or Subco Shares will be rounded down to the nearest whole number, and no cash or other consideration shall be paid or payable in lieu of such fraction of such shares.

**16. Paid-Up Capital**

Amalco will add to its capital maintained in respect of the Amalco Shares an amount equal to the aggregate paid-up capital, for purposes of the Tax Act, of the Subco Shares and the Ultron Shares immediately prior to the Amalgamation (less the paid-up capital of any Dissenting Ultron Shares held by Dissenting Shareholders who do not exchange their Ultron Shares for Issuer Shares on the Amalgamation).

## 17. Delivery of Securities

- (a) On the Effective Date: (i) the Ultron Shareholders (other than Dissenting Shareholders who are ultimately entitled to be paid payout value for their Dissenting Ultron Shares) shall be deemed to be the registered holders of the Issuer Shares to which they are entitled hereunder; (ii) Issuer shall issue such Issuer Shares to Ultron Shareholders in accordance with their entitlement; and (iii) certificates formerly representing Ultron Shares which are held by such Ultron Shareholders shall cease to represent any claim upon or interest in Ultron other than the right of the registered holder to receive the number of Issuer Shares to which it is entitled hereunder.
- (b) As soon as reasonably practicable after the Effective Date, Issuer will direct its transfer agent to forward to, or hold for pick-up by, each former Ultron Shareholder: (i) the certificates or DRS Statements representing the Issuer Shares to which such Ultron Shareholder is entitled; or (ii) confirmation of a non-certificated electronic position transfer in CDS representing the Issuer Shares to which such Ultron Shareholder is entitled.
- (c) Issuer, as the registered holder of the Subco Shares, shall be deemed to be the registered holder of the Amalco Shares to which it is entitled hereunder and Issuer shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled hereunder. Until delivery of such certificate, the share certificate or certificates representing the Subco Shares held by Issuer will be evidence of Issuer's right to be registered as a shareholder of Amalco. Share certificates evidencing Subco Shares shall cease to represent any claim upon or interest in Subco other than the right of the registered holder to receive the number Amalco Shares to which it is entitled pursuant to the terms hereof and the Amalgamation.

## 18. Negative Covenants

From the date hereof to and including the Effective Date, each of Ultron, Subco and Issuer covenants that it will not:

- (a) reserve, allot, create, issue or distribute any of its securities, other than: (i) securities issuable upon the exercise, conversion or exchange of previously issued securities; (ii) stock options granted under its stock option plan, if any; (iii) securities to be issued pursuant to employee purchase plans, if any; or (iv) securities to be issued in order to effect the transactions described in the Business Combination Agreement;
- (b) declare or pay dividends on any of its shares other than as has been publicly disclosed as of the date hereof or make any other issue, payment or distribution to the holders of its securities including, without limitation, the issue, payment or distribution of any of its assets or property to such holders;
- (c) authorize or take any action to amalgamate, merge, reorganize, effect an arrangement, liquidate, dissolve, wind-up or transfer all or substantially all of its undertaking or assets to another corporation or entity;
- (d) reclassify any outstanding securities or change such securities into other shares or securities or subdivide, redivide, reduce, combine or consolidate such securities into a greater or lesser number of securities, effect any other capital reorganization or amend the designation of or the rights, privileges, restrictions or conditions attaching to such securities, other than in order to effect the transactions described in the Business Combination Agreement;
- (e) amend its articles or notice of articles, other than in order to effect the transactions described in the Business Combination Agreement; or



- (f) enter into any transaction, or take any other action, out of the ordinary course of its business, other than in order to effect the transactions described in the Business Combination Agreement.

**19. Termination**

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

**20. Governing Law**

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

**21. Further Assurances**

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

**22. Time of the Essence**

Time shall be of the essence of this Agreement.

**23. Amendments**

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

**24. Counterparts**

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

*[remainder of page intentionally left blank; signature page follows]*

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

**ULTRON CAPITAL CORP.**

Per: \_\_\_\_\_  
Name: Ryan Selby  
Title: Authorized Signatory

**GENERATIVE AI SOLUTIONS CORP.**

Per: \_\_\_\_\_  
Name: Patrick Gray  
Title: Authorized Signatory

**1399318 B.C. LTD.**

Per: \_\_\_\_\_  
Name: Paul Ciullo  
Title: President

**EXHIBIT A TO AMALGAMATION AGREEMENT  
AMALCO ARTICLES**

(Attached)

**EXHIBIT B TO AMALGAMATION AGREEMENT  
AMALGAMATION APPLICATION**

(Attached)

**SCHEDULE 3.1(b)**  
**ULTRON SUBSIDIARIES**

- R&R&D Solutions Inc.
- 1398582 B.C. Ltd.