

# SHARE EXCHANGE AGREEMENT

**THIS SHARE EXCHANGE AGREEMENT** is made as at the 5<sup>th</sup> day of May 2023.

**AMONG:**

**CALLAN PARTNERS LIMITED**, a private company limited by shares duly incorporated under the *Companies Act 2006*, having its principal place of business located at 29 Cunard Court, Brightwen Grove, Stanmore, HA7 4WY, United Kingdom hereby represented by its Director Sanjeev Shah Tolia, duly authorized as he so declares;

(hereinafter called “**Callan**”);

**AND:**

**NILE FLOW LIMITED**, a private company limited by shares duly incorporated under Gibraltar laws, having its principal place of business located at 5-9 Main Street, GX11 1AA Gibraltar, hereby represented by its representative Tanya Hurtado acting on behalf of Abacus (Gibraltar) Limited, duly authorized as she so declares;

(hereinafter called “**Nile Flow**”);

**AND:**

**REKTRON GROUP INC.**, a private duly incorporated under the Business Corporations Act (*British Columbia*), having its principal place of business located at Suite 406, 5307 Victoria Drive Vancouver, British Columbia V5P 3V6, hereby represented by its CEO Ricardo Phielix, duly authorized as he so declares;

(hereinafter called “**Rektron CA**”);

**AND ACTING AS INTERVENING PARTY:**

**REKTRON AQ LIMITED**, a private company limited by shares duly incorporated under the *Companies Act 2006*, having its principal place of business located at 120 New Cavendish Street, London, England, W1W 6XX, hereby represented by its Director Moises Michan Portillo, duly authorized as he so declares;

(hereinafter called “**Rektron UK**”);

(each of Callan, Nile Flow, Rektron CA and Rektron UK, individually a “**Party**” and collectively the “**Parties**”).

**PREAMBLE**

**WHEREAS** Callan is the shareholder of 45% and Nile Flow is the shareholder of 55% of the ordinary share capital of Rektron UK, such ordinary shares are set forth in Schedule “A” hereto;

**WHEREAS** Rektron UK is a United Kingdom based holding company that primarily invests in operating enterprises in the commodities sector. Its group’s trading expertise includes primarily energy and metals products. In particular, the primary products traded are ferrous and nonferrous metals, crude oil and refined oil products;

**WHEREAS** Rektron CA is a newly incorporated holding company in British Columbia which has issued

45 common shares to Callan and 55 common shares to Nile Flow, such common shares are set forth in Schedule "B" hereto;

**WHEREAS** Callan and Nile Flow will transfer (by way of share exchange) all of their issued and outstanding shares in Rektron UK to Rektron CA in consideration for which Rektron CA will issue shares in itself to Callan and Nile Flow in the proportions representing 55% to Nile Flow and 45% to Callan;

**WHEREAS** as a result of the share exchange, Rektron UK will become a wholly-owned subsidiary of Rektron CA and Rektron CA will apply to list its common shares on the Canadian Securities Exchange ("CSE");

**WHEREAS** the Parties have agreed to enter into this Share Exchange Agreement (the "**Agreement**") which formalizes and replaces, in their entirety, all such recent discussions and negotiations and which clarifies each of the Parties' respective duties and obligations in connection with the proposed purchase by Callan and Nile Flow of all of the issued and outstanding shares of Rektron CA to subsequently apply for the listing of Rektron CA's common shares on the CSE.

**NOW THEREFORE THIS AGREEMENT WITNESSES THAT** in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree with each other as follows:

## **ARTICLE 1 DEFINITIONS**

1.1. **Definitions.** In this Agreement, unless there is something in the context or subject matter inconsistent therewith, the following words and terms set forth in this Article I shall have the following meanings:

- (a) "**Affiliate(s)**" means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term "**control**" as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than 50% of the voting securities of such Person, by contract or otherwise;
- (b) "**Agreement**" means this Share Exchange Agreement between the Parties, including all recitals and schedules attached hereto, and "**this Agreement**", "**herein**", "**hereto**", "**hereof**" and similar expressions mean and refer to this Agreement;
- (c) "**Anti-Corruption Rules**" means all applicable laws, regulations, decrees, government orders, and administrative or other requirements in any jurisdiction relating to the prevention and/or sanction of bribery and other forms of corrupt behaviour or practices (including without limitation the *Corruption of Foreign Public Officials Act* (Canada), the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the *United States Foreign Corrupt Practices Act 1977*, the *United Kingdom Bribery Act 2010*, any applicable law of the Republic of Congo, and any applicable law implementing either the *United Nations Convention Against Corruption* or the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions* or prohibitions substantially similar thereto, all as amended);

- (d) “**Applicable Securities Laws**” means, collectively, the applicable securities laws of each of the provinces of Canada, the respective regulations, rules and orders made and forms prescribed thereunder together with all applicable published rules, policy statements, blanket orders and rulings of the securities commissions in such provinces;
- (e) “**B.C. Securities Act**” means the **Securities Act** (British Columbia), as amended, and all the regulations, rules and forms promulgated under the **Securities Act**, and the blanket rulings and orders promulgated by the British Columbia Securities Commission;
- (f) “**Board**” means as applicable, the respective Board of Directors of the relevant Party as duly constituted from time to time;
- (g) “**Business Day**” means a day other than a Saturday, a Sunday or a statutory holiday in Vancouver, British Columbia;
- (h) “**Business Documentation**” means any and all records and other factual data and information relating to the Company/s business interests and assets and including, without limitation, all plans, agreements and records which are in the possession or control of the Vendor or the Company in that respect;
- (i) “**Consideration Shares**” has the meaning ascribed to it in section 2.2 herein below;
- (j) “**Closing**” means the completion of the Agreement;
- (k) “**Closing Date**” means the day of closing, which will be such date and such time as agreed to by the Parties;
- (l) “**Closing Place**” means the office of Rektron CA or its solicitors, or such other place as may be agreed upon in writing by the Parties;
- (m) “**Common Shares**” means the common shares, without nominal or par value, in the authorized capital of Rektron CA;
- (n) “**CSE**” means the Canadian Securities Exchange;
- (o) “**Director(s)**” means the Director(s) appointed in accordance with the applicable corporate law of a corporation;
- (p) “**Effective Date**” has the meaning ascribed to it on the front page of this Agreement;
- (q) “**Effective Time**” means 12:01 a.m. on the Effective Date;
- (r) “**Listing**” means the listing of the Common Shares of the Resulting Issuer on the CSE;
- (s) “**Material Adverse Effect**” in respect of a Person means any change, effect, event, occurrence, condition or development that has or could reasonably be expected to have, individually or in the aggregate, a material and adverse impact on the business, operations, results of operations, assets, capitalization or financial condition of such Person, other than any change, effect, event, occurrence or state of facts relating to

the global economy or securities markets in general;

- (t) **“Material Fact”** in relation to any Person includes, without limitation, any fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the shares of such Person;
- (u) **“Ordinary Shares”** means the ordinary shares, with par value of \$US0.002, in the authorized capital of Rektron UK;
- (v) **“Party”** or **“Parties”** means, respectively, collectively and individually, as the context so requires, Callan, Nile Flow, Rektron CA and/or Rektron UK, as the case may be, together with their respective successors and permitted assigns as the context so requires;
- (w) **“Person”** means any individual, corporation, partnership, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
- (x) **“Public Official”** includes: (i) a person (a) who holds a legislative, administrative or judicial position of a state, (b) who performs public duties or functions for a state, including a person employed by a state-owned or state-controlled entity or by a board, commission, corporation or other body or authority that is established to perform a duty or function on behalf of the state, or is performing such a duty or function, (c) who is an official or agent of a public international organization that is formed by two or more states or governments, or by two or more such public international organizations; and for this purpose, “state” means a country and includes any political subdivision of that country, the government, and any department or branch, of that country or of a political subdivision of that country, and any agency of that country or of a political subdivision of that country; (ii) a “foreign official” as defined in the United States Foreign Corrupt Practices Act 1977; and (iii) a “foreign public official” as defined in the United Kingdom Bribery Act 2010;
- (y) **“Purchase Price”** has the meaning ascribed to it in section 2.2 herein below;
- (z) **“Regulatory Authority”** and **“Regulatory Authorities”** means, either singularly or collectively as the context so requires, any regulatory agencies who have or who may have jurisdiction over the affairs of the Parties herein and including, without limitation, and where applicable, all applicable securities commissions, the British Columbia Securities Commission, and all other regulatory authorities from whom any such authorization, approval or other action is required to be obtained or to be made in connection with the transactions contemplated by this Agreement;
- (aa) **“Share Exchange”** means the share exchange between Callan, Nile Flow and Rektron CA pursuant to the terms and conditions set forth in this Agreement, subject to any amendment thereto in accordance herewith;
- (bb) **“Third Party”** means any Person other than the parties to this Agreement;
- (cc) **“Transaction”** means the completion of the Share Exchange as contemplated herein.

1.2 **Schedules.**

For the purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following shall represent the Schedules which are attached to this Agreement and which form a material part hereof:

Schedule “A” – Description of the Share Capital of Rektron UK

Schedule “B” – Description of the Share Capital of Rektron CA

**ARTICLE 2  
SHARE EXCHANGE**

2.1 **Terms of the Share Exchange.** Upon and subject to the terms and conditions of this Agreement, on the Closing Date, Callan and Nile Flow hereby agree to assign, sell and transfer all of their respective right, entitlement and interest in and to all of the Ordinary Shares to Rektron CA and Rektron CA hereby agrees to purchase all of the Ordinary Shares from Callan and Nile Flow.

2.2 **Purchase Price.** The total purchase price (the “**Purchase Price**”) for all of the Ordinary Shares will be satisfied by the issuance and delivery by Rektron CA to the order and the direction of Nile Flow and Callan of a total of 74,168,960 Common Shares in the proportions being 55% to Nile Flow and 45% to Callan, at a deemed price of \$0.01 per Common Share (the “**Consideration Shares**”):

<b>Callan</b>	33,376,032	45%
<b>Nile Flow</b>	40,792,928	55%

2.3 **Resale Restrictions, Legending of Share Certificates and Escrow Provisions.** Callan and Nile Flow hereby acknowledge and agree that Rektron CA makes no representations as to any resale or other restriction affecting the Consideration Shares and that it is presently contemplated that the Consideration Shares will be issued by Rektron CA to Rektron UK pursuant to prospectus and registration exemptions provided under National Instrument 45-106 — Prospectus and Registration Exemptions of the Canadian Securities Administrators and acknowledges that: (i) no securities commission or similar regulatory authority has reviewed or passed on the merits of the Consideration Shares to be issued to Callan and Nile Flow pursuant to this Agreement; (ii) there is no government or other insurance covering the Ordinary Shares; (iii) there are risks associated with ownership of the Consideration Shares; (iv) there are restrictions on Callan and Nile Flow ability to resell the Consideration Shares and it is the responsibility of Callan and Nile Flow to find out what those restrictions are and to comply with them before selling the Consideration Shares; and (v) if Rektron CA relies on an exemption from the requirements to provide Callan and Nile Flow with an offering memorandum, then, as a consequence of acquiring securities pursuant to this exemption, certain protections, rights and remedies provided by the B.C. Securities Act, including statutory rights of rescission or damages, will not be available to Callan and Nile Flow.

**ARTICLE 3  
CLOSING**

3.1 **Closing Date.** The Closing of the Agreement contemplated hereby will occur on the Closing

Date at the offices of Rektron CA, located at Suite 406, 5307 Victoria Drive, Vancouver, British Columbia V5P 3V6 or virtually, at the option of the Parties.

3.2 **Documents to be delivered by Rektron UK prior to the Closing Date.** Prior to the Closing Date, as the case may be, and in addition to the documentation which is required by the agreements and conditions precedent which are set forth hereinabove, Rektron UK shall also execute and deliver, or cause to be delivered, to Rektron CA, all such other documents, resolutions and instruments as may be necessary, in the opinion of counsel for Rektron CA, acting reasonably, to complete all of the transactions contemplated by this Agreement and including, without limitation, the necessary transfer of the Ordinary Shares (in accordance with the share capital set out Schedule "A" as at the Closing Date) to Rektron CA free and clear of all liens, charges and encumbrances, and in particular including, but not being limited to, the following materials:

- (a) all documentation as may be necessary and as may be required by counsel for Rektron CA, acting reasonably, to ensure that all of the Ordinary Shares have been transferred, assigned and are registrable in the name of and for the benefit of Rektron CA under all applicable corporate and securities laws;
- (b) certificate(s) representing the Ordinary Shares transferable on the Closing Date registered in the name of Rektron UK duly endorsed for transfer to Rektron CA or irrevocable stock powers transferring the applicable Ordinary Shares to Rektron CA;
- (c) certificate representing the Ordinary Shares purchased on the Closing Date registered in the name of Rektron CA;
- (d) a copy of the resolutions of the Board of Rektron UK authorizing the exchange by Rektron UK to Rektron CA;
- (e) all necessary consents and approvals in writing to the completion of the transactions contemplated herein;
- (f) a certificate of an officer from Rektron UK dated as of the Closing Date, acceptable in form to counsel for Rektron CA, acting reasonably, certifying that the warranties, representations, covenants and agreements of Rektron UK contained in this Agreement are true and correct in all respects and will be true and correct as of the Closing Date as if made by Rektron UK on the Closing Date; and
- (g) all such other documents and instruments as Rektron CA counsel may reasonably require to give full force and effect to the Transaction.

3.3 **Documents to be delivered by Rektron CA prior to the Closing Date.** Prior to the Closing Date, and in addition to the documentation which is required by the agreements and conditions precedent which are set forth hereinabove, Rektron CA shall also execute and deliver, or cause to be delivered, to Rektron UK and the Transfer Agent, as applicable, all such other documents, resolutions and instruments as are necessary, in the opinion of counsel for Rektron UK, acting reasonably, to issue to Rektron UK the Consideration Shares free and clear of all liens, charges and encumbrances, however, subject to the resale provisions applicable thereto, and in particular including, but not being limited to, the following materials:

- (a) all documentation as may be necessary and as may be required by counsel for Rektron UK, acting reasonably, to ensure that all of the Ordinary Shares have been transferred, assigned and are registrable in the name of and for the benefit of Rektron UK under all applicable corporate and securities laws;
- (b) certificate(s) representing the Ordinary Shares transferable on the Closing Date registered in the name of Rektron CA duly endorsed for transfer to Rektron UK or irrevocable stock powers transferring the applicable Ordinary Shares to Rektron UK;
- (c) certificate representing the Ordinary Shares purchased on the Closing Date registered in the name of Rektron UK;
- (d) a copy of the resolutions of the Board of Rektron CA providing for the approval of all of the transactions contemplated hereby;
- (e) all necessary consents and approvals in writing to the completion of the transactions contemplated herein;
- (f) a certificate of an officer from Rektron CA dated as of the Closing Date, acceptable in form to counsel for Rektron UK, acting reasonably, certifying that the warranties, representations, covenants and agreements of Rektron CA contained in this Agreement are true and correct in all respects and will be true and correct as of the Closing Date as if made by Rektron CA on the Closing Date; and
- (g) all such other documents and instruments as Rektron CA counsel may reasonably require.

**ARTICLE 4**  
**REPRESENTATIONS WARRANTIES AND COVENANTS**

4.1 **Representations, Warranties and Covenants of Rektron CA.** Rektron CA represents and warrants as at the date of this Agreement to and in favour of Rektron UK and Callan and Nile Flow as follows, and acknowledges that Rektron UK and Callan and Nile Flow is relying upon such representations and warranties in connection with the completion of the Transaction contemplated herein:

- (a) Rektron CA is a corporation duly incorporated under the laws of its jurisdiction of incorporation;
- (b) Rektron CA is a not “reporting issuer” and is not subject to any regulatory decision or order prohibiting or restricting trading of any of its securities;
- (c) Rektron CA has the requisite power, capacity and authority to enter into this Agreement on the terms and conditions herein set forth;
- (d) it has all requisite corporate power and capacity under the laws of its incorporation and authority to issue the Consideration Shares to Callan and Nile Flow and, once issued, the Consideration Shares will be validly issued as fully paid and non-assessable;
- (e) the Purchaser is qualified to do business in those jurisdictions where it is necessary to fulfill its obligations under this Agreement, and it has the full power and authority to

enter into this Agreement and any agreement or instrument referred to or contemplated by this Agreement;

- (f) the execution and delivery of this Agreement and the agreements contemplated hereby has been duly authorized by all necessary corporate action on its part;
- (g) there are no other consents, approvals or conditions precedent to the performance of this Agreement which have not been obtained;
- (h) this Agreement constitutes a legal, valid and binding obligation of Rektron CA enforceable against Rektron CA in accordance with its terms, except as enforcement may be limited by laws of general application affecting the rights of creditors;
- (i) no proceedings are pending for, and Rektron CA is unaware of, any basis for the institution of any proceedings leading to the dissolution or winding up of Rektron CA or the placing of Rektron CA in bankruptcy or subject to any other laws governing the affairs of insolvent companies; and
- (j) there is no basis for and there are no actions, suits, judgments, investigations or proceedings outstanding or pending or, to the best of the knowledge, information and belief of the Purchaser, after making due inquiry, threatened against or affecting the Purchaser at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau or agency.

4.2 **Representations, Warranties and Covenants of Callan and Nile Flow.** Callan and Nile Flow represent and warrant as at the date of this Agreement to and in favour of Rektron CA as follows, and acknowledges that Rektron CA is relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) this Agreement constitutes a legal, valid and binding obligation of Callan and Nile Flow enforceable against Callan and Nile Flow in accordance with its terms, except as enforcement may be limited by laws of general application affecting the rights of creditors;
- (b) Callan and Nile Flow have good and marketable title to and are the legal and beneficial owners of the Ordinary Shares set out beside its name in Schedule "A", and the Ordinary Shares are fully paid and non-assessable and are free and clear of liens, charges, encumbrances, pledges, mortgages and adverse claims of any and all nature whatsoever and including, without limitation, options, pre-emptive rights and other rights of acquisition in favour of any person, whether conditional or absolute;
- (c) Callan and Nile Flow have the power and capacity to own and dispose of the Ordinary Shares, and the Ordinary Shares are not subject to any voting or similar arrangement or right capable of becoming an agreement for the purchase of any of the Ordinary Shares;
- (d) Callan and Nile Flow acknowledge that the Consideration Shares will be issued under certain exemptions from the registration and prospectus filing requirements otherwise applicable under the B.C. Securities Act, and all applicable securities laws, and that, as a result, Callan and Nile Flow may be restricted from using most of the remedies that



would otherwise be available to Callan and Nile Flow, Callan and Nile Flow will not receive information that would otherwise be required to be provided to Callan and Nile Flow and Rektron CA is relieved from certain obligations that would otherwise apply to Rektron CA, in either case, under applicable securities legislation;

- (e) Callan and Nile Flow realize that the sale of the Ordinary Shares in exchange for the Consideration Shares will be a highly speculative investment and Callan and Nile Flow should be able, without impairing Callan and Nile Flow's financial condition, to hold the Consideration Shares for an indefinite period of time and to suffer a complete loss on such investment. In addition, Callan and Nile Flow have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the prospective investment;
- (f) Callan and Nile Flow acknowledge that:
  - (i) the transfer of the Ordinary Shares and the issuance of the Consideration Shares in exchange for such Ordinary Shares will be made pursuant to appropriate exemptions from the formal take-over bid and prospectus requirements of the B.C. Securities Act;
  - (ii) as a consequence of acquiring the Consideration Shares pursuant to the foregoing exemptions:
    - (A) Callan and Nile Flow are restricted from using certain civil remedies available under applicable securities laws;
    - (B) Callan and Nile Flow may not receive information that might otherwise be required to be provided to Callan and Nile Flow, and Rektron CA is relieved from certain obligations that would otherwise apply if the exemptions were not being relied upon by Rektron CA;
    - (C) there is no government or other insurance covering the Consideration Shares;
    - (D) there are risks associated with the acquisition of the Consideration Shares; and
    - (E) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Consideration Shares.

4.3 **Representations, Warranties and Covenants of Rektron UK.** Rektron UK represents and warrants as at the date of this Agreement to and in favour of Rektron CA as follows, and acknowledges that Rektron CA is relying upon such representations and warranties in connection with the completion of the transactions contemplated herein:

- (a) Rektron UK is duly incorporated under the laws of its jurisdiction of incorporation, is validly existing and in good standing with respect to all statutory filings required by applicable corporate law;

- (b) Rektron UK has the requisite power, authority and capacity to carry on its business as presently conducted by it;
- (c) the execution and delivery of this Agreement and the agreements contemplated hereby have been duly authorized by all necessary action, corporate or otherwise;
- (d) there are no other consents, approvals or conditions precedent to the performance of this Agreement which have not been obtained;
- (e) this Agreement constitutes a legal, valid and binding obligation of Rektron UK, enforceable against Rektron UK in accordance with its terms, except as enforcement may be limited by laws of general application affecting the rights of creditors;
- (f) no proceedings are pending for, and Rektron UK is unaware of, any basis for the institution of any proceedings leading to the dissolution or winding up of Rektron UK, or the placing of it in bankruptcy or subject to any other laws governing the affairs of insolvent companies or persons;
- (g) to the actual knowledge, information and belief of Rektron UK, the making of this Agreement and the completion of the transactions contemplated hereby and the performance of and compliance with the terms hereof does not and will not:
  - (i) conflict with or result in a breach of or violate any of the terms, conditions or provisions of Rektron UK's constating documents;
  - (ii) conflict with or result in a breach of or violate any of the terms, conditions or provisions of any law, judgment, order, injunction, decree, regulation or ruling of any court or governmental authority, domestic or foreign, to which Rektron UK is subject, or constitute or result in a default under any agreement, contract or commitment to which Rektron UK is a party;
  - (iii) give to any party the right of termination, cancellation or acceleration in or with respect to any agreement, contract or commitment to which Rektron UK is a party;
  - (iv) give to any government or governmental authority, including any governmental department, commission, bureau, board or administrative agency, any right of termination, cancellation or suspension of, or constitute a breach of or result in a default under, any permit, license, control or authority issued to Rektron UK which is necessary or desirable in connection with the conduct and operations of Rektron UK's business and the ownership of its assets; or
  - (v) constitute a default by Rektron UK, or any event which, with the giving of notice or lapse of time or both, might constitute an event of default, under any agreement, contract, indenture or other instrument relating to any indebtedness of Rektron UK which would give any party to that agreement, contract, indenture or other instrument the right to accelerate the maturity for the payment of any amount payable under that agreement, contract, indenture or other instrument;
- (h) Rektron UK is not aware of any fact or circumstance which has not been disclosed to

Rektron CA which should be disclosed in order to prevent the representations and warranties contained in this section from being misleading or which would likely affect the decision of Rektron CA to enter into this Agreement.

4.4 **Representations, Warranties and Covenants of Rektron UK with respect to the Ordinary Shares.** In order to induce Rektron CA to enter into and consummate this Agreement, Rektron UK hereby represents to, warrants to and covenants with Rektron CA, with the intent that Rektron CA will also rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief Rektron CA, after having made due inquiry:

- (a) the presently authorized and issued share capital of Rektron UK is as described in Schedule "A" which is attached hereto and which forms a material part hereof, and there are no other shares in the capital of Rektron UK, issued or allotted or agreed to be issued or allotted, to any person;
- (b) there are no actions, suits, proceedings or investigations (whether or not purportedly against or on behalf of Rektron CA or Rektron UK), pending or threatened, which may affect, without limitation, the rights of Rektron UK to transfer any of the Ordinary Shares to Rektron CA at law or in equity, or before or by any federal, state, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, and, without limiting the generality of the foregoing, there are no claims or potential claims under any relevant family relations legislation or other equivalent legislation affecting the Ordinary Shares. In addition, Rektron UK is not now aware of any existing ground on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success;
- (c) no other person, firm or corporation has any agreement, option or any unissued shares in the capital of Rektron UK and from the Effective Date up to and including the Closing Date and the Company has not committed to making, and until the Closing Date will not make or commit itself, without the written consent of Rektron CA, to provide any person with any agreement, option or right, consensual or arising by law, present or future, contingent or absolute, or capable of becoming an agreement, option or right to require Rektron UK to issue any further or other shares in its share capital, or any other security convertible or exchangeable into shares in its share capital, or to convert or exchange any securities into or for shares in its share capital; and
- (d) Rektron UK is not aware of any fact or circumstance which has not been disclosed to Rektron CA which should be disclosed in order to prevent the representations and warranties contained in this section from being misleading or which would likely affect the decision of Rektron CA to enter into this Agreement.

## **ARTICLE 5 CONDITIONS TO CLOSING**

5.1 **Parties' conditions precedent.** All of the rights, duties and obligations of each of the Parties under this Agreement are subject to the following conditions precedent for the exclusive benefit of each of the Parties to be fulfilled in all material aspects in the reasonable opinion of each of the Parties or to be waived by each or any of the Parties, as the case may be, as soon as possible after the Effective Date:

- (a) if required under applicable corporate and securities laws, the receipt of all necessary approvals from any Regulatory Authority having jurisdiction over the transactions contemplated by this Agreement on or before the Closing Date; and
- (b) the Board of Rektron CA approving of the issuance by Rektron CA to the order and direction of Rektron UK of all of the Consideration Shares in accordance with section 2.2 hereinabove and, in addition, the Board of Rektron CA, if required, having also approved and received any required notice of such other matters as may be agreed to as between the Parties prior the completion of the transactions contemplated by the Agreement.

5.2 **Parties' waiver of conditions precedent.** The conditions precedent set forth in section 5.1 hereinabove are for the exclusive benefit of each of the Parties and may be waived by each or any of the Parties in writing and in whole or in part at any time, such waiver being without prejudice to any other rights that each Party may have.

5.3 **Callan, Nile Flow and Rektron UK's conditions precedent.** The rights, duties and obligations of Callan, Nile Flow and Rektron UK's under this Agreement are also subject to the following conditions precedent for the exclusive benefit of Callan, Nile Flow and Rektron UK's to be fulfilled in all material aspects in the reasonable opinion of the Callan, Nile Flow and Rektron UK's or to be waived by each or any of Callan, Nile Flow and Rektron UK's as soon as possible after the Effective Date:

- (a) Rektron CA shall have complied with all warranties, representations, covenants and agreements herein agreed to be performed or caused to be performed by Rektron CA on or before the Closing Date as the case may be;
- (b) Rektron CA shall have complied with all applicable securities laws in connection with the issuance of the Consideration Shares to Callan and Nile Flow on or before the Closing Date;
- (c) Rektron CA will have obtained all authorizations, approvals, or waivers that may be necessary or desirable in connection with the transactions contemplated in this Agreement, and have made all filings with, any and all Regulatory Authorities required to be made in connection with the transactions contemplated herein, and all such authorizations, approvals and other actions will be in full force and effect, and all such filings will have been accepted by Rektron CA who will be in compliance with, and have not committed any breach of, any securities laws, regulations or policies of any Regulatory Authority to which Rektron CA may be subject; and
- (d) no action or proceeding at law or in equity shall be pending or threatened by any person, company, firm, governmental authority, regulatory body or agency to enjoin or prohibit:
  - (i) the purchase or transfer of any of the Ordinary Shares contemplated by this Agreement or the right of Callan and Nile Flow to dispose of any of the Ordinary Shares; or
  - (ii) the right of Rektron CA to conduct its operations and carry on, in the normal

course, its business and operations as it has carried on in the past.

5.4 **Callan, Nile Flow and Rektron UK's waiver of conditions precedent.** The conditions precedent set forth in section 5.3 hereinabove are for the exclusive benefit of Callan, Nile Flow and Rektron UK and may be waived by each of Callan, Nile Flow and Rektron UK in writing and in whole or in part at any time after the Effective Date, such waiver being without prejudice to any other rights that such Party may have.

5.5 **Rektron CA's conditions precedent.** The rights, duties and obligations of Rektron CA under this Agreement are also subject to the following conditions precedent for the exclusive benefit of Rektron CA to be fulfilled in all material aspects in the reasonable opinion of Rektron CA or to be waived by Rektron CA as soon as possible after the Effective Date:

- (a) Callan, Nile Flow and Rektron UK will have complied with all warranties, representations, covenants and agreements herein agreed to be performed or caused to be performed by Callan, Nile Flow and Rektron UK on or before the Closing Date;
- (b) Callan, Nile Flow and Rektron UK will have obtained all authorizations, approvals or waivers that may be necessary or desirable in connection with the transactions contemplated in this Agreement, and have made all filings with, any and all Regulatory Authorities from whom any such authorization, approval or other action is required to be obtained or to be made in connection with the transactions contemplated herein, and all such authorizations, approvals and other actions will be in full force and effect, and all such filings will have been accepted by Callan, Nile Flow and Rektron UK who will be in compliance with, and have not committed any breach of, any securities laws, regulations or policies of any Regulatory Authority to which Callan, Nile Flow and Rektron UK may be subject;
- (c) no action or proceeding at law or in equity shall be pending or threatened by any person, company, firm, governmental authority, regulatory body or agency to enjoin or prohibit:
  - (i) the purchase or transfer of any of the Consideration Shares contemplated by this Agreement or the right of Callan and Nile Flow to dispose of any of the Ordinary Shares; or
  - (ii) the right of Rektron UK to conduct its operations and carry on, in the normal course, its business and operations as it has carried on in the past;
- (d) the delivery to Rektron CA by Callan, Nile Flow and Rektron UK, on a confidential basis, of all Business Documentation; and
- (e) Callan and Nile Flow will execute and deliver such other instruments or documents and take such further action as may reasonably be required by Rektron CA to give effect to any matter provided for therein.

5.6 **Rektron CA's waiver of conditions precedent.** The conditions precedent set forth in section 5.5 hereinabove are for the exclusive benefit of Rektron CA and may be waived by Rektron CA in writing and in whole or in part at any time after the Effective Date, such waiver being without prejudice to any other rights that such Party may have.

**ARTICLE 6**  
**AMENDMENT AND TERMINATION OF AGREEMENT**

6.1 **Amendment.** This Agreement may, at any time and from time to time, be amended by written agreement of the Parties hereto without, subject to applicable law, further notice to or authorization on the part of their respective shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties hereto;
- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties hereto; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment shall change the provisions hereof regarding the consideration to be received by Callan and Nile Flow and by Rektron CA given in the same manner as required for the approval of the Transaction.

6.2 **Rights of Termination.** In addition to the foregoing it is hereby acknowledged and agreed by the Parties that this Agreement will be immediately terminated, unless otherwise extended in accordance with section 6.1 herein above, in the event that:

- (a) either of the Parties has not either satisfied or waived each of their respective conditions precedent prior to the Closing Date, in accordance with the provisions of Article 5 herein above;
- (b) either of the Parties has failed to deliver or caused to be delivered any of their respective documents required to be delivered by Articles 5 and 6 herein prior to the Closing Date in accordance with the provisions of Articles 5 and 6; or
- (c) by agreement in writing by each of the Parties.

6.3 **Approval of Termination.** The termination of this Agreement, whether unilateral as provided hereunder or by mutual agreement, is not subject to any approval on the part of Callan and Nile Flow and Rektron CA.

**ARTICLE 7**  
**GENERAL**

7.1 **Exclusivity.** Until the earlier of the Termination Date and the Closing Date, (a) the Parties shall, and shall cause their respective directors, officers, employees, service providers, agents, attorneys, advisors or other representatives to, directly or indirectly, deal exclusively with the the other Party with respect to the Transaction and (b) the Parties shall not, and shall cause their respective directors, officers, employees, service providers, agents, attorneys, advisors or other representatives not to, directly or indirectly (i) solicit, initiate,

entertain, discuss or consider any other offers, enquiries or proposals relating to the acquisition or disposition of that Party's shares or assets, whether by way of sale, amalgamation, merger, partnership, arrangement or otherwise (except, with respect to assets, in the normal course), or (ii) enter into any contract or continue any action with respect to the foregoing.

7.2 **Confidentiality & Public Notices.** Except where compliance with this subsection would result in a breach of applicable law, notices, releases, statements and communications to Third Parties, including employees of the Parties and the press, relating to transactions contemplated by this Agreement will be made only in such manner as shall be authorized and approved by Callan, Nile Flow and Rektron UK who, when required, shall use its commercially reasonable efforts to provide such authorization and approval to Rektron CA in a timely manner as shall permit compliance with all continuous disclosure to any regulatory authority or obligations under any applicable securities regulations. Rektron CA and Callan and Nile Flow, and Rektron UK shall maintain the confidentiality of any information received from each other in connection with the transactions contemplated by this Agreement. In the event that the Transaction is not consummated, each Party shall return any confidential schedules, documents or other written information to the Party who provided same in connection with this Agreement. Each Party agrees that it will not, directly or indirectly, make use for its own purposes of any information or confidential data relating to the other Party that the other Party makes available to it, its representatives and accountants. Each Party agrees that it will not disclose, divulge or communicate orally, in writing or otherwise (directly or indirectly), any such information or confidential data to any other Person.

7.3 **Notices.** All notices or other communications required to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery, by registered mail or by transmittal by electronic communication addressed to the recipient as follows:

**To: REKTRON GROUP INC.**

Suite 406, 5307 Victoria Drive  
Vancouver, British Columbia  
V5P 3V6  
Attention: Ricardo Phielix  
Email: [REDACTED]

**with a copy to:**

Attention: Manny Battencourt  
Email: [REDACTED]

**To: REKTRON AQ LIMITED**

120 New Cavendish Street,  
London, England,  
W1W 6XX  
Attention Moises Michan Portillo  
Email: [REDACTED]

**To: CALLAN PARTNERS LIMITED**

29 Cunard Court  
Brightwen Grove, Stanmore  
HA7 4WY, United Kingdom  
Attention: Sanjeev Shah Tolia  
E-mail: [REDACTED]

**To: NILE FLOW LTD.**

5-9 Main Street,  
GX11 1AA, Gibraltar  
Attention: Swapnil Mokashi (receiving for) Tanya Hurtado acting on behalf of Abacus  
(Gibraltar) Limited  
E-mail: [REDACTED]

or to such other addresses or individuals as may be designated by notice given by either Party to the other. Any such communication given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof and, if given by registered mail, on the fifth Business Day following the deposit thereof in the mail and, if given by email, shall be deemed given and received on the date of such transmission if received during the normal business hours of the recipient and on the next Business Day if it is received after the end of such normal business hours on the date of its transmission. If the Party giving any such communication knows or ought reasonably to know of any difficulties with the postal system which might affect the delivery of mail, any such communication shall not be mailed but shall be given by personal delivery or email.

- 7.4 **Expenses.** Except as otherwise provided herein, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such expenses.
- 7.5 **Time of the Essence.** Time shall be of the essence hereof.
- 7.6 **Further Assurances.** The parties hereto shall with reasonable diligence do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated hereby, and each Party shall execute and deliver such further documents, instruments, papers and information as may be reasonably requested by the other Party in order to carry out the purpose and intent of this Agreement.
- 7.7 **Law and Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein. The parties hereby attorn to the jurisdiction of the Courts of British Columbia in any dispute that may arise hereunder.
- 7.8 **Good Faith.** Rektron CA, Rektron UK, Callan and Nile Flow agree to perform or cause to be performed all such acts and deeds as may be required to give full force and effect to the terms and provisions set out herein and to cooperate with each other and each other's



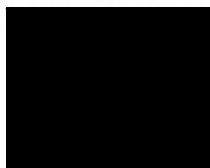
counsel and other professional advisors in the preparation, execution and delivery of any and all documents or instruments necessary to give full force and effect to the terms and provisions set out herein and in any other documents required to give effect hereto.

- 7.9 **Counterparts.** For the convenience of the parties, this Agreement may be executed in several counterparts, each of which when so executed shall be, and be deemed to be, an original instrument and such counterparts together shall constitute one and the same instrument (and notwithstanding their date of execution shall be deemed to bear date as of the date of this Agreement). A signed facsimile, portable document format (PDF) or telecopied copy of this Agreement shall be effective and valid proof of execution and delivery.
- 7.10 **Entire Agreement.** This Agreement, including the Schedules attached hereto, together with the agreements and other documents to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof except as specifically set forth herein and therein. This Agreement may not be amended or modified in any respect except by written instrument signed by all parties.
- 7.11 **Severability.** The invalidity or unenforceability of any provision of this Agreement or any covenant herein contained shall not affect the validity or enforceability of any other provision or covenant hereof or herein and this Agreement shall be construed as if such invalid or unenforceable provision or covenant were omitted.
- 7.12 **Enurement.** This Agreement shall be binding upon and shall inure to the benefit of and be enforceable by the successors and permitted assigns of the parties hereto.
- 7.13 **Waivers.** The parties hereto may, by written agreement (i) extend the time for the performance of any of the obligations or other acts of the parties hereto, (ii) waive any inaccuracies in the warranties, representations, covenants or other undertakings contained in this Agreement or in any document or certificate delivered pursuant to this agreement, or (iii) waive compliance with or modify any of the warranties, representations, covenants or other undertakings or obligations contained in this Agreement and waive or modify performance by any of the parties thereto.
- 7.14 **Form of Documents.** All documents to be executed and delivered by Rektron UK, Callan and Nile Flow to Rektron CA on the Closing Date shall be in form and substance satisfactory to Rektron CA acting reasonably. All documents to be executed and delivered by Rektron CA to Rektron UK, Callan and Nile Flow on the Closing Date shall be in a form and substance satisfactory to Rektron UK, Callan and Nile Flow, acting reasonably.
- 7.15 **Construction Clause.** This Agreement has been negotiated and approved by counsel on behalf of all hereto and, notwithstanding any rule or maxim of construction to the contrary, any ambiguity or uncertainty to be construed against any party hereto by reason of the authorship of any of the provisions hereof.

***[Signature page follows]***

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date first written above.

**CALLAN PARTNERS LIMITED**



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Name: Sanjeev Shah Tolia  
Title: Director  
I have authority to bind the corporation.

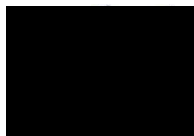
**NILE FLOW LTD.**



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Name: Tanya Hurtado  
Title: acting on behalf of Abacus (Gibraltar) Limited  
I have authority to bind the corporation.

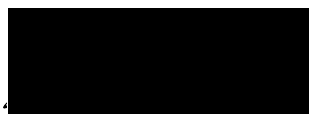
**REKTRON GROUP INC.**



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Name: Ricardo Phielix  
Title: Chief Executive Officer and President  
I have authority to bind the corporation.

**REKTRON AQ LIMITED**



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Name: Moises Michan Portillo  
Title: Director  
I have authority to bind the corporation.

**SCHEDULE "A" - DESCRIPTION OF THE SHARE CAPITAL OF REKTRON UK**

<b>Name of Shareholder</b>	<b>Number of Ordinary Shares</b>	<b>Percentage of Ordinary Shares Held</b>
Callan Partners Limited	33,376,032	45%
Nile Flow Limited	40,792,928	55%

Total: 74,168,960 Ordinary Shares.

**SCHEDULE "B" - DESCRIPTION OF THE SHARE CAPITAL OF REKTRON CA**

<b>Name of Shareholder</b>	<b>Number of Common Shares</b>	<b>Percentage of Common Shares Held</b>
Callan Partners Limited	45	45%
Nile Flow Limited	55	55%

Total: 100 Common Shares.