

AGENCY AGREEMENT

September 20, 2018

CNX Holdings Inc.
20 Richmond Street East,
Suite 600
Toronto, Ontario M5C 2R9

Theia Resources Ltd.
[Redacted]

Dear Sirs/Mesdames:

Eight Capital (the “**Lead Agent**”) and Industrial Alliance Securities Inc. (together with the Lead Agent, the “**Agents**”) understand that CNX Holdings Inc., a corporation organized under the laws of Ontario (the “**Corporation**”), proposes to issue and sell an aggregate of up to 4,515,717 subscription receipts of the Corporation (each, a “**Subscription Receipt**” and collectively, the “**Subscription Receipts**”) at a price of \$1.50 per Subscription Receipt (the “**Offering Price**”) for aggregate proceeds of up to \$6,773,575.50 (the “**Offering**”). The Lead Agent and the Corporation agree that (i) up to 2,900,820 Class A common shares in the capital of the Corporation (“**Class A Shares**”) may be allocated and sold to certain subscribers on a president’s list (the “**President’s List**”) and (ii) select investors, as agreed to by the Lead Agent and the Corporation in writing, are excluded from the Agents’ services under this Agreement (the “**Excluded Subscribers**”). The Lead Agent also acknowledges and agrees that prior to this Offering, the Corporation has completed a non-brokered private placement (the “**Non-Brokered Offering**”) of 19,250,130 Class A Shares at a price of \$1.50 per such share.

The Corporation has also granted the Agents an option (the “**Agents’ Option**”), exercisable by the Agents in their sole discretion and without obligation, to offer for sale up to an additional 8,000,000 Subscription Receipts. The Agents’ Option shall be exercisable by the Lead Agent (on behalf of the Agents) at any time up to 48 hours prior to the Closing Date (as defined herein), after which time the Agents’ Option shall be void and of no further force and effect. If exercised, any Subscription Receipts issued upon exercise of the Agents’ Option shall be deemed to form part of the Offering for the purposes hereof. Unless the context otherwise requires, all references to the “Offering” and “Subscription Receipts” shall include any securities issued or issuable in connection with the exercise of the Agents’ Option.

Each Subscription Receipt entitles the holder thereof to receive, upon satisfaction of the Escrow Release Conditions (as defined herein) on or before the Termination Time (as defined herein) on the Escrow Deadline (as defined herein), and without payment of additional consideration or further action, one (1) Class A Share (a “**Subscription Share**”) which shall be exchanged, without further consideration, for one (1) common share (a “**Theia Share**”), which Theia Shares will, prior to issuance, be consolidated on the basis of 10 pre-consolidation Theia Shares for one post-consolidation Theia Share, in the capital of Theia Resources Ltd. (“**Theia**”), a company incorporated under the laws of the Province of British Columbia, pursuant to the Amalgamation Agreement (as defined herein), subject to adjustment as provided in the subscription receipt agreement (the “**Subscription Receipt Agreement**”) dated as of the date hereof and entered into between the Corporation, the Lead Agent and Odyssey Trust Company (“**Odyssey**”), as registrar and transfer agent for

the subscription receipts and escrow agent (the “**Subscription Receipt and Escrow Agent**”) in respect of the Escrowed Funds (as defined herein).

As used in this Agreement, “**Offered Securities**” means the Subscription Receipts and Subscription Shares, collectively or individually, as the context requires.

The Subscription Receipts will be deemed to be converted into Subscription Shares provided the Escrow Release Conditions have been satisfied on or before the Termination Time (as defined herein) on the Escrow Deadline (as defined herein), in accordance with the Subscription Receipt Agreement, such that each holder of Subscription Receipts will receive such number of Subscription Shares to which such holder is entitled.

The Offering is being conducted in connection with a reverse takeover (the “**Reverse Takeover**”) of Theia by the Corporation. In connection with the Reverse Takeover, the Corporation has entered into an agreement dated June 29, 2018 (the “**Amalgamation Agreement**”) with Theia, and Flower One Corp., a corporation incorporated under the laws of Ontario and a wholly-owned subsidiary of Theia (“**Subco**”), pursuant to which, subject to the satisfaction of various conditions including shareholder and regulatory approvals, among others, the Corporation will amalgamate with Subco under the *Business Corporations Act* (Ontario) (the “**Act**”) and the amalgamated entity will become a direct wholly-owned subsidiary of Theia (the “**Amalgamation**”). As part of the Amalgamation, Theia will, subject to the receipt of all regulatory approvals, including the Canadian Securities Exchange (the “**CSE**”), upon which the Theia Shares will be listed following the Closing Date (as defined below), acquire all of the issued and outstanding Class A Shares (including the Subscription Shares issuable upon conversion of the Subscription Receipts) and Class B common shares in the capital of the Corporation, (the “**Class B Shares**” and together with the Class A Shares, the “**Common Shares**”), being 100% of the then issued and outstanding Common Shares. As consideration for the Common Shares, Theia will issue on a one for one basis, approximately 169,787,504 Theia Shares (the “**Resulting Issuer Shares**”). As used in this Agreement, “**Reverse Takeover**” means, collectively, the completion of the Amalgamation and the issuance of the Resulting Issuer Shares.

Subject to the terms and conditions set forth below, the Corporation hereby appoints the Agents as the exclusive agents of the Corporation to offer the Subscription Receipts for sale in the percentages set out in Section 1(i) on a “best efforts” private placement basis, without underwriting liability, and the Agents hereby agree to act in such capacity. The Corporation agrees that the Agents are under no obligation to purchase any of the Subscription Receipts but may purchase Subscription Receipts if desired.

Terms and Conditions

The terms and conditions relating to the purchase and sale of the Subscription Receipts are as follows:

Section 1 Offering.

- (a) The Agents shall offer on behalf of the Corporation the Subscription Receipts for sale directly by the Corporation on a private placement basis to purchasers (the “**Purchasers**”) who meet the following criteria: (i) Purchasers who are “accredited investors” in the provinces of Canada (the “**Canadian Offering Jurisdictions**”), (ii) Purchasers in the United States (as such term

is defined in Regulation S under the U.S. Securities Act, the “**United States**”) (the “**U.S. Jurisdiction**”) who are “qualified institutional buyers” as defined in Rule 144(a)(1) under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) that also qualify as Accredited Investors (as defined below), or institutional “accredited investors” that satisfy one or more of the criteria set forth in Rule 501(a)(1), (2), (3) or (7) of Regulation D (collectively, “**Accredited Investors**”) under the U.S. Securities Act, pursuant to available exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws, and (iii) Purchasers in such other jurisdictions outside of Canada and the United States in which the Subscription Receipts may be lawfully offered for sale (collectively, together with the Canadian Offering Jurisdictions and the U.S. Jurisdiction, the “**Offering Jurisdictions**”), provided that the sale to such Purchasers will not require registration thereof or filing of a prospectus, registration statement or similar disclosure document or impose on the Corporation or Theia continuous reporting obligations under applicable securities legislation of the Offering Jurisdictions, all in compliance with all such applicable securities legislation.

- (b) The Corporation and the Agents propose to offer and sell the Subscription Receipts in the U.S. Jurisdiction and to, or for the account or benefit of, persons in the United States or U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act, “**U.S. Persons**”) either directly in accordance with Rule 15a-6 under the United States Securities Exchange Act of 1934, as amended (the “**U.S. Exchange Act**”), or through the registered U.S. broker-dealer affiliate of the Lead Agent (the “**U.S. Affiliate**”), in compliance with the exemption from the registration requirements of Rule 506(b) of Regulation D under the U.S. Securities Act, all in the manner contemplated by this Agreement.
- (c) Each of the Corporation and Theia will give the Lead Agent the opportunity to review and comment on any press releases relating to the Offering prior to release. Any press release relating to the Offering shall be in form and content agreed to by the Lead Agent acting reasonably. As the Subscription Receipts may be offered in the United States and to, or for the account or benefit of, persons in the United States or U.S. Persons, any press release issued by the Corporation or Theia concerning the Offering shall contain language substantially similar to the following: (i) “**NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE U.S.**” and (ii) “**The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, or any state securities law, and may not be offered or sold in the United States or to, or for the account or benefit of, persons in the United States or U.S. Persons absent registration or an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.**” Notwithstanding the foregoing, this subsection 1(c) shall not be interpreted so as to prevent any party from complying with the continuous disclosure requirements under applicable law or regulation.

The Corporation will pay the Agents a cash commission (the “**Commission**”) equal to seven percent (7%) of the gross proceeds of the Offering (other than for sales under the President’s List for which the Commission payable by the Corporation will be equal to three percent (3.0%) and other than for sales to Excluded Subscribers), fifty percent (50%) of which shall be deducted from the gross proceeds of the Offering on the Closing Date and deemed to be delivered to the Agents and fifty percent (50%) of which shall be included in the Escrowed Funds to be held in escrow in accordance with the terms of the Subscription Receipt Agreement. In addition, the Corporation will issue to the Agents on the Closing Date Class A Shares (the “**Compensation Shares**”), equal to three and one half percent (3.5%) of the number of Subscription Receipts sold pursuant to the Offering (other than for sales under the President’s List for which the Compensation Shares to be received by the Agents will be one and three quarters percent (1.75%) and other than for sales to Excluded Subscribers). The Commission is to be paid and the Compensation Shares are to be issued by the Corporation in consideration for the services rendered by the Agents in connection with the Offering, which services shall include:

- (i) acting as agents of the Corporation to offer for sale by way of private placement, on a best efforts private placement basis, without underwriting liability, the Offered Securities;
 - (ii) assisting in the preparation of the forms of Subscription Agreements (defined below) to be entered into by the Corporation and each of the Purchasers; and
 - (iii) advising the Corporation with respect to the Offering.
- (d) Theia hereby expressly acknowledges and agrees to perform its covenants and obligations under this Agreement to issue, in accordance with this Agreement and the Amalgamation Agreement, Resulting Issuer Shares:
- (i) upon the Amalgamation between Subco and the Corporation and the deemed conversion of the Subscription Receipts into Subscription Shares upon satisfaction of the Escrow Release Conditions; and
 - (ii) in exchange for the Compensation Shares in accordance with the terms of the Amalgamation Agreement.
- (e) Other than the Compensation Shares, the Commission and the Expenses (as defined herein), and other than set out in the fiscal advisory agreement dated the date hereof between the Lead Agent and the Corporation (the “**Advisory Agreement**”), the Agents shall not be entitled to any additional compensation in respect of the Offering or the supplementary services related thereto.
- (f) The Agents acknowledge that none of the Compensation Shares, the Subscription Receipts, the Subscription Shares or the Resulting Issuer Shares issuable in connection with the Reverse Takeover in exchange therefor have been registered under the U.S. Securities Act or the securities laws of any state of the United States. In connection with the issuance of the

Compensation Shares and any Resulting Issuer Shares to the Agents in connection with the Reverse Takeover, each of the Agents represents, warrants and covenants that: (i) it is acquiring the Compensation Shares and any Resulting Issuer Shares issuable in connection with the Reverse Takeover in exchange for the Compensation Shares as principal for its own account and not for the benefit of any other person and it is an “accredited investor” within the meaning of National Instrument 45-106 – *Prospectus Exemptions*; (ii) it is not a U.S. Person and is not acquiring the Compensation Shares or any Resulting Issuer Shares issuable in exchange for the Compensation Shares in connection with the Reverse Takeover in the United States, or on behalf of a U.S. Person or a person in the United States; and (iii) this Agreement was executed and delivered outside the United States.

- (g) Each of the Agents covenants, represents and warrants to the Corporation and Theia and acknowledges that the Corporation and Theia are relying on such representations, warranties and covenants that: (i) it will comply with all applicable securities legislation of each Offering Jurisdiction in which it acts as agent of the Corporation in connection with the Offering; (ii) it will not offer or sell Offered Securities in a manner so as to require registration thereof or filing of a prospectus with respect thereto or the provision of a contractual right of action (as defined in the Ontario Securities Commission Rule 14-501 – *Definitions*) under the laws of any jurisdiction including, without limitation, the United States; (iii) the Agents will obtain from each Purchaser an executed agreement for the Subscription Receipts (each a “**Subscription Agreement**”) in the form agreed upon by the Agents and the Corporation to be provided to the Purchasers in their respective Offering Jurisdiction, which shall include executed versions of all related Schedules, Annexes and Certificates, as applicable; (iv) the Agents and their representatives have not engaged in or authorized, and will not engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Offered Securities in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or otherwise or conducted any seminar or meeting concerning the offer or sale of the Offered Securities whose attendees have been invited by any general solicitation or general advertising; and (v) it is and will be, at the Closing Date (as defined herein), duly registered under the applicable securities laws under a category that permits it to sell the Offered Securities in the Offering Jurisdictions.
- (h) If, at the Closing Date, the terms and conditions herein have been complied with to the satisfaction of the Agents, acting reasonably, or waived by the Agents, the Agents will deliver to the Corporation all completed Subscription Agreements, and:
- (i) in the case of Purchasers other than those specified in Section 1(h)(ii) below, the Agents will deliver to the Subscription Receipt and Escrow Agent the Escrowed Funds which shall be held in escrow in accordance with the Subscription Receipt Agreement, against delivery by the Corporation of the Subscription Receipts, non-certificated electronic deposit with CDS, or

- (ii) in the case of Purchasers that are U.S. Institutional Accredited Investors who are not otherwise Qualified Institutional Buyers and certain other investors, the Agents, together with the Corporation, will cause Fasken Martineau DuMoulin LLP, Canadian counsel to the Corporation (“**Fasken**”), acting as the receiver of the subscription proceeds from the Purchasers specified in this Section 1(h)(ii) (the “**Direct Settlement Funds**”) pursuant to a joint direction from the Lead Agent and the Corporation in a form satisfactory to the Corporation and the Lead Agent, to deliver to the Subscription Receipt and Escrow Agent the Direct Settlement Funds less fifty percent (50%) of the advisory fee payable under the Advisory Agreement, against deposit of physical certificates by the Corporation of the Subscription Receipts (or such other evidence of issue of the Subscription Receipts as the Lead Agent and the Corporation may agree) directed by the Agents,

and such other documentation as may be requested by the Agents, acting reasonably. On the Closing Date, the Corporation will also pay fifty percent (50%) of the Commission and any Expenses accrued up to and including the Closing Date and deliver the Compensation Shares to the Agents.

- (i) The Commission shall be divided among the Agents *pro rata* based on the percentages set forth opposite each Agent’s name below:

Eight Capital	75%
Industrial Alliance Securities Inc.	25%
Total	100%

- (j) If, in the opinion of the Agents, it is necessary or desirable, the Agents will form, manage and participate in a group of sub-agents to offer the Offered Securities as provided for hereunder, provided that the Agents shall at all times lead and manage the Offering. The Agents will be permitted to appoint other registered dealers (or other dealers qualified in their respective jurisdictions), each of which shall be appropriately registered or authorized under the applicable securities laws of the Offering Jurisdictions in which such sub-agent offers and sells the Offered Securities so as to permit it to lawfully offer the Offered Securities in such jurisdiction, as their agents, to assist in the Offering. The Agents may determine the remuneration payable by the Agents to such other dealers appointed by them as an allocation of such portion of the Commission as the Agents so determine, provided that such remuneration shall not in any way increase the aggregate Commission payable to the Agents by the Corporation under this Agreement and any such dealers receiving Compensation Shares or any securities issuable in connection with the Reverse Takeover shall be deemed to make all acknowledgments, representations, warranties and covenants of the Agents set forth in Section 1(f) and (g) of this Agreement. In the event that a selling group is formed, the Agents shall have the exclusive right to select syndicate members and to control syndicate arrangements. The Agents shall use their commercially reasonable efforts to ensure that any such sub-agents

appointed pursuant to the provisions of this Section 1(j) or with whom the Agents have a contractual relationship with respect to the Offering, if any, shall comply with the obligations of the Agents set out herein. The Agents will be responsible for the actions or omissions of any such sub-agents.

- (k) The obligations of the Agents under this section are several and not joint nor joint and several. No Agent will be liable for any act, omission, default or conduct by any other agent.

Section 2 Representations and Warranties of the Corporation.

The Corporation represents and warrants to the Agents, Theia and the Purchasers, and acknowledges that the Agents, Theia and the Purchasers are relying upon such representations and warranties, as follows:

- (a) All necessary corporate action has been taken to authorize the creation, issue and sale of, and the delivery of the Subscription Receipts, in certificated or uncertificated form, and:
 - (i) upon payment of the requisite consideration therefor, the Subscription Receipts will be validly created and issued;
 - (ii) upon satisfaction of the Escrow Release Conditions the Subscription Receipts shall convert automatically, without additional payment therefore, into Subscription Shares which Subscription Shares will be validly issued, fully paid and non-assessable Class A Shares, exchangeable in accordance with the Amalgamation Agreement into Resulting Issuer Shares; and
 - (iii) the Compensation Shares will be validly issued, fully paid and non-assessable Class A Shares exchangeable in accordance with the Amalgamation Agreement into Resulting Issuer Shares.
- (b) The form and terms of the Subscription Receipts have been approved and adopted, by the directors of the Corporation and do not conflict with any applicable laws.
- (c) The attributes of the Subscription Receipts will conform in all material respects with the description thereof in the Subscription Agreements and Subscription Receipt Agreement.
- (d) The Corporation has full corporate power, capacity and authority to undertake the Offering, to enter into this Agreement, the Subscription Agreements, the Subscription Receipt Agreement and the certificates representing the Subscription Receipts (collectively, the “**Corporation Offering Documents**”) and the Amalgamation Agreement and to do all acts and things and execute and deliver all documents as are required hereunder and thereunder to be done, observed, performed or executed and delivered by it in accordance with the terms hereof and thereof, and the Corporation has taken all necessary corporate action to authorize the execution, delivery and performance of the Corporation Offering Documents and the Amalgamation

Agreement and to observe and perform the provisions of the Corporation Offering Documents and the Amalgamation Agreement in accordance with the provisions hereof and thereof.

- (e) Each of the Corporation Offering Documents and the Amalgamation Agreement has been executed and delivered by the Corporation and constitutes a valid and legally binding obligation of the Corporation enforceable against the Corporation 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.
- (f) The entering into and the performance of the transactions contemplated herein and in the other Corporation Offering Documents and in the Amalgamation Agreement by the Corporation:
 - (i) does not require any consent, approval, authorization or order of any court or governmental agency or body, except that which may be required under applicable securities legislation;
 - (ii) will not contravene any statute or regulation of any governmental authority which is binding on the Corporation, where such contravention would materially and adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation; 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 articles of incorporation, amalgamation, continuation, arrangement, as applicable, by-laws and all amendments to such articles or by-laws, or, in each case, such applicable documents (collectively, the “**Constating Documents**”) or resolutions of the Corporation or any mortgage, note, indenture, contract or agreement instrument, lease or other document to which the Corporation is a party, or any judgment, decree or order or any term or provision thereof, where such contravention would materially and adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation.
- (g) Odyssey at its office in Toronto has been appointed as the Subscription Receipt and Escrow Agent under the Subscription Receipt Agreement.
- (h) The Corporation is not party to or bound or affected by any commitment, agreement or document containing any covenant which would prohibit or restrict the Corporation from entering into this Agreement.
- (i) There are no material changes or material facts relating to the Corporation or the Subsidiaries (as defined herein) that have not been disclosed to the

Agents, and other than the acquisition of 3950 N. Bruce Street, North Las Vegas, Nevada (“**3950**”) on August 31, 2018, the Corporation has not completed any significant acquisitions, nor has it entered into any binding agreements with respect to acquisitions that would require the filing of a business acquisition report other than pursuant to the Reverse Takeover.

- (j) All filings and fees required to be made and paid by the Corporation pursuant to applicable securities laws and general corporate law have been made and paid.
- (k) The Corporation is a corporation duly incorporated and validly subsisting under the provincial laws of Ontario and is in good standing under such laws and has all requisite corporate power and authority, either directly or through its subsidiaries, to carry on its Business (as herein defined) as now being carried on by it or proposed to be carried on by it and to enter into this Agreement and the Amalgamation Agreement and carry out its obligations thereunder. As used in this Agreement, “**Business**” means the business of cultivating, processing and selling at wholesale medical and recreational cannabis in the State of Nevada.
- (l) The Corporation has no subsidiaries other than Cana Nevada Corp., Canna Nevada LLC, CN Licenseco I, Inc. dba Cana Nevada, CN Licenseco II, Inc. (being created in September, 2018), CN Landco LLC, CN Landco II, LLC, CN Labor Management Inc., and North Las Vegas Equipment Co., Inc., all of which are incorporated pursuant to the laws of the State of Nevada (the “**Subsidiaries**”).
- (m) All of the issued and outstanding shares in the capital of the Subsidiaries have been duly authorized and validly issued, are fully paid and are beneficially owned by the Corporation, free and clear of any Encumbrances (as defined herein), and none of the outstanding securities of the Subsidiaries were issued in violation of the pre-emptive or similar rights of any security holder of such subsidiary. There exists no options, warrants, purchase rights, or other contracts or commitments that could require the Corporation to sell, transfer or otherwise dispose of any securities of the Subsidiaries. When used in this Agreement, “**Encumbrance**” means any encumbrance of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge, hypothec or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, right of first refusal, acquisition right, privilege, easement, right of way, servitude, restrictive covenant, right of use or any other right or claim of any kind or nature whatsoever which affects ownership or possession of, or title to, any interest in, or right to use or occupy property or assets.
- (n) Each of the Subsidiaries (i) has been duly incorporated in its jurisdiction of incorporation and is up-to-date in all material corporate filings and in good standing under the laws of such jurisdiction, (ii) has all requisite corporate power and capacity to carry on its business as now conducted and to own, lease and, upon issuance of the licenses and permits for which it has applied, operate its properties and assets, and (iii) is duly qualified to transact

business in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business.

- (o) Each of the Corporation and the Subsidiaries has all requisite corporate power and capacity to own, lease and operate its properties and assets, including its Business Assets (as herein defined), and to conduct its business including, without limitation, the Business (as applicable), as now carried on by it or proposed to be carried on by it. As used in this Agreement, "**Business Assets**" means all tangible and intangible property and assets owned (either directly or indirectly), leased, licensed, loaned, operated or used, including all real property, fixed assets, facilities, equipment, inventories and accounts receivable, by the Corporation and its Subsidiaries in connection with the Business.
- (p) Each of the Corporation and the Subsidiaries is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities make such registration necessary, except where the failure to be so registered or in good standing would not have a Corporation Material Adverse Effect (as defined herein). As used in this Agreement, "**Corporation Material Adverse Effect**" means an effect which is materially adverse to the business, assets, properties, condition (financial or otherwise), liabilities (actual or contingent), whether contractual or otherwise, or results of operations of the Corporation and its Subsidiaries, taken as a whole; provided that a Corporation Material Adverse Effect shall not include an adverse effect resulting from a change (i) that arises out of a matter that has been publicly disclosed prior to the date of this Agreement or otherwise disclosed in writing by a party to the Lead Agent prior to the date of this Agreement; (ii) that results from general economic, financial, currency exchange, interest rate or securities market conditions in Canada or the United States; (iii) that arises from a decline in the trading price of the Theia Shares, or (iv) that is a direct result of any matter permitted by this Agreement or consented to in writing by the Lead Agent.
- (q) The minute books and records of the Corporation and the Subsidiaries which the Corporation made available to the Lead Agent and its counsel, Gowling WLG (Canada) LLP, in connection with their due diligence investigation of the Corporation and the Subsidiaries for the period from inception to the date hereof are all of the minute books and substantially all of the records of the Corporation and the Subsidiaries for such period and contain copies of all Constatting Documents, including all amendments thereto, and all material proceedings of securityholders and directors are complete in all material respects.
- (r) Neither the Corporation nor any Subsidiary is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of the Corporation or a Subsidiary to (A) compete in any line of business, or (B) transfer or move any of its assets or operations, where such limitation could reasonably be expected to result in a Corporation Material Adverse Effect.

- (s) The Corporation has an authorized capital consisting of an unlimited number of Class A Shares, of which, as at the date hereof (and without giving effect to the Offering), 119,250,130 are issued and outstanding, and an unlimited number of Class B Shares, of which, as at the date hereof, 40,804,200 are issued and outstanding. In addition, as at the date hereof (and without giving effect to the Offering), the Corporation has issued and outstanding options, warrants, rights or conversion or exchange privileges or other securities (“**Convertible Securities**”) entitling the holders thereof to acquire, and is party to agreements evidencing rights to acquire, a further 7,915,000 Class A Shares. Except as aforesaid, there are no outstanding Common Shares or Convertible Securities entitling anyone to acquire any Common Shares or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by the Corporation of any shares of the Corporation (including Common Shares) or any Convertible Securities convertible into, exchangeable or exercisable for, or otherwise evidencing a right to acquire, any Common Shares or other equity securities of the Corporation (including any pre-emptive rights, rights of first refusal or any similar rights to subscribe for any securities of the Corporation. All outstanding Common Shares have been duly authorized and validly issued, and are fully paid and non-assessable and are not subject to, nor have they been issued in violation of any pre-emptive rights, and all Common Shares issuable upon exercise or conversion of outstanding Convertible Securities or issuable pursuant to agreements evidencing rights to acquire shares will, when issued in accordance with their respective terms, be duly authorized and validly issued, fully paid and non-assessable and will not be subject to any pre-emptive rights.
- (t) There are no suits, actions or litigation or arbitration proceedings or governmental proceedings in progress, pending or, to the best of the knowledge of the Corporation, contemplated or threatened, to which the Corporation or any of the Subsidiaries is a party or to which the property of the Corporation or any of the Subsidiaries is subject in respect of which there is a reasonable possibility of a determination adverse to the Corporation or such Subsidiary, and which, if determined adversely to the Corporation or such Subsidiary, could reasonably be expected to result in a Corporation Material Adverse Effect. There is not presently outstanding against the Corporation nor any of the Subsidiaries any judgment, injunction, rule or order of any court, governmental department, commission, agency or arbitrator.
- (u) No proceedings have been taken, instituted or are pending for the dissolution or liquidation of the Corporation.
- (v) The financial statements of the Corporation for the period from incorporation on December 18, 2017 to December 31, 2017 and as at December 31, 2017 and the condensed consolidated unaudited interim financial statements of the Corporation for the three month period ended March 31, 2018 (collectively, the “**CNX Financial Statements**”) have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”), present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Corporation

as at the respective date of the CNX Financial Statements and the sales, earnings and results of operations of the Corporation for the respective period covered by the CNX Financial Statements.

- (w) Since the date of the CNX Financial Statements, the Corporation has conducted its businesses only in the ordinary course. Since the date of the CNX Financial Statements: (i) there has been no Corporation Material Adverse Effect, or any condition, event or development that would reasonably be expected to constitute a Corporation Material Adverse Effect; and (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to the Corporation or any of the Subsidiaries has been incurred, other than the Deed of Trust granted to the vendor of 3950 in the principal amount of US\$18,000,000, liabilities and obligations arising in connection with the ongoing construction at 3950, liabilities and obligations arising in connection with ongoing equity fundraising, and other liabilities or obligations incurred in the ordinary and normal course of business.
- (x) Except for the Deed of Trust filed against 3950 in the principal amount of US\$18,000,000, none of the Corporation nor any of the Subsidiaries is a party to or otherwise bound by any note, loan, bond, debenture, indenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money or other liability (a “**Debt Instrument**”), which is not in the ordinary course of business or otherwise material to the Corporation or any of its Subsidiaries.
- (y) None of the Corporation nor any of the Subsidiaries is a party to any debt instrument or has any material 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 with them.
- (z) All material taxes (including income tax, capital tax, payroll taxes, employer health tax, workers’ compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all material liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, “**Taxes**”) due and payable by the Corporation or any of the Subsidiaries have been paid, except for where the failure to pay such taxes would not result in a Corporation Material Adverse Effect. All tax returns due, declarations, remittances and filings required to be filed by the Corporation have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would make any of them misleading except where the failure to so file or complete such documents would not reasonably be expected to result in a Corporation Material Adverse Effect. To the best of the knowledge of the Corporation: (i) no examination of any tax return of the Corporation is currently in progress; and (ii) there are no issues or disputes outstanding with any governmental entity respecting any taxes that have been paid, or may be payable, by the Corporation. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to the Corporation.

- (aa) Except for the Shareholders' Agreement dated March 5, 2018 between the Corporation and certain shareholders of the Corporation that has been provided to the Agent, neither the Corporation nor any of the Subsidiaries is a party to any agreement, nor is the Corporation or any of the Subsidiaries aware of any agreement, which in any manner affects the voting control of any of the shares of the Corporation or any of the Subsidiaries, including any agreement among shareholders with respect to the voting or sale of Common Shares.
- (bb) Each of the Corporation and the Subsidiaries has conducted and is conducting its respective business in compliance in all material respects with all applicable laws of each jurisdiction in which each carries on business and with all applicable laws, tariffs and directives material to its operations, including all applicable federal, provincial, state, municipal, and local zoning, environmental, controlled substance laws and regulations and other lawful requirements of any governmental authorities or regulatory body, including, but not limited, to relevant or material permits, licenses, approvals, consents and other authorizations ("**Governmental Licenses**") necessary to conduct the Business now operated by them, and has applied for and expects to receive in due course the Governmental Licenses necessary to conduct the Business intended to be operated by them, save and except where failure to comply would not reasonably be expected to result in a Corporation Material Adverse Effect. All such Governmental Licenses that have been issued are valid and existing and in good standing and neither the Corporation nor its Subsidiaries is in default under any such Government License nor, to the knowledge of the Corporation, there exists and condition or circumstance which constitutes or could constitute a default under any such Government License.
- (cc) Neither the Corporation nor its Subsidiaries have undertaken any product research or development activities, including quality assurance, quality control, testing, and research and analysis activities in connection with the Business.
- (dd) None of the Corporation nor any of the Subsidiaries is subject to any obligation to make any investment in or to provide funds by way of loan, capital contribution or otherwise to any persons.
- (ee) Each of the Corporation and the Subsidiaries owns or has a valid contractual interest in all of its respective material properties and assets, including, without limitation, all properties and assets reflected in the CNX Financial Statements, free and clear of any Encumbrance other than encroachments and other minor imperfections of title which do not, individually or in the aggregate, materially detract from the value of or impair the use or marketability of any real property or interests in real property in any material respect or result in a Corporation Material Adverse Effect.
- (ff) None of the Corporation nor any of the Subsidiaries has received notice of any material defect in its respective title or claim to its assets or any notice from any third party claiming such an interest, and, for the period of time that each of the Corporation and the Subsidiaries has owned its respective

assets, as applicable, all material relevant obligations of the Corporation or any of the Subsidiaries have been performed and observed.

- (gg) The contracts of the Corporation and the Subsidiaries previously disclosed in writing to the Agents (the “**Material Contracts**”), respectively, are the only documents and contracts currently in effect to which the Corporation or a Subsidiary is a party that, if terminated, would materially impair the ability of the Corporation to carry on the Business in the ordinary course or would have a Corporation Material Adverse Effect. All Material Contracts are valid, subsisting, in good standing and in full force and effect, enforceable in accordance with their terms thereof. Each of the Corporation and its Subsidiaries has performed all obligations under, and are in material compliance with all terms and conditions contained in each Material Contract. Neither the Corporation nor its Subsidiaries is in material violation, breach or default nor has either received any notification from any party claiming that the Corporation or a Subsidiary is in violation, breach or default under any Material Contract and no other party, to the knowledge of the Corporation, is in breach, violation or default of any term under any Material Contract.
- (hh) Each of the Corporation and the Subsidiaries have good, valid and marketable title (or in the case of interests pursuant to a lease or license, a good and valid interest as lessee or licensee) to and have all necessary rights in respect of all of their respective Business Assets as owned, leased, licensed, loaned, operated or used by them or over which they have rights, free and clear of Encumbrances, and no other rights or Business Assets are necessary for the conduct of the Business as currently conducted. None of the Corporation nor any of the Subsidiaries knows of any claim in respect of which there is a reasonable possibility of a determination adverse to the Corporation or a Subsidiary which, if determined adversely to the Corporation or such Subsidiary, could reasonably be expected to result in a Corporation Material Adverse Effect. None of the Corporation or any of the Subsidiaries has any obligation to pay any commission, license fee or similar payment to any person in respect their respective Business Assets and there are no outstanding rights of first refusal or other pre-emptive rights of purchase which entitle any person to acquire any of the rights, title or interests in the respective Business Assets.
- (ii) The Corporation and the Subsidiaries are in compliance with all applicable laws respecting employment and employment practices, terms and conditions of employment, workers’ compensation, occupational health and safety and pay equity and wages, save for any non-compliance which would not have a Corporation Material Adverse Effect. There are no claims, complaints, outstanding decisions, orders or settlements or pending claims, complaints, decisions, orders or settlements under any applicable laws related to human rights, employment standards, workers’ compensation, occupational health and safety or similar laws in respect of which there is a reasonable possibility of a determination adverse to the Corporation or a Subsidiary, and which, if determined adversely to the Corporation or such Subsidiary, could reasonably be expected to result in a Corporation Material Adverse Effect.

- (jj) Other than with respect to employment offer letters between the Corporation and each of Ken Villazor and Geoff Miachika, none of the Corporation nor any of the Subsidiaries is a party to any written management contract or employment agreement which provides for a right of payment in the event of a change in control of the Corporation or any of the Subsidiaries.
- (kk) Except for 7,915,000 stock options of the Corporation issued pursuant to the Corporation's stock option plan and the obligations of the Corporation and Subsidiaries arising pursuant to applicable laws, there are no plans for retirement, 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 the Corporation or any of the Subsidiaries for the benefit of any current or former director, officer, employee or consultant of the Corporation or any of the Subsidiaries.
- (ll) None of the Corporation nor any of the Subsidiaries is a "reporting issuer" within the meaning of the Canadian securities legislation and does not have a similar status in any other province or territory of Canada, and neither the Common Shares nor the shares of any of the Subsidiaries are listed or posted for trading on any stock exchange. No securities commission or similar regulatory authority has issued any order which is currently outstanding preventing or suspending trading in any securities of the Corporation or any of the Subsidiaries, nor is such proceeding pending or, to the best of the knowledge of the Corporation, contemplated or threatened and neither the Corporation nor any of the Subsidiaries is in default of any requirement of any securities laws, rules or policies applicable to the Corporation or any of the Subsidiaries or its respective securities.
- (mm) There are no payments required to be made to directors, officers and employees of the Corporation or any of the Subsidiaries as a result of the Reverse Takeover under any contract settlements, bonus plans, retention agreements, change of control agreements and severance obligations (whether resulting from termination, change of control or alteration of duties).
- (nn) No director, officer, consultant, insider or other non-arm's length party to the Corporation or any of the Subsidiaries (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on revenue from or otherwise in respect of any assets of the Corporation or any of the Subsidiaries.
- (oo) Except for customary indemnity to its directors and officers and agreements between the Corporation and the Subsidiaries or between Subsidiaries, none of the Corporation nor any of the Subsidiaries is a party to or bound by any agreement, guarantee, indemnification, or endorsement or like commitment respecting the obligations, liabilities (contingent or otherwise) or indebtedness of any person, firm or corporation, other than as provided in the ordinary course of business.

- (pp) Other than in connection with or in compliance with the provisions of this Agreement or applicable laws, no filing or registration with, or authorization, consent or approval of any domestic or foreign public body or authority is necessary by the Corporation or any of the Subsidiaries in connection with the consummation of the Reverse Takeover, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not have a Corporation Material Adverse Effect and would not prevent the Corporation or any of the Subsidiaries from consummating the transactions contemplated by the Amalgamation Agreement.
- (qq) Except for the Agents, Covista Capital Corp., Canaccord Genuity Corp. and [Redacted - personal information], none of the Corporation nor any of the Subsidiaries has retained any financial advisor, broker, agent or finder, or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement or the Reverse Takeover, any transaction contemplated thereby or any transaction presently ongoing.
- (rr) The Corporation and the Subsidiaries own or possess the right to use all patents, patent applications, trademarks, trademark registrations, service marks, service mark registrations, trade names, brand names, franchise rights, copyrights, domain names, licenses, software, inventions, trade secrets, industrial designs, know-how, formulae, processes, inventions and other similar rights and all associated registrations and applications, as they exist anywhere in the world and whether registered or unregistered, including all moral rights (collectively, "**intellectual property**") necessary for the conduct of the Business as currently conducted or proposed to be conducted. There are no current or pending, and the Corporation is not aware of any threatened, actions, suits, proceedings, claims or challenges by any other person to the rights of the Corporation or the Subsidiaries with respect to their intellectual property and the Corporation is not aware of any fact which could form a reasonable basis for any such actions, suits, proceedings, claims or challenges.
- (ss) To the knowledge of the Corporation and the Subsidiaries, the Business as now conducted does not, and as currently proposed to be conducted will not, infringe or conflict with, in any material respect, the intellectual property rights of any person and no claim has been made against the Corporation or the Subsidiaries alleging the infringement by the Corporation or the Subsidiaries of any intellectual property rights of any Person.
- (tt) The Corporation and the Subsidiaries have implemented and maintained commercially reasonable measures to protect and maintain the confidentiality of all trade secrets and other confidential proprietary information forming part of or in relation to the intellectual property owned or licensed by the Corporation and the Subsidiaries.
- (uu) With respect to each of the premises which each of the Corporation and the Subsidiaries occupies as a tenant and are material to the Corporation or the Subsidiaries, on a consolidated basis (the "**Leased Premises**"), the Corporation or the Subsidiaries occupies the Leased Premises and has the

exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which each of the Corporation and the Subsidiaries occupies the Leased Premises is in good standing and in full force and effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement, and the completion of the transactions described herein by the Corporation, will not afford any of the parties to such leases or any other Person the right to terminate any such lease or result in any additional or more onerous obligations under such leases.

- (vv) Except as would not be reasonably expected to have a Corporation Material Adverse Effect, there is not (or are not) (i) any order or directive from any regulatory authority which relates to environmental matters and which requires any material work, repairs, construction, or capital expenditures relating to each of the Corporation and the Subsidiaries or any of its business undertakings, (ii) any demand or notice from any regulatory authority with respect to the material breach of any environmental, health or safety law applicable to each of the Corporation and the Subsidiaries or any of its business undertakings, including, without limitation, any regulations respecting the use, storage, treatment, transportation, or disposition of environmental contaminants, or (iii) any spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes, which have not been rectified, on any of the properties or assets owned or leased by each of the Corporation and the Subsidiaries or in which it has an interest or over which it has control.
- (ww) Each of the Corporation and the Subsidiaries holds all material authorizations required under any applicable environmental laws in connection with the operation of its business and the ownership and use of its assets, and neither the Corporation nor any of the Subsidiaries are the subject of any investigation, evaluation, audit or review outside of the ordinary and regular course by any governmental entity to determine whether any violation of environmental laws has occurred or is occurring.
- (xx) Each of the Corporation and the Subsidiaries are currently in compliance, in all material respects, with all applicable federal, provincial, territorial, state, regional, municipal and local laws, statutes, ordinances, by-laws and regulations and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign, including laws, statutes, ordinances, by-laws, regulations or orders, relating to the protection of the environment, occupational and human health and safety or the treatment, use, manufacture, processing, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substances (the “**Environmental Laws**”) and the Licences and any other regulatory approval, licence, permit, approval, consent, certificate, registration, filing or other authorization of or issued by any Governmental Entity, including under Environmental Laws and applicable laws (the “**Authorizations**”), including all reporting and monitoring requirements thereunder, and there are no pending or, to the knowledge of the Corporation, any threatened, administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigation or proceedings under any Environmental Laws relating to the

Corporation, the Subsidiaries, or any real property owned by the Corporation or the Subsidiaries. Neither the Corporation nor the Subsidiaries has ever received any notice of any non-compliance in respect of Environmental Laws and there are no events or circumstances that might reasonably be expected to form the basis of an order for clean-up, remediation or otherwise under Environmental Laws. The premises, facilities and operations of the Corporation and the Subsidiaries have been and are currently being conducted in all respects in compliance with Environmental Laws, all Authorizations and all applicable workers' compensation and health and safety and workplace laws, regulations and policies, except to the extent that failure to so comply would not constitute a Corporation Material Adverse Effect.

- (yy) Except as previously disclosed to the Agents in writing, including without limitation the disclosures regarding the illegal status of the cannabis industry under United States federal law, to the knowledge of each of the Corporation and the Subsidiaries, there is no legislation, or proposed legislation to be published by a legislative body, which could reasonably be expected to have a Corporation Material Adverse Effect.
- (zz) To the extent applicable, the policies of insurance in force at the date hereof naming the Corporation or any of the Subsidiaries as an insured remain in force and effect, and such policies are equivalent to those used as the industry standard, and will not be cancelled or otherwise terminated as a result of the transactions contemplated herein and there are no pending or outstanding claims, notices of non-renewal or cancellation or, to the best of the knowledge of the Corporation and any of the Subsidiaries, any events which may give rise to a claim, under such policies.
- (aaa) None of the Corporation nor any of the Subsidiaries has agreed to recognize any union or other collective bargaining representative, nor has any other union or other collective bargaining representative been certified as the exclusive bargaining representative of any of employees or consultants the Corporation or any of the Subsidiaries, and none of the Corporation nor or any of the Subsidiaries is a party to, or bound by, any collective bargaining agreement or any other labour contract applicable to any employees. To the best of the knowledge of each of the Corporation and the Subsidiaries, no union organizational campaign or representation petitions are currently pending with respect to any of the employees of the Corporation or any of the Subsidiaries. There is no labour strike or labour dispute, slowdown, lockout or stoppage actually pending or to the best of the knowledge of each of the Corporation and the Subsidiaries, threatened against or affecting the Corporation or any of the Subsidiaries, and each of the Corporation and the Subsidiaries has not experienced any labour strikes or labour disputes, slowdowns, lockouts or stoppages within the last three years.
- (bbb) Except with respect to the regulatory approvals required in respect of the Reverse Takeover and the approval of the shareholders of the Corporation in respect of the Amalgamation, there are no third party consents required to be obtained by the Corporation or any of the Subsidiaries in order to complete the transactions contemplated by the Amalgamation Agreement.

- (ccc) Neither the Corporation nor any of the Subsidiaries is aware of any of the directors or officers of the Corporation or any of the Subsidiaries receiving any objection from securities regulatory authorities to their serving in capacities as directors or officers of a reporting issuer in any jurisdiction of Canada.
- (ddd) Neither the Corporation nor any of the Subsidiaries, nor to the knowledge of the Corporation or any of the Subsidiaries, any director, officer, employee, consultant, representative or agent of any of the foregoing, has (i) violated any anti-bribery or anti-corruption laws applicable to the Corporation or any of the Subsidiaries, including but not limited to the U.S. Foreign Corrupt Practices Act and the *Corruption of Foreign Public Officials Act* (Canada), or (ii) offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value, that goes beyond what is reasonable and customary and/or of modest value: (A) to any government official, whether directly or through any other person, for the purpose of influencing any act or decision of a government official in his or her official capacity; inducing a government official to do or omit to do any act in violation of his or her lawful duties; securing any improper advantage; inducing a government official to influence or affect any act or decision of any governmental authority; or assisting any representative of the Corporation or any of the Subsidiaries in obtaining or retaining business for or with, or directing business to, any person; or (B) to any person in a manner which would constitute or have the purpose or effect of public or commercial bribery, or the acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage. Neither the Corporation nor or any of the Subsidiaries, nor to the knowledge of the Corporation, any director, officer, employee, consultant, representative or agent of any of the foregoing, has (i) conducted or initiated any review, audit, or internal investigation that concluded the Corporation or any of the Subsidiaries, or any director, officer, employee, consultant, representative or agent of the foregoing violated such laws or committed any material wrongdoing, or (ii) made a voluntary, directed, or involuntary disclosure to any governmental authority responsible for enforcing anti-bribery or anti-corruption laws, in each case with respect to any alleged act or omission arising under or relating to non-compliance with any such laws, or received any notice, request, or citation from any person alleging non-compliance with any such laws.
- (eee) The business and operations of the Corporation and the Subsidiaries are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental authority (collectively, the “**Money Laundering Laws**”) and no action, suit or proceeding by or before any court or governmental authority or any arbitrator involving the Corporation or any Subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Corporation or any of the Subsidiaries, threatened.

- (fff) To the knowledge of the Corporation, there has been no (i) actual or alleged breach or default by any party of any provisions of the Amalgamation Agreement and no event, condition, or occurrence exists which after the notice or lapse of time (or both) would constitute a breach or default by any party to the Amalgamation Agreement; or (ii) dispute, termination, cancellation, amendment or renegotiation of the Amalgamation Agreement.
- (ggg) To the knowledge of the Corporation, no event has occurred or condition exists which will prevent the Reverse Takeover from being completed prior to the Escrow Deadline.
- (hhh) This Agreement does not contain any untrue statement of a material fact in respect of the Corporation or any of the Subsidiaries, the affairs, prospects, operations or condition of the Corporation or any of the Subsidiaries or its respective assets.
- (iii) All projections, including forecasts, budgets, pro formas and business plans provided to the Agents in connection with the Offering by or in respect of the Corporation and its Subsidiaries, their business, assets, property and liabilities were prepared in good faith based on assumptions which were believed to be reasonable at the date of preparation, and all other information provided to the Agents in connection with the Offering in respect of the Corporation and its Subsidiaries, their business, assets, property and liabilities, are, as of the date of such information, true, complete and correct in all material respects, and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Corporation has not knowingly withheld from the Agents any material facts relating to the Corporation, the Subsidiaries or the Offering.
- (jjj) The Corporation is a “foreign private issuer” as such term is defined in Rule 405 promulgated under the U.S. Securities Act with no “substantial U.S. market interest” as such term is defined in Rule 902 of Regulation S (“**Regulation S**”) promulgated under the U.S. Securities Act in any securities in the same class of securities as the Offered Securities.

Section 3 Representations and Warranties of Theia.

Theia represents and warrants to the Agents and the Purchasers, and acknowledges that the Agents and the Purchasers are relying upon such representations and warranties, as follows:

- (a) All necessary corporate action has been taken to authorize the issue and delivery of the Resulting Issuer Shares, and upon the deemed conversion of the Subscription Receipts and the issue thereof, and exchange thereafter of the Subscription Shares into Resulting Issuer Shares, such Resulting Issuer Shares will be validly issued as fully paid and non-assessable common shares.

- (b) Upon exchange of the Compensation Shares into Resulting Issuer Shares, such Resulting Issuer Shares will be validly issued as fully paid and non-assessable common shares.
- (c) The form of the certificate representing the Resulting Issuer Shares has been approved and adopted, as applicable, by the directors of Theia and does not conflict with any applicable laws.
- (d) Theia has full corporate power, capacity and authority to enter into this Agreement and the Amalgamation Agreement and to do all acts and things and execute and deliver all documents as are required hereunder to be done, observed, performed or executed and delivered by it in accordance with the terms hereof and thereof, and Theia has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement and the Amalgamation Agreement and to observe and perform the provisions of this Agreement and the Amalgamation Agreement in accordance with the provisions hereof and thereof.
- (e) Subco has full corporate power, capacity and authority to enter into the the Amalgamation Agreement and to do all acts and things and execute and deliver all documents as are required hereunder to be done, observed, performed or executed and delivered by it in accordance with the terms thereof, and Subco has taken all necessary corporate action to authorize the execution, delivery and performance of the Amalgamation Agreement and to observe and perform the provisions of the Amalgamation Agreement in accordance with the provisions thereof.
- (f) Each of this Agreement and the Amalgamation Agreement has been authorized, executed and delivered by Theia and constitutes a valid and legally binding obligation of Theia, enforceable against Theia 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.
- (g) The entering into and the performance of the transactions contemplated herein and in the Amalgamation Agreement by Theia:
 - (i) does not require any consent, approval, authorization or order of any court or governmental agency or body, except that which may be required under applicable securities legislation, the policies of the TSXV, the CSE or as otherwise contemplated by this Agreement;
 - (ii) will not contravene any statute or regulation of any governmental authority which is binding on Theia, where such contravention would materially and adversely affect the business, operations, capital or condition (financial or otherwise) of Theia, taken as a whole; and
 - (iii) other than as contemplated or waived in this Agreement, 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 Theia or any, mortgage, note, indenture, contract or agreement instrument, lease or other document to which Theia is a party, or any judgment, decree or order or any term or provision thereof; where such contravention would materially and adversely affect the business, operations, capital or condition (financial or otherwise) of Theia.

- (h) Neither Theia nor Subco is party to or bound or affected by any commitment, agreement or document containing any covenant which would prohibit or restrict Theia or Subco from entering into this Agreement.
- (i) Theia has no subsidiaries other than Subco, which is wholly-owned by the Theia.
- (j) Theia is a corporation incorporated and existing under the laws of the Province of British Columbia, and has the corporate power and authority to enter into and perform its obligations under this Agreement and each of the agreements, certificates and other instruments delivered or given pursuant to this Agreement (the “**Ancillary Agreements**”) to which it is a party.
- (k) Subco is a corporation incorporated and existing under the laws of the Province of Ontario and has the corporate power and authority to enter into and perform its obligations under the Amalgamation Agreement and each of the agreements, certificates and other instruments delivered or given pursuant to the Amalgamation Agreement.
- (l) The execution and delivery of and performance by Theia of this Agreement, and the Amalgamation Agreement and by Theia of each of the Ancillary Agreements to which it is a party, and the consummation of the transactions contemplated by them, have been duly authorized by all necessary corporate action on the part of Theia.
- (m) The execution and delivery of and performance by Theia of this Agreement, and the Amalgamation Agreement and by Theia of each of the Ancillary Agreements to which it is a party, and the consummation of the transactions contemplated by them, have been duly authorized by all necessary corporate action on the part of Theia.
 - (i) The execution and delivery of and performance by Theia of this Agreement and the Amalgamation Agreement, and by Theia of each of the Ancillary Agreements to which it is a party:
 - (ii) do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) constitute or result in a violation or breach of, or conflict with, or allow any other person to exercise any rights under, any of the terms or provisions of its constating documents;

- (iii) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) constitute or result in a breach or violation of, or conflict with or allow any other person to exercise any rights under, any of the terms or provisions of any material contracts to which it is a party; and
- (iv) do not and will not result in the violation of any applicable law.
- (n) Other than the Amalgamation Agreement and as contemplated in the Amalgamation Agreement, the only material contract of Theia is the Earn-In Option Agreement dated July 8, 2014 with Kootenay Silver Inc. with respect to the Fox Property and Two Times Fred Property, which agreement will be terminated pursuant to the Amalgamation Agreement.
- (o) Other than the Amalgamation Agreement and as contemplated in the Amalgamation Agreement, Subco has not entered into any material contracts.
- (p) The representations and warranties of Theia and Subco contained in the Amalgamation Agreement, a true copy of which has been provided to the Agents, are true and correct in all material respects, subject to any qualifications set out herein and therein, as of the date hereof.
- (q) This Agreement, each of the Ancillary Agreements to which Theia is a party and the Amalgamation Agreement have been duly executed and delivered by Theia and constitute legal, valid and binding agreements of Theia enforceable against it in accordance with their respective terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (r) This Agreement, each of the Ancillary Agreements to which Theia is a party and the Amalgamation Agreement have been duly executed and delivered by Theia and constitute legal, valid and binding agreements of Theia enforceable against it in accordance with their respective terms subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (s) Theia is authorized to issue an unlimited number of Theia Shares without par value, of which 21,547,750 are outstanding as of the date hereof and Subco is authorized to issue an unlimited number of common shares without par value ("**Subco Shares**"), of which one common share is outstanding as of the date hereof. Except as contemplated in the Amalgamation Agreement, there are no options, warrants or other rights requiring, or which may require, the issuance of any Theia Shares by Theia or any Subco Shares by Subco.

- (t) Each of Theia 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 applicable laws, tariffs and directives material to its operations.
- (u) Theia is a “reporting issuer” under the laws of the Provinces of British Columbia and Alberta and is not in default in any material respect of any requirements of applicable Canadian provincial securities laws related thereto. Theia is not, as at the date hereof, included on the list of defaulting reporting issuers maintained by any of the applicable securities regulatory authorities.
- (v) There are no suits, actions or litigation or arbitration proceedings or governmental proceedings in progress, pending or, to the best of the knowledge of Theia or Subco, contemplated or threatened, to which Theia is a party or to which the property of Theia or Subco is subject, except where such suit, action or litigation or arbitration proceeding or governmental proceeding would not result in a Theia Material Adverse Effect (as defined herein) on Theia or Subco. As used in this Agreement, “**Theia Material Adverse Effect**” means an effect which is materially adverse to the business, assets, properties, financial condition or results of operations of Theia and Subco, taken as a whole; provided that a Theia Material Adverse Effect shall not include an adverse effect resulting from a change (i) that arises out of a matter that has been publicly disclosed prior to the date of this Agreement or otherwise disclosed in writing by a party to the Lead Agent prior to the date of this Agreement; (ii) that results from general economic, financial, currency exchange, interest rate or securities market conditions in Canada or the United States; (iii) that arises from a decline in the trading price of the Theia Shares, or (iv) that is a direct result of any matter permitted by this Agreement or consented to in writing by the Lead Agent. There is not presently outstanding against Theia any judgment, injunction, rule or order of any court, governmental department, commission, agency or arbitrator.
- (w) Theia never received, handled, used, stored, treated, shipped or disposed of any contaminants regulated by environmental law in the course of its business.
- (x) Theia or Subco has not, directly or indirectly, declared or paid any dividend or declared or made any other distribution on any of its securities of any class, or, directly or indirectly, redeemed, purchased or otherwise acquired any of its securities or agreed to do any of the foregoing. There is not, other than pursuant to the respective corporate statutes governing Theia or Subco, in the constating documents of Theia or Subco or in any material agreement, or other instrument or document to which Theia or Subco is a party, any restriction upon or impediment to, the declaration of dividends by the directors of Theia or Subco or the payment of dividends by Theia or Subco to the holders of Theia Shares or Subco Shares, respectively.
- (y) Except as contemplated in the Amalgamation Agreement, there are no payments required to be made to directors, officers and employees of Theia or Subco as a result of the Reverse Takeover under any contract settlements,

bonus plans, retention agreements, change of control agreements and severance obligations (whether resulting from termination, change of control or alteration of duties).

- (z) Other than as publicly disclosed, no order ceasing or suspending trading in any securities of Theia is currently outstanding and no proceeding for such purpose are pending, or to the best of the knowledge of Theia, threatened.
- (aa) Theia has filed all proxy circulars, reports and other continuous disclosure documents required to be filed by it by applicable Canadian provincial securities laws ("**Securities Reports**"). Each Securities Report was, as of the date of filing, in compliance in all material respects with all applicable requirements under applicable Canadian provincial securities laws and none of the Securities Reports, as of their respective filing dates, contained any material misrepresentation. No material change has occurred in relation to Theia which is not disclosed in the Securities Reports, and Theia has not filed any confidential material change reports which continue to remain confidential.
- (bb) Other than as set out in this Agreement, there is no requirement to make any filing with, give any notice to, or obtain any authorization of, any governmental authority, or to obtain any consent, approval or authorization of any other party or person, as a condition to the lawful completion of the transactions contemplated by this Agreement.
- (cc) Neither Theia nor Subco is in any discussions and has not entered any outstanding proposals, letters of intent, agreements or any understandings with any person (other than the Corporation) with respect to any acquisition, purchase or sale of shares or assets or business combination.
- (dd) Neither Theia nor Subco is party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Theia or Subco to compete in any line of business, transfer or move any of its assets or operations.
- (ee) All Taxes due and payable by Theia or Subco have been paid except for where the failure to pay such taxes would not result in a Theia Material Adverse Effect, taken as a whole. All tax returns due, declarations, remittances and filings required to be filed by Theia or Subco have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate in all material respects and no material fact or facts have been omitted therefrom which would make any of them misleading except where the failure to file such documents would not result in a Theia Material Adverse Effect taken as a whole. To the best of the knowledge of Theia: (i) no examination of any tax return of Theia or Subco is currently in progress; and (ii) there are no issues or disputes outstanding with any governmental entity respecting any taxes that have been paid, or may be payable, by Theia or Subco. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of taxes with respect to Theia or Subco.

- (ff) The audited comparative financial statements of Theia as at and for the financial years ended January 31, 2018 and 2017 are, in all material respects, consistent with the books and records of Theia for the periods covered thereby; (ii) contain and reflect all material adjustments for the fair presentation of the results of operations and the financial condition of the business of Theia for the periods covered thereby; and (iii) present fully, fairly and correctly, the assets and financial condition of Theia as at the dates thereof and the results of operations and the changes in financial position for the periods then ended.
- (gg) Except as contemplated in the Amalgamation Agreement, neither Theia nor Subco is a party to or otherwise bound by any material Debt Instrument which is not in the ordinary course of business or otherwise material to Theia or Subco.
- (hh) Neither Theia nor Subco is a party to any lease, management or service agreement that cannot be immediately terminated without notice or penalty or both.
- (ii) Theia and Subco have made or will make available to the Agents all material information concerning Theia and Subco and all such information as made available to the Agents is accurate, true and correct in all material respects.
- (jj) Theia will have not more than approximately C\$230,095 of working capital deficiency as of the effective date of the Reverse Takeover (net of expenses relating to the completion of the Amalgamation incurred by Theia).
- (kk) Neither Theia nor Subco has retained any financial advisor, broker, agent or finder, or paid or agreed to pay any financial advisor, broker, agent or finder on account of the this Agreement or the Reverse Takeover, any transaction contemplated thereby or any transaction presently ongoing or contemplated.
- (ll) None of Theia, Subco nor any other person associated with or acting on behalf of Theia including, without limitation, any director, officer, agent or employee of Theia or Subco (i) used any corporate funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity; (ii) made any unlawful payment to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from corporate funds; (iii) violated any provision of the *Corruption of Foreign Public Officials Act*, or (iv) made any other unlawful payment.
- (mm) The description of Theia and Subco to be contained in the applicable disclosure document of Theia prepared in accordance with the regulations of the CSE in connection with the listing of the Resulting Issuer Shares shall not, at the time of filing thereof on SEDAR, fail to be true and correct in any material respect or contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

Section 4 Covenants of the Corporation.

The Corporation hereby covenants to the Agents and the Purchasers (and acknowledges that the Agents are relying on such covenants in entering into this Agreement) that it will:

- (a) fulfill all legal requirements to permit the creation, issue, offering and sale of the Subscription Receipts, and the allotment and issue of the Compensation Shares, including, without limitation, compliance with the applicable securities legislation of the Offering Jurisdictions to enable the Subscription Receipts to be offered for sale and sold to the Purchasers, without the necessity of filing a prospectus or a registration statement under the applicable securities legislation of the Offering Jurisdictions, to Purchasers through investment dealers or brokers registered under the applicable securities legislation of the Offering Jurisdictions who have complied with the relevant provisions of such laws;
- (b) for the benefit of the Purchasers and any subsequent holders of Offered Securities (and acknowledge that the Agents are relying on such covenants in entering into this Agreement), use their commercially reasonable efforts to complete the Reverse Takeover on or prior to 5:00 p.m. (Toronto time) on October 1, 2018 or such other date as may be agreed to by the Corporation, Theia and the Agents;
- (c) use its commercially reasonable efforts to assist Theia in obtaining the necessary approvals to the issuance of the Theia Shares in connection with the Reverse Takeover, including, without limitation, the Resulting Issuer Shares issued in exchange for the Subscription Shares and the Compensation Shares (the “**Exchanged Securities**”);
- (d) use its commercially reasonable efforts to assist Theia in obtaining the necessary approvals such that the Exchanged Securities shall be freely tradable upon completion of the Reverse Takeover, subject to any limitations imposed by the CSE and the satisfaction of the conditions set out in subsection 2.6(3) of National Instrument 45-102 – *Resale of Securities* (“**NI 45-102**”);
- (e) allow the Agents and their representatives the opportunity to conduct all due diligence which the Agents may reasonably require to be conducted prior to the Closing Date, including reasonable access to the officers, directors, employees, independent auditors and other advisors and consultants of the Corporation (which shall include attendance at one or more due diligence sessions). The Corporation further undertakes to use its commercially reasonable efforts to cause Theia to provide the Agents with access to the foregoing materials in respect of assets that are to be subject to the Reverse Takeover. The Corporation agrees that, until the Time of Closing (as defined below), the Agents will be kept informed of all material business and financial developments or changes in circumstances affecting the Corporation and, to the best of the knowledge of the Corporation, Theia, and their affairs or the Reverse Takeover, whether or not requested by the Agents or the Agents’

representatives, or any change in circumstances or developments which might reasonably be considered material to the Corporation;

- (f) use the net proceeds from the Offering to fund the Reverse Takeover and the transactions related thereto and as disclosed in the investor presentation prepared in connection with the Offering, as the same may be amended from time to time and delivered to the Purchasers;
- (g) after the Time of Closing, file such documents as may be required under the applicable securities legislation of the Offering Jurisdictions relating to the Offering in accordance with the time periods prescribed under applicable filing requirements; and
- (h) use its commercially reasonable efforts to fulfill or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 7 hereof.

Section 5 Covenants of Theia.

Theia hereby covenants to the Agents and the Purchasers that it will:

- (a) fulfill all legal requirements to permit the creation and issue of the Resulting Issuer Shares, including, without limitation, compliance with the applicable securities legislation of the Offering Jurisdictions to enable the Resulting Issuer Shares to be issued to the Purchasers and the Agents, without the necessity of filing a prospectus or a registration statement under the applicable securities legislation of the Offering Jurisdictions, in the case of the Purchasers through investment dealers or brokers registered under the applicable securities legislation of the Offering Jurisdictions who have complied with the relevant provisions of such laws;
- (b) ensure that, at all times prior to the deemed conversion of the Subscription Receipts, sufficient Theia Shares are reserved for issue upon the deemed conversion of the Subscription Receipts and exchange of the underlying Subscription Shares into Resulting Issuer Shares, and that the Resulting Issuer Shares shall be validly authorized for issue and issued as fully paid and non-assessable common shares upon the deemed conversion of the Subscription Receipts and Compensation Shares concurrently with the satisfaction of the Escrow Release Conditions and exchange of the Subscription Shares and Compensation Shares into Resulting Issuer Shares;
- (c) for a period of two years following the Closing Date, maintain its status as a reporting issuer in British Columbia and Alberta not in default of any material requirement of the applicable securities legislation of the Canadian Offering Jurisdictions, provided that this covenant shall not prevent Theia from completing any transaction which would result in Theia ceasing to be a reporting issuer so long as the holders of Theia Shares receive securities of an entity which is listed on a stock exchange in Canada or cash or the holders of the Theia Shares have approved the transaction in accordance with the requirements of applicable corporate and securities laws and the policies any securities exchange, market or trading or quotation facility on which the Theia Shares are then listed or quoted;

- (d) take all necessary corporate action to authorize the creation and issuance of the Exchanged Securities upon the deemed conversion of the Subscription Receipts and exchange of the underlying Subscription Shares and the Compensation Shares into Resulting Issuer Shares upon completion of the Reverse Takeover and reserve such securities of Theia for issue;
- (e) ensure that sufficient Resulting Issuer Shares are reserved for issue as fully paid and non-assessable common shares upon the exchange of the Compensation Shares into Resulting Issuer Shares in accordance with the Amalgamation Agreement;
- (f) allow the Corporation and the Agents and each of their representatives the opportunity to conduct all due diligence which the Corporation or the Agents may reasonably require to be conducted prior to the Closing Date;
- (g) obtain the necessary approvals such that the Exchanged Securities shall be freely tradable upon completion of the Reverse Takeover, subject to any limitations imposed by the CSE and the satisfaction of the conditions set out in subsection 2.6(3) of NI 45-102; and
- (h) use reasonable commercial efforts to fulfill or cause to be fulfilled, at or prior to the Closing Date, each of the conditions set out in Section 7 hereof, subject only to the directors of Theia fulfilling their fiduciary obligations to Theia and its shareholders.

Section 6 Compliance with U.S. Securities Laws

(1) Representations of the Corporation and Theia Regarding U.S. Securities Laws

Each of the Corporation and Theia represents, warrants, covenants and agrees to and with the Agents, as applicable, that:

- (a) Theia is a “foreign private issuer” as such term is defined in Rule 405 promulgated under the U.S. Securities Act with no “substantial U.S. market interest” as such term is defined in Rule 902 of Regulation S (“**Regulation S**”) promulgated under the U.S. Securities Act in any securities in the same class of securities as the Theia Shares.
- (b) Neither the Corporation nor Theia is, and as a result of the sale of the Offered Securities will not be, an “investment company” as defined in the United States *Investment Company Act of 1940*, as amended, registered or required to be registered under such Act.
- (c) During the period in which the Offered Securities are offered for sale until the Termination Time, neither it nor any of its affiliates, nor any person acting on their behalf (other than the Agents, the U.S. Affiliates (as defined below) or any person acting on their behalf, in respect to whom no representation is made) (i) has made or will make any “directed selling efforts” (“**Directed Selling Efforts**”) as such term is defined in Rule 902 of Regulation S in the United States with respect to any of the Subscription Receipts, the Subscription Shares, the Compensation Shares, or any securities issuable in

connection with the Reverse Takeover, (ii) has offered or will offer to sell, or has solicited or will solicit offers to buy, any of the Subscription Receipts, the Subscription Shares, the Compensation Shares, or any securities issuable in connection with the Reverse Takeover in the United States by means of any form of “general solicitation or general advertising” (“**General Solicitation or General Advertising**”) (as such term is used in Regulation D under the U.S. Securities Act) (“**Regulation D**”), which includes, without limitation, any advertisements, articles, notices or other communications published on the Internet or in any newspaper, magazine or similar media or broadcast over the Internet, radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, or in any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act, or (iii) has violated or will violate Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Subscription Receipts, the Subscription Shares, the Compensation Shares, or any securities issuable in connection with the Reverse Takeover.

- (d) Except with respect to the offer and sale of the Offered Securities offered hereby and the Non-Brokered Offering, neither the Corporation nor Theia has and will have, for a period beginning six months prior to the commencement of the Offering and ending six months after the completion of the Reverse Takeover, sold, offered for sale or solicited any offer to buy any of its securities in the United States in a manner that would be integrated with and would cause the exemption from registration provided by Rule 506(b) of Regulation D under the U.S. Securities Act to be unavailable with respect to offers and sales of the Subscription Receipts, the Subscription Shares, the Compensation Shares and any securities issuable in connection with the Reverse Takeover.
- (e) Subject to Paragraph 6(3)(h), it covenants and agrees with the Agents to execute or procure the execution of all documents and to take or cause to be taken all such steps as may be reasonably necessary or desirable to establish, to the satisfaction of counsel for the Agents and counsel for the Corporation and Theia, any and all legal requirements to enable the Agents to offer the Offered Securities for sale in the United States and to, or for the account or benefit of, persons in the United States and U.S. Persons in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act in accordance with this Agreement, provided such offers and sales are made only to Accredited Investors.
- (f) During the period in which the Offered Securities are offered for sale until the Termination Time, neither it nor any of its affiliates, nor any person acting on its or their behalf (other than the Agents, their affiliates or any person acting on its behalf, in respect of which no representation, warranty, covenant or agreement is made) has taken or will take any action that would cause the exemption afforded by Rule 506(b) of Regulation D under the U.S. Securities Act to be unavailable for offers and sales of the Subscription Receipts and the Subscription Shares in the United States and to, or for the account or benefit of, persons in the United States and U.S. Persons in accordance with this Agreement, provided such offers and sales are made only to Accredited Investors, or the exclusion from registration afforded by Rule 903 of

Regulation S to be unavailable for offers and sales of the Subscription Receipts, the Subscription Shares and the Compensation Shares outside the United States to non-U.S. Persons in accordance with this Agreement.

- (g) Except with respect to offers and sales to Accredited Investors within the United States or persons who are, or are purchasing for the account or benefit of, persons in the United States or U.S. Persons in reliance upon the exemption from registration provided by Rule 506(b) of Regulation D under the U.S. Securities Act, neither it nor any of its affiliates, nor any person acting on its or their behalf, has made or will make: (A) any offer to sell, or any solicitation of an offer to buy, any Offered Securities in the United States or to, or for the account or benefit of, a U.S. Person or a person in the United States; or (B) any sale of Offered Securities unless, at the time the buy order was or will have been originated, the purchaser is (i) outside the United States and not a U.S. Person or (ii) it, its affiliates, and any person acting on their behalf reasonably believes that the purchaser is outside the United States and not a U.S. Person.
- (h) Within 15 days of the first sale of the Offered Securities or the issuance of any Exchanged Securities in connection with the Reverse Takeover in the United States or to, or for the account or benefit of, persons in the United States or U.S. Persons who are Accredited Investors, the Corporation or Theia, as applicable, will file a Form D, Notice of Sale, with the United States Securities and Exchange Commission and any applicable state securities commissions in connection with the offer and sale of such securities.
- (i) Neither the Corporation nor Theia nor any of their predecessors or affiliates has been subject to any order, judgment or decree of any court of competent jurisdiction, temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D.
- (j) As of the Closing Date, with respect to the offer and sale of the Offered Securities, none of the Corporation, Theia, any of their predecessors, any "affiliated" (as such term is defined in Rule 501(b) of Regulation D) issuer, any director, executive officer or other officer of the Corporation or Theia participating in the offering of the Offered Securities, any beneficial owner of 20% or more of the Corporation's or Theia's outstanding voting equity securities, calculated on the basis of voting power, or any promoter (as that term is defined in Rule 405 under the U.S. Securities Act) connected with the Corporation or Theia in any capacity at the time of sale of the Offered Securities (other than any Dealer Covered Person (as defined below), as to whom no representation is made) is subject to any Disqualification Event (as defined below).
- (k) As of the Closing Date, the Corporation and Theia are not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of the Offered Securities.

- (l) The representations, warranties and covenants by it contained in this Section 6(1) hereof shall be true and correct as of the Time of Closing, with the same force and effect as if then made by it.

(2) Undertakings in Compliance with Regulation S

Each of the Agents, on their own behalf and on behalf of their U.S. Affiliate, represents, warrants, covenants and agrees to and with the Corporation and Theia that except as otherwise permitted by Section 6(3) hereof, it will offer and sell the Offered Securities only in accordance with Rule 903 of Regulation S. Accordingly, neither the Agents, the U.S. Affiliates, nor any person acting on their behalf has made or will make (except as permitted by Section 6(3) hereof):

- (a) any offer to sell, or any solicitation of an offer to buy, the Subscription Receipts, the Subscription Shares, the Compensation Shares or any securities issuable in connection with the Reverse Takeover in the United States or to, or for the account or benefit of, any U.S. Person or any person in the United States;
- (b) any sale of the Subscription Receipts or the Subscription Shares or any securities issuable in connection with the Reverse Takeover to any Purchaser unless, at the time the buy order was or will have been originated the Purchaser is:
 - (i) outside the United States and not a U.S. Person and not acting for the account or benefit of a person in the United States or a U.S. Person; or
 - (ii) the Agents, their affiliates and any person acting on their behalf reasonably believes that the Purchaser is outside the United States and not a U.S. Person and not acting for the account or benefit of a person in the United States or a U.S. Person; nor
- (c) any Directed Selling Efforts in the United States with respect to any of the Subscription Receipts, the Subscription Shares or any securities issuable in connection with the Reverse Takeover.

(3) Offering by Agents in the United States

The Agents, on their own behalf and on behalf of their U.S. Affiliate, acknowledge that none of the Subscription Receipts, the Subscription Shares or the Exchanged Securities have been registered under the U.S. Securities Act or the securities laws of any state in the United States and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to available exemptions from the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, each of the Agents, on their own behalf and on behalf of their U.S. Affiliate, represents, warrants, covenants and agrees to and with the Corporation and Theia that, with respect to each offer or sale of Offered Securities in the United States or to, or for the account or benefit of, a person in the United States or a U.S. Person, it has offered and sold, and will offer and sell such securities only in the following manner:

- (a) it will offer the Offered Securities for sale by the Corporation in the United States and to, or for the account or benefit of, persons in the United States or U.S. Persons either directly in accordance with Rule 15a-6 under the U.S. Exchange Act or only through their respective U.S. Affiliate, each, a broker-dealer registered pursuant to Section 15(b) of the United States *Securities Exchange Act* of 1934, as amended (the “**U.S. Exchange Act**”) and in good standing with the Financial Industry Regulatory Authority, Inc. at the time of each offer and sale of such securities, solely to Accredited Investors, and only in states of the United States where such broker-dealer is registered, or otherwise exempt from registration at the time of each offer and sale of such securities and in compliance with all applicable U.S. federal and state broker-dealer requirements;
- (b) (i) it has not and will not offer or sell the Offered Securities by any form of General Solicitation or General Advertising or any manner involving a public offering within the meaning of Section 4(a)(2) of the U.S. Securities Act, and (ii) it has not violated and will not violate Regulation M under the U.S. Exchange Act in connection with the offer and sale of the Offered Securities;
- (c) any offer, sale or solicitation of an offer to buy the Offered Securities by it that has been made or will be made in the United States or to, or for the account or benefit of, U.S. Persons was or will be made only to Accredited Investors in compliance with Rule 506(b) of Regulation D under the U.S. Securities Act, and in transactions that are exempt from registration under the U.S. Securities Act and applicable state securities laws;
- (d) it has not entered and will not enter into any contractual arrangement with respect to the distribution of the Offered Securities, except with their respective U.S. Affiliates, or with the prior written consent of the Corporation, and they shall require their respective U.S. Affiliates to agree, for the benefit of the Corporation and Theia, to comply with, and shall use their commercially reasonable efforts to ensure that their respective U.S. Affiliates comply with, the same provisions of this Agreement as apply to the Agents, as if such provisions applied to their respective U.S. Affiliates;
- (e) immediately prior to soliciting any offeree that is in the United States or a U.S. Person, or that is purchasing for the account or benefit of a person in the United States or a U.S. Person, it, its U.S. Affiliate, and any person acting on their behalf had and will have reasonable grounds to believe and did and will believe that each such offeree was an Accredited Investor with respect to which it, its U.S. Affiliate or any party hereto has a pre-existing relationship, and at the time of completion of each sale to a U.S. Purchaser (hereinafter defined), it, its U.S. Affiliates, and any person acting on their behalf will have reasonable grounds to believe and will believe, that such purchaser is an Accredited Investor;
- (f) prior to completion of any sale of Offered Securities by it to a person in the United States or a U.S. Person, or to a person purchasing for the account or benefit of a person in the United States or a U.S. Person, or to a person that was offered Offered Securities in the United States (any of the foregoing a “**U.S. Purchaser**”), it shall cause each such U.S. Purchaser of Offered

Securities to execute a Subscription Agreement in the form agreed upon by the Agents, the Corporation and Theia;

- (g) no written material will be used in connection with the offer or sale of the Offered Securities in the United States and to, or for the account or benefit of, persons in the United States or U.S. Persons, other than the Subscription Agreement referenced in Paragraph 6(3)(f) above;
- (h) it shall give the Corporation and Theia reasonable notice of the U.S. jurisdictions in which it proposes to offer and sell the Offered Securities, so as to assist the Corporation and Theia, as applicable, in satisfying their obligations under Paragraph 6(1)(e) and 6(1)(h);
- (i) at least one business day prior to Closing, the Corporation will be provided with a list of all U.S. Purchasers;
- (j) the representations, warranties and covenants by it contained in Section 6(2) and this Section 6(3) hereof shall be true and correct as of the Time of Closing, with the same force and effect as if then made by it;
- (k) at the Time of Closing, it will either: (i) together with its U.S. Affiliate provide to the Corporation and Theia a certificate in the form of Schedule "A" to this Agreement relating to the manner of the offer and sale of the Offered Securities in the United States and to, or for the account or benefit of, persons in the United States or U.S. Persons; or (ii) be deemed to have represented and warranted to the Corporation and Theia, as of the Time of Closing, that it did not and will not offer or sell any of the Offered Securities in the United States or to, or for the account or benefit of, persons in the United States or U.S. Persons;
- (l) as of the Closing Date, with respect to Offered Securities to be offered and sold hereunder in reliance on Rule 506(b) of Regulation D, the Agents severally represent that none of: (i) such Agent or its U.S. Affiliate; (ii) such Agent or its U.S. Affiliate's general partners or managing members; (iii) any of such Agent's or its U.S. Affiliate's directors, executive officers or other officers participating in the offering of the Offered Securities; (iv) any of such Agent's or its U.S. Affiliate's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Offered Securities; or (v) any other person associated with any of the above persons, including any sub-agent and any such persons related to such sub-agent, that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with sale of the Offered Securities (each, a "**Dealer Covered Person**" and, collectively, the "**Dealer Covered Persons**"), is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1) under Regulation D (a "**Disqualification Event**"); and
- (m) as of the Closing Date, each Agent severally represents that it is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of the Offered Securities.

Section 7 Conditions of Closing.

The obligations of the Agents and the Purchasers to complete the Offering shall be subject to the fulfilment before the Time of Closing of the following conditions:

- (a) the Corporation and the Agents shall have fully complied with all applicable statutory and regulatory requirements required to be complied with prior to the Time of Closing in connection with the Offering;
- (b) the Agents shall be satisfied with their due diligence review of the Corporation and Theia;
- (c) the Corporation shall have taken all necessary corporate action to: (i) authorize and approve the Corporation Offering Documents; (ii) create and issue the Subscription Receipts and Subscription Shares; and (iii) authorize and approve all other matters relating to the Offering;
- (d) Theia shall have taken all necessary corporate action to: (i) authorize and approve this Agreement; (ii) issue the Exchanged Securities; and (iii) authorize and approve all other matters relating to the Offering;
- (e) the Agents, Theia and the Purchasers shall have received at the Time of Closing favourable legal opinions of Fasken, and, where appropriate, counsel in other jurisdictions, addressed to Theia, the Agents, their counsel and the Purchasers, acceptable to counsel to the Agents, acting reasonably, substantially to the effect that:
 - (i) as to the incorporation, organization and valid existence of the Corporation and Subco;
 - (ii) the Corporation is qualified to carry on business as presently carried on and to own, lease and operate its properties;
 - (iii) the Corporation has all requisite corporate capacity, power and authority to execute and deliver the applicable Corporation Offering Documents and this Agreement and to perform all transactions contemplated hereby and thereby;
 - (iv) the authorized and issued capital of the Corporation;
 - (v) all necessary corporate action has been taken by the Corporation to authorize the creation and issue of the Subscription Receipts and the Subscription Shares upon conversion thereof;
 - (vi) the Compensation Shares have been authorized and reserved for issue to the Agents and will be validly issued as fully-paid and non-assessable Common Shares;
 - (vii) the execution and delivery of the Corporation Offering Documents and this Agreement and the performance of the transactions contemplated thereby (including the issue and sale of the Subscription Receipts and

Compensation Shares and the exchange of the securities of the Corporation for the Exchanged Securities pursuant to the Reverse Takeover), do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the by-laws or certificate of incorporation of the Corporation;

- (viii) the Subscription Receipts registered in the names of the Purchasers on the books of the Corporation at the Time of Closing have been issued and constitute legal, valid and binding obligations of the Corporation;
- (ix) the issue and sale of the Subscription Receipts and Compensation Shares are exempt, either by statute or regulation or order, from the prospectus requirements of the Canadian Offering Jurisdictions, subject to the filing of all necessary reports, certificates or undertakings and fees required to be filed under the applicable securities legislation of the Offering Jurisdictions;
- (x) the issue of the Exchanged Securities, the Subscription Shares and the Compensation Shares to the extent such securities are issued to Purchasers or the Agents in the Offering Jurisdictions, are exempt, either by statute or regulation or order, from the prospectus requirements of the securities legislation of the Canadian Offering Jurisdictions;
- (xi) each of this Agreement, the Subscription Receipt Agreement and the Subscription Agreements constitute legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms (subject to bankruptcy, insolvency or other laws affecting the rights of creditors generally, general equitable principles including the availability of equitable remedies and the qualification that no opinion need be expressed as to rights to indemnity, or contribution);
- (xii) the Subscription Shares have been authorized and reserved for issue to the holders of Subscription Receipts upon the deemed conversion thereof and in accordance with the terms thereof, and upon the deemed conversion of the Subscription Receipts in accordance with the terms thereof, the Subscription Shares will be validly issued as fully-paid and non-assessable Resulting Issuer Shares;
- (i) the first trade in the Offering Jurisdictions by the Purchasers of the Subscription Shares and by the Agents of the Compensation Shares is exempt from the prospectus requirements of applicable securities laws in the Offering Jurisdictions and no other documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of regulatory authorities required to be obtained by the Corporation under such securities laws to permit the first trade of such securities provided that:

- (A) at the time of such first trade, CNX is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade;
 - (B) such trade is not a "control distribution" (as defined in NI 45-102);
 - (C) no unusual effort is made to prepare the market or to create a demand for the Exchanged Securities that are the subject of the trade;
 - (D) no extraordinary commission or consideration is paid to a person or company in respect of such trade; and
 - (E) if the Purchaser is an insider or officer of the Corporation at the time of the trade, the Purchaser has no reasonable grounds to believe that the Corporation is in default of applicable securities laws in the Offering Jurisdictions;
- (xiii) the Compensation Shares have been authorized and reserved for issue and upon exchange thereof into Resulting Issuer Shares, will be validly issued as fully paid and non-assessable common shares;
 - (xiv) Odyssey at its office in Calgary, Alberta has been appointed as the Subscription Receipt and Escrow Agent under the Subscription Receipt Agreement; and
 - (xv) such other matters as the Agents and their counsel may require, acting reasonably.

In giving the opinion contemplated above, counsel to the Corporation shall be entitled, as to matters of fact, to rely upon the representations and warranties of the Purchasers contained in the Subscription Agreements, a certificate of fact of the Corporation signed by officers of the Corporation in positions to have knowledge of such facts and their accuracy, and certificates of such public officials and other persons as are necessary or desirable;

- (f) If any Subscription Receipts are being sold to person in the United States or to, or for the account or benefit of, U.S. Persons, the Agents, Theia and the Purchasers shall have received at the Time of Closing favourable legal opinions of Dorsey & Whitney LLP, U.S. counsel to the Corporation addressed to Theia, the Agents, their counsel and the Purchasers, acceptable to counsel to the Agents, acting reasonably, to the effect that registration under the U.S. Securities Act is not required in connection with the offer and sale of the Subscription Receipts, or the conversion of the Subscription Receipts into the Subscription Shares, provided further that it being understood that no opinion is expressed as to any subsequent resale of any Subscription Receipts, Subscription Shares or Resulting Issuer Shares;
- (g) the Agents, Theia and the Purchasers shall have received at the Time of Closing favourable legal opinions of Kaempfer Crowell, special Nevada

counsel to the Corporation addressed to Theia, the Agents and the Purchasers, acceptable to counsel to the Agents, acting reasonably, which counsel in turn may rely, as to matters of fact, on certificates of public officials and officers of the Subsidiaries, with respect to the following matters for the Subsidiaries:

- (i) as to the incorporation and existence of the Subsidiaries under the laws of respective jurisdictions of incorporation;
 - (ii) as to the Subsidiaries having the requisite corporate power and capacity under the laws of its jurisdiction of incorporation to carry on business and to own, lease and operate properties and assets; and
 - (iii) as to the authorized and issued capital of the Subsidiaries and the ownership thereof;
- (h) the Agents, the Corporation and the Purchasers shall have received at the Time of Closing favourable legal opinions of Maxis Law Corporation, Canadian counsel to Theia, or where appropriate counsel in other jurisdictions, addressed to the Agents, the Corporation, their counsel and the Purchasers, acceptable to counsel to the Agents, acting reasonably, substantially to the effect that:
- (i) as to the incorporation, organization and valid existence of Theia;
 - (ii) all necessary corporate action has been taken by Theia to authorize the creation and issue of the Resulting Issuer Shares issued in exchange for the Subscription Shares and Compensation Shares;
 - (iii) this Agreement has been authorized, executed and delivered by Theia and constitutes a legal, valid and binding obligation of Theia, enforceable in accordance with its terms (subject to bankruptcy, insolvency or other laws affecting the rights of creditors generally, general equitable principles including the availability of equitable remedies and the qualification that no opinion need be expressed as to rights to indemnity, or contribution);
 - (iv) the Resulting Issuer Shares issued in exchange for the Subscription Shares and Compensation Shares have been authorized and reserved for issue respectively to the holders of Subscription Receipts and the Agents upon the respective conversion of such Subscription Receipts and in accordance with the terms thereof, and upon the conversion of the Subscription Receipts in accordance with the respective terms thereof, the Resulting Issuer Shares will be validly issued as fully-paid and non-assessable common shares;
 - (v) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby (including the issue of the Resulting Issuer Shares in exchange for the Subscription Shares and the Compensation Shares), do not and will not result in a breach of, and do not create a state of facts which, after notice or lapse of time

or both, will result in a breach of and do not and will not conflict with, any of the terms, conditions or provisions of the constating documents of Theia;

- (vi) the first trade in British Columbia by the Purchasers and the Agents of the Resulting Issuer Shares is exempt from the prospectus requirements of applicable securities laws in British Columbia and no other documents are required to be filed, proceedings taken or approvals, permits, consents, orders or authorizations of regulatory authorities required to be obtained by Theia under such securities laws to permit the first trade of the Exchanged Securities provided that:
 - (A) at the time of such first trade, Theia is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade;
 - (B) such trade is not a “control distribution” (as defined in NI 45-102);
 - (C) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade;
 - (D) no extraordinary commission or consideration is paid to a person or company in respect of such trade; and
 - (E) if the seller of the securities is an insider or officer of the Corporation at the time of the trade, the seller has no reasonable grounds to believe that Theia is in default of applicable securities legislation; and
- (vii) such other matters as the Agents and their counsel may require, acting reasonably.

In giving the opinion contemplated above, counsel to Theia shall be entitled, as to matters of fact, to rely upon the representations and warranties of the Purchasers contained in the Subscription Agreements, a certificate of fact of the Corporation signed by officers of the Corporation in positions to have knowledge of such facts and their accuracy, and certificates of such public officials and other persons as are necessary or desirable;

- (i) at the Time of Closing, each of the Corporation's directors and officers and those shareholders who hold greater than 5% of the Resulting Issuer Shares post-Offering shall each have entered into an agreement with the Lead Agent, on behalf of the Agents, in a form satisfactory to the Corporation and the Lead Agent, in both cases acting reasonably, which shall be negotiated in good faith and contain customary provisions, pursuant to which each such Person agrees, among other things, to not, for a period of 180 days from the Closing Date, directly or indirectly, offer, sell, contract to offer or sell, transfer, assign, grant or sell any option or warrant to purchase, lend, hypothecate, secure, pledge or otherwise transfer or dispose of any securities of the

Corporation or any financial instruments convertible into, exercisable or exchangeable for, or that represent the right to receive, securities of the Corporation, whether through the facilities of a stock exchange, by private placement or otherwise, or make any short sale of, engage in any hedging transaction with respect to, or enter into any swap, forward or other transaction or arrangement that transfers all or a portion of the economic consequences associated with the ownership of such securities (regardless of whether any such transaction or arrangement is to be settled by the delivery of securities of the Corporation, securities of another Person, cash or otherwise), agree to do any of the foregoing or publicly announce any intention to do any of the foregoing, in each case without the prior written consent of the Lead Agent, such consent not to be unreasonably withheld or delayed;

- (j) no material order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Corporation (including the Offered Securities), Theia (including the Exchanged Securities) or Subco shall have been issued by any regulatory authority and continuing in effect and no proceedings for that purpose shall have been instituted or pending or, to the knowledge of such officers, contemplated or threatened by any regulatory authority that cannot be rectified prior to or concurrent with the completion of the Reverse Takeover;
- (k) the Corporation and Theia shall have duly complied with all material terms, covenants and conditions of this Agreement, each in their respective part, to be complied with up to the Time of Closing; and
- (l) the representations and warranties of the Corporation and Theia contained in this Agreement shall be true and correct in all material respects as of the Time of Closing with the same force and effect as if made at and as of the Time of Closing after giving effect to the transactions contemplated by this Agreement except to the extent such representations and warranties were made as of a prior date in which case they shall be true and correct in all material respects as of such date.

Section 8 Closing.

- (1) (a) The purchase and sale of the Subscription Receipts shall be completed via electronic exchange or at the offices of Odyssey, Calgary, Alberta at 10:00 a.m. (Calgary time) (the “**Time of Closing**”) on September 20, 2018 or at such other time or times or on such other date or dates as the Corporation and the Agents may agree upon in writing (the “**Closing Date**”).
- (b) At the Time of Closing, the Corporation shall deliver to the Agents on its own behalf and on behalf of the Purchasers a certificate, dated the Closing Date, of an officer of the Corporation in an agreed form:
 - (i) to the effect that the articles and by-laws attached to such certificate are correct and complete copies of the articles and by-laws of the Corporation;

- (ii) to the effect that the resolutions of the directors of the Corporation attached to the certificate approving the Corporation Offering Documents, this Agreement and authorising execution of the same and of any documents required to be signed or executed under the Corporation Offering Documents is a correct and complete copy of the relevant resolutions, unamended; and
 - (iii) attaching a copy of the signatures of the individuals authorised to sign this Agreement and/or any of the documents contemplated in this Agreement on behalf of the Corporation and certifying the genuineness of such signatures.
- (c) At the Time of Closing, Theia shall deliver to the Agents on its own behalf a certificate, dated the Closing Date, of an officer of Theia in an agreed form:
 - (i) to the effect that the notice of articles and articles attached to such certificate are correct and complete copies of the notice of articles and articles of Theia;
 - (ii) to the effect that the resolutions of the directors of Theia attached to the certificate approving this Agreement and authorising execution of the same and of any documents required to be signed or executed under this Agreement is a correct and complete copy of the relevant resolutions, unamended; and
 - (iii) attaching a copy of the signatures of the individuals authorised to sign this Agreement and/or any of the documents contemplated in this Agreement on behalf of Theia and certifying the genuineness of such signatures.
- (d) At the Time of Closing, the Corporation shall deliver to the Agents a certificate of status dated within one business day prior to the Closing Date for the Corporation under the Act.
- (e) At the Time of Closing, Theia shall deliver to the Agents a certificate of good standing dated within one business day prior to the Closing Date for Theia under the *Business Corporations Act* (British Columbia).
- (f) At the Time of Closing, the Agents shall deliver to the Corporation an executed Subscription Agreement for each participating Purchaser, to be accepted and countersigned by the Corporation.
- (g) At the Time of Closing, the Corporation shall deliver to the Agents the fully executed Subscription Receipt Agreement.
- (h) At the Time of Closing, the Corporation and Theia shall each deliver to the Agents on their own behalf and on behalf of the Purchasers, as applicable:
 - (i) the requisite favourable legal opinions, certificates and other documents as contemplated in Section 7 hereof; and

- (ii) such further documentation as may be contemplated herein or as applicable regulatory authorities may reasonably require.
- (2) The gross proceeds of the Offering, less fifty percent (50%) of the Commission and fifty percent (50%) of the advisory fees payable under the Advisory Agreement, and Expenses incurred up to and including the Closing Date (the “**Escrowed Funds**”, which include the Direct Settlement Funds), will be deposited in escrow on the Closing Date pursuant to the terms of the Subscription Receipt Agreement. The Escrowed Funds will be released from escrow upon satisfaction of the conditions below (the “**Escrow Release Conditions**”) on or before 5:00 p.m. (Toronto time) (the “**Termination Time**”) on October 1, 2018 (the “**Escrow Deadline**”):
 - (a) the completion or irrevocable waiver or satisfaction of all conditions precedent to the Reverse Takeover;
 - (b) the receipt of all required shareholder, third party (as applicable) and regulatory approvals including, without limitation, the conditional approval of the CSE for the Reverse Takeover and the Offering, if applicable, and the conditional approval of the CSE of the listing of the Resulting Issuer Shares issuable upon exchange of the Subscription Shares issued upon deemed conversion of the Subscription Receipts and Compensation Shares after giving effect to the Transaction; and
 - (c) the Corporation and the Agent having delivered a joint notice to the escrow agent confirming that the conditions set forth in (a) and (b) above have been met or waived.

As used in this Agreement, “**Resulting Issuer**” means Theia upon completion of the Reverse Takeover, which as part of the Reverse Takeover, shall have amended its notice of articles to change its name to “Flower One Holdings Inc.”, or such other name as the parties may agree to.

- (3) Upon satisfaction of the Escrow Release Conditions on or prior to the Termination Time on the Escrow Deadline, unless otherwise agreed to in writing by the Corporation and the Lead Agent, in accordance with the terms of the Subscription Receipt Agreement, the Escrowed Funds will be released from escrow to the Corporation (after deducting any additional unpaid Expenses of the Agents incurred in connection with the Offering since the Closing Date as provided for in Section 9) and each outstanding Subscription Receipt will be deemed to be converted into one Subscription Share immediately prior to the completion of the Reverse Takeover.
- (4) In the event that: (i) the Escrow Release Conditions have not been satisfied by the Termination Time on the Escrow Deadline; or (ii) on or before the Termination Time on the Escrow Deadline (a) the Amalgamation Agreement has been terminated in accordance with its terms, or (b) the Corporation has advised the Lead Agent, on behalf of the Agents, or announced to the public, that it does not intend to proceed with the Amalgamation, the gross proceeds of the Offering shall be returned to the holders of the Subscription Receipts together with all interest earned thereon on a *pro rata* basis and the Subscription Receipts shall be cancelled. The Corporation agrees that it shall be responsible and liable to the holders of the Subscription

Receipts for any shortfall between the aggregate price paid by the Purchasers of the Subscription Receipts and the Escrowed Funds.

Section 9 Expenses.

- (1) The Corporation shall pay all reasonable costs, fees and expenses of or incidental to the performance of the obligations under this Agreement including, without limitation: (i) all expenses of or incidental to the creation, issue, sale or distribution of the Subscription Receipts; (ii) the fees and expenses of the Corporation's legal counsel; (iii) reasonable fees and expenses incurred in connection with the preparation of documentation relating to the Offering; (iv) all reasonable fees and disbursements of the Agents' legal counsel and advisors (subject to a cap of \$100,000) and all applicable taxes; and (v) the Agents' reasonable out-of-pocket and travel expenses in connection with due diligence and marketing meeting (subject to a cap of \$20,000) (collectively, the "**Expenses**"). Such amounts payable to the Agents or their counsel under this Section 9 shall be paid by the Corporation immediately upon receiving an invoice therefrom and at the option of the Agents, shall be paid out of the available cash on hand of the Corporation, in each case whether or not the Offering is completed.

Section 10 Indemnities.

- (1) The Corporation (the "**Indemnitor**") hereby agrees to indemnify and hold the Agents and/or any of their subsidiaries, affiliates and syndicate members, and each of their partners, shareholders, advisers, directors, officers and employees ("**Personnel**" and together with the Agents, the "**Indemnified Parties**") harmless to the full extent from and against any and all expenses, losses (other than loss of profits), fees, claims, actions, damages, obligations or liabilities, whether joint or several (including the aggregate amount paid in reasonable settlement of any actions, suits, investigations, proceedings or claims), and the reasonable fees and expenses of their counsel that may be incurred in investigating, settling, advising with respect to and/or defending any actual or threatened claim, action, suit, investigation or proceeding that may be made against the Agents, to which the Agents and/or the Personnel may become subject or otherwise involved in any capacity under any statute or common law or otherwise insofar as such expenses, losses, claims, damages, liabilities or actions arise out of or are based, directly or indirectly, upon the performance of professional services rendered to the Indemnitor by the Agents and the Personnel hereunder (the "**Engagement**"), whether performed before or after the date hereof, together with any losses, claims, actions, damages or liabilities incurred in enforcing this indemnity, provided, however, that this indemnity shall not apply to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable shall determine that:
 - (a) the Agents or the Personnel, as applicable, have been grossly negligent, have committed any fraudulent act, or have engaged in wilful misconduct in the course of such performance; and
 - (b) the expenses, losses, claims, damages or liabilities, as to which indemnification is claimed, resulted solely from the fraud, gross negligence or wilful misconduct referred to in (a).

- (2) If for any reason (other than the occurrence of any of the events itemized above), the foregoing indemnification is unavailable to the Agents, or insufficient to hold them harmless, then the Indemnitor shall contribute to the losses, claims, costs, damages, expenses or liabilities (except loss of profit or consequential damage) of the nature provided for above which are paid or payable by any Indemnified Party in such proportion as is appropriate to reflect not only the relative benefits received by the Indemnitor on the one hand and the Indemnified Parties on the other hand but also the relative fault of the Indemnitor and the Indemnified Parties as well as any relevant equitable considerations; provided that the Indemnitor shall in any event contribute to the losses, claims, costs, damages, expenses or liabilities (except loss of profit or consequential damage) of the nature provided for above paid or payable by any Indemnified Party, the amount (if any) equal to (i) such amount paid or payable, minus (ii) the amount of the fees received by the Indemnified Parties, if any, hereunder. In the event that the Indemnitor may be entitled to contribution from the Agents under the provisions of any statute or law, the Indemnitor shall be limited to contribution in any amount not exceeding the lesser of the portion of the amount of losses, claims, costs, damages, expenses and liabilities giving rise to such contribution for which the Agents are responsible and the amount of the fees received by the Agents.
- (3) The Indemnitor agrees that no Indemnified Party shall have any liability (either direct or indirect, in contract or tort or otherwise) to any Indemnitor or any person asserting claims on an Indemnitor's behalf or in right for or in connection with the Engagement, except to the extent that any losses, claims, costs, damages, expenses or liabilities (except loss of profit or consequential damage) incurred by the Indemnitor are determined by a court of competent jurisdiction in a final judgement (in a proceeding in which the applicable Indemnified Party is named as a party) that has become non-appealable to have resulted solely from the fraud, gross negligence or wilful misconduct of such Indemnified Party.
- (4) The Indemnitor agrees that in case any legal proceeding shall be brought against, or an investigation is commenced in respect of, the Indemnitor and/or an Indemnified Party and an Indemnified Party or its personnel are required to testify in connection therewith or shall be required to respond to procedures designed to discover information regarding, in connection with or by reason of the Engagement, the Indemnified Party shall have the right to employ its own counsel in connection therewith, and the reasonable fees and expenses of such counsel as well as the reasonable costs (including an amount to reimburse the Indemnified Party for time spent by its personnel in connection therewith at their normal per diem rates together with such disbursements and out-of-pocket expenses incurred by the personnel of the Indemnified Party in connection therewith) shall be paid by the Indemnitor as they occur.
- (5) The applicable Indemnified Party will notify the Indemnitor promptly in writing after receiving notice of any claim against it or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Indemnitor, stating the particulars thereof, will provide copies of all relevant documentation to the Indemnitor and, unless the Indemnitor assumes the defence thereof, will keep the Indemnitor advised of the progress thereof and will discuss all significant actions proposed. However, the

omission to so notify the Indemnitor shall not relieve the Indemnitor of any liability which the Indemnitor may have to an Indemnified Party.

- (6) The Indemnitor shall be entitled, at its own expense, to participate in and, to the extent they may wish to do so, assume the defence of any claim in respect of which indemnification is sought hereunder, provided that (a) such defence is conducted by counsel of good standing acceptable to the Agents, acting reasonably, (b) no settlement of any such legal proceeding may be made by the Indemnitor without the prior written consent of the Indemnified Party, acting reasonably, as applicable, and (c) the Indemnified Party shall not be liable for any settlement of any such legal proceeding unless it has consented in writing to such settlement, such consent not to be unreasonably withheld. If such defence is not assumed by the Indemnitor, the Indemnified Parties, throughout the course thereof, shall provide copies of all relevant documentation to the Indemnitor, shall keep the Indemnitor advised of the progress thereof and shall discuss with the Indemnitor all significant actions proposed. If such defence is assumed by the Indemnitor, the Indemnitor throughout the course thereof will provide copies of all relevant documentation to the applicable Indemnified Party, will keep such Indemnified Party advised of the progress thereof and will discuss with such Indemnified Party all significant actions proposed.
- (7) Notwithstanding the foregoing, any Indemnified Party shall have the right, at the Indemnitor's expense, to separately retain counsel of such Indemnified Party's choice, in respect of the defence of any claim in which indemnification is sought hereunder, provided that the Indemnified Party acts reasonably in selecting such counsel if : (i) the employment of such counsel has been authorized by the Indemnitor; (ii) the Indemnitor has not assumed the defence and employed counsel therefor promptly after receiving notice of such Claim; or (iii) counsel retained by the Indemnitor or the Indemnified Party has advised the Indemnified Party that representation of both parties by the same counsel would be inappropriate for any reason, including for the reason that there may be legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnitor or that there is a conflict of interest between the Indemnitor and the Indemnified Party or the subject matter of the Claim may not fall within the indemnity set forth herein (in any of which events the Indemnitor shall not have the right to assume or direct the defence on such Indemnified Party's behalf), provided that the Indemnitor shall not be responsible for the fees or expenses of more than one legal firm in any single jurisdiction for all of the Indemnified Parties.
- (8) The indemnity and contribution obligations of the Indemnitor shall be in addition to any liability which the Indemnitor may otherwise have, shall extend upon the same terms and conditions to the Personnel of the Agents, and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Indemnitor, the Agents and any of the Personnel of the Agents. The foregoing provisions shall survive the completion of professional services rendered under this Agreement and the exercise of the termination rights set forth herein.

Section 11 Termination Rights.

- (1) The Lead Agent or any member of the syndicate formed hereunder shall be entitled, at their option, to terminate all of their obligations under this Agreement, and the obligations of any person whom the Agents have arranged to purchase Offered

Securities that has executed a Subscription Agreement, by written notice to that effect delivered to the Corporation at any time at or prior to the Time of Closing if:

- (a) the due diligence investigations performed by any of the Agents or their representatives reveal any material information or fact, which, in the sole opinion of the Lead Agent, is materially adverse to each of the Corporation or Theia or its business, or materially adversely affects the price or value of the Offered Securities;
 - (b) there is a material change or a change in a material fact or a new material fact shall arise or there should be discovered any previously undisclosed material fact required to be disclosed or any amendment thereto, in each case, that has or would be expected to have, in the sole opinion of the Lead Agent, acting reasonable, a significant adverse change or effect on the business or affairs of the Corporation or Theia or on the market price or the value of their respective securities;
 - (c) (i) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism or accident) or major financial occurrence of national or international consequence or a new or change in any law or regulation which in the sole opinion of the Lead Agent, seriously adversely affects or involves or may seriously adversely affect or involve the financial markets or the business, operations or affairs of each of the Corporation or Theia and its subsidiaries taken as a whole or the market price or value of the securities of the Corporation or Theia, (ii) any inquiry, action, suit, proceeding or investigation (whether formal or informal) is commenced, announced or threatened in relation to the Corporation or Theia or any one of the officers or directors of each of the Corporation or Theia or any of its principal shareholders where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality including without limitation the TSXV, CSE or securities commission which involves a finding of wrong-doing, or (iii) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the common shares or any other securities of the Corporation or Theia is made or threatened by a securities regulatory authority;
 - (d) the Corporation or Theia is in breach of a material term, condition or covenant of this Agreement or any representation or warranty given by the Corporation or Theia respectively in this Agreement becomes or is false in any material respect; or
 - (e) the state of the financial markets in Canada or elsewhere where it is planned to market the Offered Securities is such that in the reasonable opinion of any of the Lead Agent, the Offered Securities cannot be profitably marketed.
- (2) If the Agents terminate this Agreement pursuant to this Section 11, there shall be no further liability on the part of the Agents or of the Corporation or Theia to the Agents except in respect of any liability under Section 10 hereof.

- (3) The right of the Agents to terminate their obligations under this Agreement is in addition to such other remedies as they may have, or have in respect of any default, act or failure to act of the Corporation in respect of any of the matters contemplated by this Agreement.

Section 12 Agents' Business.

- (1) The Corporation and Theia acknowledge that the Agents may be engaged in securities trading and brokerage activities, and providing investment banking, investment management, financial and financial advisory services. In the ordinary course of their trading, brokerage, investment and asset management and financial activities, the Agents and their affiliates may hold long or short positions, and may trade or otherwise effect or recommend transactions, for their own account or the accounts of their customers, in debt or equity securities or loans of the Corporation or Theia, or any other company that may be involved in any transaction with the Corporation or Theia.
- (2) Each Agent and its affiliates may also provide a broad range of normal course financial products and services to its customers (including, but not limited to banking, credit derivative, hedging and foreign exchange products and services), including companies that may be involved in any transaction with the Corporation or Theia.
- (3) Each Agent acknowledges its responsibility to comply with applicable securities laws as they relate to the trading of securities while in possession of material non-public information and further acknowledges that it has in place information barriers to protect the unauthorized transmission of this information to its employees and its affiliates who do not have a legitimate need to know such information.

Section 13 Agents' Authority.

The Corporation shall be entitled to and shall act on any notice, request, direction, consent, waiver, extension and other communication given or agreement entered into by or on behalf of the Agents by the Lead Agent and the Lead Agent shall represent the Agents and have authority to bind the Agents hereunder except in respect of a notice of termination pursuant to Section 11 hereof or the exercise of the indemnity rights specified in Section 10 hereof which shall require the action of the Agents. Each of the Agents agrees that the Lead Agent has been authorized in such regard.

Section 14 Notices.

Any notice under this Agreement shall be given in writing and either delivered or emailed to the party to receive such notice at the address or facsimile numbers indicated below:

- (a) to the Corporation at:

CNX Holdings Inc.
c/o Fasken Martineau DuMoulin LLP
550 Burrard Street, Suite 2900
Vancouver, British Columbia V6C 0A3

Attention: [Redacted - personal information]
Email: [Redacted - personal information]

(b) to the Agents or any Personnel at:

Eight Capital
100 Adelaide Street West, Suite 2900
Toronto, Ontario M5H 1S3

Attention: Patrick McBride
Email: [Redacted - personal information]

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

Gowling WLG (Canada) LLP
Suite 2300, 550 Burrard Street
Vancouver, British Columbia V6C 2B5

Attention: Cyndi D. Laval
Email: cyndi.laval@gowlingwlg.com

(c) to Theia and/or Subco at:

Theia Resources Ltd.
[Redacted - personal information]

or such other address or facsimile number as such party may hereafter designate by notice in writing to the other party. If a notice is delivered, it shall be effective from the date of delivery and if such notice is faxed (with receipt confirmed), it shall be effective on the business day following the date such notice is faxed.

Section 15 Survival.

All representations, warranties and agreements of the Corporation and Theia contained herein or contained in any document submitted pursuant to this Agreement or in connection with the purchase of the Offered Securities shall survive the purchase of the Offered Securities by the Purchasers for a period of two years after the Time of Closing, and shall continue in full force and effect unaffected by any subsequent disposition or conversion of the Offered Securities and the Agents shall not be limited or prejudiced by any investigation made by or on behalf of the Agents in the course of the distribution of the Offered Securities.

Section 16 Alternative Transactions

In the event that the Corporation withdraws from the Offering after the date of this Agreement (unrelated to the Agents' inability to complete the Offering) in order to complete an Alternative Transaction (which transaction is completed within 12 months of the

withdrawal from the Offering), the Corporation shall pay the Agents promptly upon closing the Alternative Transaction a fee equal to the maximum amount of fees otherwise payable under this Agreement calculated on the basis of an offering size of \$20,000,000. Any amounts payable to the Agent in connection with an Alternative Transaction will constitute liquidated damages of the Agent resulting from the failure to complete the Offering and will not constitute a penalty.

“Alternative Transaction” means the issuance of securities of the Corporation or the Resulting Issuer in excess of 5% (on an as-converted basis, if applicable) of the total number of common shares currently issued and outstanding, or the completion of a business transaction involving a change in control of the Corporation, or the Resulting Issuer or any material subsidiary thereof, including a merger, amalgamation, arrangement, take-over bid, insider bid, reorganization, joint venture, sale of all or substantially all assets, exchange of assets or any similar transaction, excluding the issuance of securities pursuant to the exercise of convertible securities of the Corporation or the Resulting Issuer outstanding on the date hereof and excluding any transaction in which the Agents is retained as agent or advisor.

Section 17 Entire Agreement.

The provisions herein contained constitute the entire agreement between the parties hereto and supersede all previous communications, representations, understandings and agreements between the parties with respect to the subject matter hereof whether verbal or written, including, but not limited to, the engagement letter between the Corporation and the Lead Agent dated as of August 6, 2018. This Agreement may be amended or modified in any respect by written instrument only.

Section 18 Counterparts.

This Agreement may be executed in any number of counterparts and may be executed by facsimile or other electronic transmission, all of which when taken together shall be deemed to be one and the same document and notwithstanding the actual date of execution of each counterpart, this Agreement shall be deemed to be dated as of the date first above written.

Section 19 General.

This Agreement shall be governed by and interpreted in accordance with the laws of British Columbia and the laws of Canada applicable therein and time shall be of the essence hereof. This Agreement is intended to and shall take effect as at the date first set forth above, notwithstanding its actual date of execution or delivery.

Section 20 Severability.

If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby.

Section 21 Currency.

References herein to "\$" amounts are to lawful money of the United States and references to "C\$" amounts are to lawful money of Canada.

Section 22 Headings.

The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.

Section 23 Singular and Plural, etc.

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.

Section 24 Successors and Assigns.

The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation, Theia, the Agents and the Purchasers and their respective executors, heirs, successors and permitted assigns; provided that, except as provided herein or in the Subscription Agreements, this Agreement shall not be assignable by any party without the written consent of the others.

Section 25 Further Assurances.

Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

[Remainder of page intentionally left blank]

DATED the first date written above.

EIGHT CAPITAL

By: "Signed"
Authorized Signing Officer

**INDUSTRIAL ALLIANCE SECURITIES
INC.**

By: "Signed"
Authorized Signing Officer

The above offer is hereby accepted and agreed to as of the date first written above.

CNX HOLDINGS INC.

By: “Signed”
Authorized Signing Officer

THEIA RESOURCES LTD.

By: “Signed”
Authorized Signing Officer

Schedule "A"
Agent's Certificate

AGENT'S CERTIFICATE

In connection with the private placement in the United States of Subscription Receipts of CNX Holdings Inc. (the "**Corporation**") pursuant to the Agency Agreement dated as of September 20, 2018, among the Corporation, Theia Metals Inc. and the Agents named therein (the "**Agency Agreement**"), the undersigned does hereby certify as follows:

- (i) each U.S. affiliate of the undersigned Agents (a "**U.S. Affiliate**") who offered or sold the Offered Securities in the United States, or to, or for the account or benefit of, a person in the United States or a U.S. Person, is a duly registered broker or dealer pursuant to Section 15(b) of the U.S. Exchange Act and the securities laws of each state in which such offer or sale is made (unless exempted from the respective state's broker dealer registration requirements) and is a member of and is in good standing with the Financial Industry Regulatory Authority, Inc., on the date hereof and on the date of each such offer and sale;
- (ii) immediately prior to contacting any offeree, we had reasonable grounds to believe and did believe that each offeree was an "accredited investor" that satisfies one or more of the criteria set forth in Rule 501(a) of Regulation D (an "**Accredited Investor**") under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and, on the date hereof, we continue to believe that each U.S. Purchaser purchasing the Offered Securities from the Corporation in a sale that was pre-arranged by us is an Accredited Investor;
- (iii) no form of "general solicitation" or "general advertising" (as those terms are used in Regulation D under the U.S. Securities Act) was or will be used by us, including advertisements, articles, notices or other communications published on the Internet or in any newspaper, magazine or similar media or broadcast over radio, television, or telecommunications, including electronic display or the Internet or any seminar or meeting whose attendees have been invited by general solicitation or general advertising, in connection with the offer or sale of the Offered Securities, the Subscription Shares or any securities issuable in connection with the Reverse Takeover in the United States or to, or for the account or benefit of, persons in the United States or U.S. Persons;
- (iv) the offering of the Offered Securities in the United States, or to, or for the account or benefit of, a person in the United States or a U.S. Person, has been conducted by us either directly in accordance with Rule 15a-6 under the United States Securities Exchange Act of 1934, as amended, or through our U.S. Affiliates, in each case in accordance with the terms of the Agency Agreement and all applicable United States broker-dealer requirements under the U.S. Exchange Act and any applicable state securities laws;
- (v) prior to any sale of the Offered Securities in the United States, or to, or for the account or benefit of, a person in the United States or a U.S. Person, we

caused each U.S. Purchaser to properly complete and execute a Subscription Agreement;

- (vi) None of (i) the undersigned, (ii) the undersigned's general partners or managing members, (iii) any of the undersigned's directors, executive officers or other officers participating in the offering of the Offered Securities, (iv) any of the undersigned's general partners' or managing members' directors, executive officers or other officers participating in the offering of the Offered Securities or (v) any other person associated with any of the above persons, including any sub-agent and any such persons related to such sub-agent, that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with sale of the Offered Securities (each, a "**Dealer Covered Person**" and, collectively, the "**Dealer Covered Persons**"), is subject to any to any of the "Bad Actor" disqualifications described in Rule 506(d)(1) under Regulation D (a "**Disqualification Event**"); and
- (vii) The undersigned represents that it is not aware of any person (other than any Dealer Covered Person) that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the sale of the Offered Securities.

Terms used in this certificate have the meanings given to them in the Agency Agreement unless otherwise defined herein.

Dated this __ day of _____, 2018.

EIGHT CAPITAL

EIGHT CAPITAL CORP.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____