



No. VLC-S-S-1913149
Vancouver Registry

In the Supreme Court of British Columbia

Between

KARL HAASE

Plaintiff

and

**RELIQ HEALTH TECHNOLOGIES INC.,
LISA CROSSLEY, AMAN THINDAL, GIANCARLO DE LIO,
EUGENE BEUKMAN AND BRIAN STORSETH**

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

ORDER MADE AFTER APPLICATION FOR SETTLEMENT APPROVAL

BEFORE THE HONOURABLE MR. JUSTICE)
TAYLOR) 11/JUL/2022
)

ON THE APPLICATION of the plaintiff coming on for hearing at the Courthouse, 800 Smithe Street, Vancouver, BC, via MS Teams on April 14, 2022 and on hearing Mathew P Good, Michael Robb and Garrett Hunter for the Plaintiff and Matthew Fleming for the Defendants; and on reading the materials filed, including the Settlement Agreement; and on the consent of the Defendants;

AND ON JUDGMENT BEING RESERVED TO THIS DATE;

THIS COURT ORDERS that

1. Except to the extent that they are modified by this Order, the definitions set out in the settlement agreement reached with the Defendants dated November 24, 2021 ("**Settlement Agreement**") attached as **Appendix "1"** apply to and are incorporated into this Order.

2. In the event of a conflict between this Order and the Settlement Agreement, this Order shall prevail.
3. The Settlement Agreement is fair, reasonable and in the best interests of the Class.
4. The Settlement Agreement is approved pursuant to section 35 of the *Class Proceedings Act*, RSBC 1996, c 50 as amended and shall be implemented in accordance with its terms.
5. The Settlement Agreement is incorporated by reference to and forms part of this Order and is binding upon the Plaintiff and Class Members.
6. The Settlement Agreement shall be implemented in accordance with its terms.
7. The Plaintiff and Defendants may, on notice to the Court but without the need for further order of the Court, agree to reasonable extensions of time to carry out any provisions of the Settlement Agreement.
8. Except as expressly provided for in the Settlement Agreement, the Defendants and the other Releasees have no responsibility for and no liability whatsoever with respect to the administration of the Settlement.
9. This Order, including the Settlement Agreement, is binding upon each member of the Class including those Persons who are minors or mentally incapable.
10. Upon the Effective Date, the Releasors shall not now or hereafter institute, continue, maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim or demand against any Releasee, or any other person who may claim contribution or indemnity or other claims over relief from any Releasee, in respect of any Released Claim or any matter related thereto.

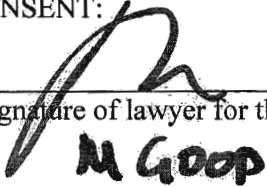
11. For the purposes of administration and enforcement of the Settlement Agreement and this Order, this Court will retain an ongoing supervisory role and the Defendants and the other Releasees acknowledge the jurisdiction of this Court solely for the purpose of implementing, administering and enforcing the Settlement Agreement and this Order, and subject to the terms and conditions set out in the Settlement Agreement.

12. Upon the Effective Date, the Action shall be dismissed against all Defendants with prejudice and without costs.

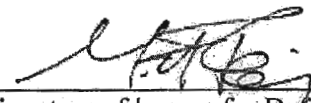
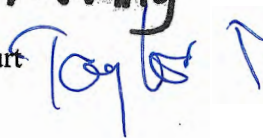
13. This Order shall be declared null and void on a subsequent application made on notice in the event that the Settlement Agreement is terminated in accordance with its terms.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for the Plaintiff


M Goop

Signature of lawyer for Defendants


M Fleming
By the Court 

Registrar

APPENDIX "1"

SETTLEMENT AGREEMENT

Made as of the 24th day of November, 2021

Between

Karl Haase

Proposed representative plaintiff in Supreme Court of British Columbia Action No. VLC-S-S-1913149

In his personal and proposed representative capacities

("Plaintiff")

- and -

Reliq Health Technologies Inc., Lisa Crossley, Aman Thindal, Giancarlo De Lio, Eugene Beukman and Brian Storseth

("Defendants")

TABLE OF CONTENTS

RECITALS	1
DEFINITIONS.....	1
SETTLEMENT BENEFITS	8
Payment of Settlement Amount.....	8
Settlement Amount to be Held in Trust.....	9
Taxes on Interest.....	10
No Reversion	11
DISTRIBUTION OF THE SETTLEMENT AMOUNT	11
RELEASES.....	12
EFFECT OF SETTLEMENT	12
No Admissions or Concessions	12
Agreement Not Evidence nor Presumption	13
REQUIRED STEPS.....	14
Reasonable Efforts.....	14
Action in Abeyance.....	14
APPROVAL, NOTICE AND OPT-OUT PROCESS.....	14
OTHER APPLICATIONS.....	17
ADMINISTRATION	18
Appointment of the Administrator.....	18
Information and Assistance from the Defendants.....	18
TERMINATION.....	19
Automatic Termination.....	19
Effect of Termination.....	20
Steps Required on Termination	21
Notice of Termination.....	22
Disputes Relating to Termination	22
MISCELLANEOUS	22
Applications for Directions.....	22
Headings, etc.....	22
Computation of Time.....	23
Governing Law	23
Severability.....	24

Entire Agreement	24
Binding Effect.....	24
Survival	25
Negotiated Agreement	25
Recitals.....	25
Acknowledgements.....	25
Counterparts	26
Notice 26	
Date of Execution	26
SCHEDULE "A" FIRST ORDER.....	- 28 -
SCHEDULE "B" SECOND ORDER.....	- 2 -
SCHEDULE "C" THIRD ORDER.....	- 2 -
SCHEDULE "D" PLAN OF NOTICE	1
SCHEDULE "E" FIRST NOTICE – SHORT FORM.....	1
SCHEDULE "F" FIRST NOTICE – LONG FORM.....	1
SCHEDULE "G" SECOND NOTICE – SHORT FORM	1
SCHEDULE "H" SECOND NOTICE – LONG FORM	1
SCHEDULE "I" DISTRIBUTION PROTOCOL.....	1

RECITALS

- A. **WHEREAS** the Plaintiff commenced this Action on behalf of putative class members for, *inter alia*, damages for misrepresentation under Part 16.1 of the *BCSA*;
- B. **AND WHEREAS** the Defendants deny any such misrepresentation and resulting damages;
- C. **AND WHEREAS** the Plaintiff's pending application for leave under Part 16.1 of the *BCSA* and for certification under the *CPA* has not yet been heard;
- D. **AND WHEREAS** the Plaintiff's pending application to add the Underwriters as defendants has not yet been heard;
- E. **AND WHEREAS** counsel for the Parties have engaged in arm's length settlement discussions and a mediation held before Joel Wiesenfeld, resulting in this Settlement Agreement;

NOW THEREFORE, in consideration of the covenants, agreements and releases set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by the Parties that, upon the Effective Date, the Action be settled and dismissed on the merits with prejudice and without costs, subject to the approval of the Court of this Agreement, on the following terms and conditions.

DEFINITIONS

- 1.1 In this Agreement, including the Recitals and Schedules hereto:
- (a) **Action** means the action filed in the Supreme Court of British Columbia styled *Haase v Reliq Health Technologies Inc. et al.* (Court File No. VLC-S-S-1913149).
 - (b) **Administration Expenses** means all fees, disbursements, expenses, costs, taxes and any other amounts incurred or payable in relation to the notice, approval,

implementation and administration of the Settlement Agreement, including the costs of publication and delivery of notices, fees, disbursements and taxes paid to the Administrator, which shall be paid from the Escrow Account. For greater certainty, Administration Expenses do not include Class Counsel Fees.

- (c) **Administrator** means the third-party professional firm and any employees of such firm, selected at arm's length by Class Counsel, and appointed by the Court to do any one or more of the following:
 - (i) facilitate dissemination of Notice;
 - (ii) receive and review requests to opt out of the Class;
 - (iii) receive and review claims and administer the Settlement Amount in accordance with the Distribution Protocol; and
 - (iv) report to the Parties and the Court on the administration of the Settlement Agreement.
- (d) **Agreement** or **Settlement Agreement** means this settlement agreement.
- (e) **Approval Application** means an application brought by the Plaintiff in the Court for the Second Order and the Third Order.
- (f) **Authorized Claimant** means any Class Member who has submitted a completed Claim Form which, pursuant to the terms of the Agreement and the Distribution Protocol, has been approved for compensation by the Administrator in accordance with the Distribution Protocol.
- (g) **BCSA** means the *Securities Act*, RSBC 1996, c 418.

- (h) **Claim Form** means the form to be approved by the Court which, when completed and submitted in a timely manner to the Administrator, using the online claim portal established by the Administrator or by submitting a paper form to the Administrator, constitutes a Class Member's claim for compensation pursuant to the Distribution Protocol.
- (i) **Class or Class Members** means, except for the **Excluded Persons or Opt Out Parties**:
- all persons and entities, wherever they may reside or be domiciled, who acquired Private Placement Units in Reliq's private placement of 8,928,571 Private Placement Units at a price of \$1.12 per Private Placement Unit that closed on or around January 9, 2018; and
- all persons and entities, wherever they may reside or be domiciled, who acquired Reliq securities during the period from and including February 23, 2018 to and including October 15, 2018.
- (j) **Class Counsel** means Siskinds LLP and Mathew P Good Law Corporation.
- (k) **Class Counsel Fees** means the fees, disbursements, costs, interest thereon in accordance with the *CPA* section 38 plus HST, GST and/or PST and other applicable taxes or charges of Class Counsel as approved by the Court.
- (l) **Collateral Agreement** means the Collateral Agreement entered into by the Parties dated November 24, 2021.
- (m) **Court** means the Supreme Court of British Columbia.
- (n) **CPA** means the *Class Proceedings Act*, RSBC 1996, c 50, as amended;

- (o) **Defendants** means Reliq, Lisa Crossley, Aman Thindal, Giancarlo De Lio, Eugene Beukman and Brian Storseth.
- (p) **Distribution Protocol** means the distribution plan attached as Schedule "I" stipulating the proposed distribution of the Net Settlement Amount in the form approved by the Court.
- (q) **Effective Date** means the first date on which the Second Order has become a final order.
- (r) **Eligible Securities** means Reliq securities, the acquisition of which makes a person a Class Member or, in the case of an Opt Out Party, Reliq securities, the acquisition of which would have made the person a Class Member if he, she or it had not excluded himself, herself or itself from the Class in accordance with the terms of the First Order and the First Notice.
- (s) **Escrow Account** means an interest-bearing trust account at a Canadian Schedule 1 bank in Ontario initially under the control of Siskinds, until such time as it shall be transferred to the Administrator.
- (t) **Escrow Settlement Funds** means the Settlement Amount plus any interest accruing thereon in the Escrow Account.
- (u) **Excluded Persons** (i) the Defendants; (ii) Reliq's past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns; (iii) any member of the families of Lisa Crossley, Aman Thindal, Giancarlo De Lio, Eugene Beukman or Brian Storseth; and (iv) the Underwriters and their past and present subsidiaries, affiliates, officers,

directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns.

- (v) **First Notice** means the short-form and long-form notices substantially in the forms attached as **Schedules “E” and “F”** or as otherwise fixed by the Court.
- (w) **First Order** means the Order substantially in the form attached as **Schedule “A”** hereto:
 - (i) certifying the Action as a class proceeding for settlement purposes only;
 - (ii) appointing the Administrator;
 - (iii) approving the Plan of Notice in respect of the First Notice;
 - (iv) approving the form of First Notice;
 - (v) approving the Claim Form and the procedure for filing claims; and
 - (vi) prescribing the opt out procedures to be administered by the Administrator.
- (x) **Implementation Date** means the first date on which both the Second Order and the Third Order have become final orders.
- (y) **Net Settlement Amount** means the amount available in the Escrow Account for distribution pursuant to the Distribution Protocol after payment of all Class Counsel Fees and Administration Expenses and other amounts contemplated by sections 1.14(a) to 1.14(e).
- (z) **Notice** means the First Notice and the Second Notice.
- (aa) **Opt Out Party** means a person who would otherwise be a Class Member but who opts out of the Action pursuant to the Court approved opt out process.

- (bb) **Opt Out Threshold** means the number of Eligible Securities held by Opt Out Parties confidentially agreed upon by the Parties in the Collateral Agreement as giving rise to the Defendants' right to terminate the Agreement pursuant to section 1.46.
- (cc) **Parties** means the Plaintiff and Defendants.
- (dd) **Plaintiff** means Karl Haase.
- (ee) **Plan of Notice** means the plan for disseminating Notice to the Class substantially in the form attached as **Schedule "D"** hereto or as fixed by the Court.
- (ff) **Private Placement Unit** means a unit consisting of one common share of Reliq and one-half of a common share purchase warrant (with each common share purchase warrant exercisable to acquire one common share of Reliq at an exercise price of \$1.75 per common share).
- (gg) **Released Claims** mean any and all manner of claims, demands, actions, suits, causes of action, whether class, individual, representative or otherwise in nature, whether personal or subrogated, damages whenever incurred, damages of any kind including compensatory, statutory, punitive or other damages, liabilities of any nature whatsoever, including interest, costs, expenses, class administration expenses, penalties, and lawyers' fees, known or unknown, suspected or unsuspected, foreseen or unforeseen, actual or contingent, and liquidated or unliquidated, in law, under statute or in equity that Releasers, or any of them, whether directly, indirectly, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have, relating in any way to any conduct occurring anywhere, from the beginning of time to the date hereof relating to any

conduct alleged (or which could have been alleged) in the Action, including, without limitation, any such claims which have been asserted, would have been asserted, or could have been asserted, directly or indirectly, whether in Canada or elsewhere, as a result of or in connection with any alleged unjust enrichment or misrepresentations in breach of Part 16.1 of the *BCSA* or at common law.

- (hh) **Releasees** mean, jointly and severally, individually and collectively, the Defendants and the Underwriters and all of their respective present and former, direct and indirect, parents, subsidiaries, divisions, affiliates, partners, insurers, and all other persons, partnerships or corporations with whom any of the former have been, or are now, affiliated, and all of their respective past, present and future officers, directors, employees, agents, shareholders, attorneys, trustees, servants and representatives; and the predecessors, successors, purchasers, heirs, executors, administrators, trustees and assigns of each of the foregoing.
- (ii) **Releasers** means, jointly and severally, individually and collectively, the Plaintiff and the Class and Class Members on behalf of themselves and any person claiming by or through them as a parent, subsidiary, affiliate, predecessor, successor, shareholder, partner, director, owner of any kind, agent, employee, contractor, attorney, heir, executor, trustee, administrator, insurer, devisee, assignee or representative of any kind.
- (jj) **Reliq** means Reliq Health Technologies Inc.
- (kk) **Second Notice** means the short-form and long-form notices substantially in the forms attached as **Schedules "G"** and **"H"** or as fixed by the Court.

- (ll) **Second Order** means the Order substantially in the form attached as **Schedule "B"**:
- (i) approving this Settlement;
 - (ii) ordering the releases and discharges provided for herein; and
 - (iii) dismissing the Action as against the Defendants without costs and with prejudice on the Effective Date.
- (mm) **Settlement** means the settlement of the Action on the terms provided for in this Agreement.
- (nn) **Settlement Amount** means two million five hundred thousand dollars (CAD\$2,500,000.00), inclusive of Administration Expenses, Class Counsel Fees, and any other costs or expenses otherwise related to Action.
- (oo) **Siskinds** means Siskinds LLP.
- (pp) **Third Order** means the Order substantially in the form attached as **Schedule "C"**:
- (i) approving the Plan of Notice in respect of the Second Notice;
 - (ii) approving the form of the Second Notice; and
 - (iii) approving the Distribution Protocol.
- (qq) **Underwriters** means Canaccord Genuity Corp. and Gravitass Securities Inc.

SETTLEMENT BENEFITS

Payment of Settlement Amount

- 1.2 Within thirty (30) days of the execution of this Agreement, the Defendants shall pay or cause the Defendants' insurers to pay to Siskinds, in trust, the Settlement Amount in full

and final settlement of the claims against the Defendants or proposed to be made against the Defendants in the Action.

Settlement Amount to be Held in Trust

- 1.3 Prior to the Effective Date, Siskinds shall maintain an Escrow Account to hold the Settlement Amount in trust for the benefit of the Class.
- 1.4 Siskinds may pay Administration Expenses when they are incurred from the Escrow Settlement Funds while in control of the Escrow Amount.
- 1.5 Within ten (10) days of the Effective Date, Siskinds shall transfer control of the Escrow Account to the Administrator, but before doing so Siskinds may deduct and retain from the Escrow Settlement Funds the Class Counsel Fees approved by the Court.
- 1.6 Upon the transfer of the Escrow Account to the Administrator, the Administrator shall maintain the Escrow Settlement Funds in the Escrow Account under the control of the Administrator and hold the Escrow Settlement Funds in trust as provided for in this Agreement.
- 1.7 Siskinds shall account to the Administrator for all payments made from the Escrow Account prior to the transfer described in section 1.5. In the event this Agreement is terminated, Siskinds or the Administrator, whichever then has control of the Escrow Account, shall deliver an accounting to the Parties no later than ten (10) days after the termination.
- 1.8 Neither Siskinds nor the Administrator shall pay out any of the Escrow Settlement Funds except in accordance with this Agreement.

- 1.9 Any dispute concerning the entitlement to or quantum of expenses incurred in the publication and dissemination of the First Notice or Second Notice, or Administration Expenses paid by Siskinds or the Administrator, shall be dealt with by an application to the Court on notice to the Parties.

Taxes on Interest

- 1.10 Except as expressly provided herein, all interest earned on the Settlement Amount shall accrue to the benefit of the Class and shall become and remain part of the Settlement Amount in the Escrow Account.
- 1.11 Subject to section 1.12, all taxes payable on any interest which accrues on or otherwise in relation to the Escrow Settlement Funds shall be the responsibility of the Plaintiff and the Class. Class Counsel or Administrator, as may later be appropriate, shall be solely responsible to fulfil all tax reporting and payment requirements arising from the Escrow Settlement Funds, including any obligation to report taxable income and make tax payments. All taxes (including interest and penalties) due with respect to the income earned by the Settlement Amount shall be paid from the Escrow Account.
- 1.12 The Defendants shall have no responsibility in any way related to the Escrow Account other than as expressly set out herein, including but not limited to, making any filings relating to the Escrow Account, paying tax on any income earned by the Settlement Amount, or paying any taxes on the monies in the Escrow Account, unless this Agreement is terminated, in which case any interest earned on the Settlement Amount shall be paid to the Defendants who, in such case, shall be responsible for the payment of any taxes on such interest not previously paid by Class Counsel or Administrator.

NO REVERSION

- 1.13 Unless this Agreement is terminated as provided herein, the Defendants shall not be entitled to the repayment of any portion of the Settlement Amount and then only to the extent of and in accordance with the terms provided herein.

DISTRIBUTION OF THE SETTLEMENT AMOUNT

- 1.14 On or after the Implementation Date, the Administrator shall distribute the Settlement Amount in accordance with the following priorities:
- (a) to pay Class Counsel Fees as awarded by the Court (unless the Class Counsel Fees have already been paid to Class Counsel in accordance with section 1.5);
 - (b) to pay any honorarium to the Plaintiff as the Court may decide to award;
 - (c) to pay all of the costs and expenses reasonably and actually incurred in connection with the provision of Notice;
 - (d) to pay all of the Administration Expenses. For greater certainty, the Defendants and Class are excluded from eligibility for any payment of costs and expenses under this subsection;
 - (e) to pay any taxes required by law to be paid to any governmental authority; and
 - (f) to pay a *pro rata* share of the balance of the Settlement Amount to each Authorized Claimant in proportion to the Authorized Claimant's claim as recognized in accordance with the Distribution Protocol; and
 - (g) to the Law Foundation of British Columbia if there shall remain thereafter Escrow Settlement Funds and, in the opinion of the Administrator, it is not feasible to reallocate the remaining Escrow Settlement Funds among the Authorized

Claimants in an equitable and economic fashion in accordance with the Distribution Protocol.

- 1.15 Class Counsel shall propose for approval by the Court a Distribution Protocol in the form attached as **Schedule "I"** or other such form as Class Counsel may advise. The approval of the Distribution Protocol may be considered separately from the approval of the Settlement and is not a condition of the approval of the Settlement itself.

RELEASES

- 1.16 As of the Effective Date, and in consideration of payment of the Settlement Amount, and for other valuable consideration set forth in the Agreement, the Releasers forever and absolutely release the Releasees from the Released Claims.

EFFECT OF SETTLEMENT

No Admissions or Concessions

- 1.17 This Agreement, whether or not it is terminated, anything contained in it, any and all negotiations, discussions, and communications associated with this Agreement, shall not be deemed, construed or interpreted to be:
- (a) an admission or concession by the Defendants or the Underwriters of any fact, fault, omission, wrongdoing or liability, or of the truth of any of the claims or allegations made against the Defendants in the Action or that could have been made in the Action against the Defendants or the Underwriters; or
 - (b) an admission or concession by the Plaintiff, his counsel or the Class of any weakness in the claims of the Plaintiff and the Class or that the consideration to be

given hereunder represents the amount that could or would have been recovered from the Defendants after trial of the Action.

Agreement Not Evidence nor Presumption

1.18 This Agreement, whether or not it is terminated, anything contained in it, any and all negotiations, documents, discussions and proceedings associated with this Agreement, and any action taken to implement this Agreement, shall not be offered or received in the Action should this Agreement be terminated and the Action continues, any pending or future civil, criminal, quasi-criminal, administrative action or disciplinary investigation or proceeding:

- (a) of the validity of any of the claims that have been or could have been asserted in the Action by the Plaintiff against the Defendants or the Underwriters, or the deficiency of any defence that has been or could have been or could be asserted in the Action;
- (b) of wrongdoing, fault, neglect or liability by the Defendants or the Underwriters; or
- (c) against the Plaintiff, his counsel or the Class, as evidence, or a presumption, of a concession or admission:
 - (i) of any weakness in the claims of the Plaintiff and the Class; or
 - (ii) that the consideration to be given hereunder represents the amount that could or would have been recovered from the Defendants or the Underwriters after trial of the Action.

1.19 Notwithstanding section 1.18, this Agreement may be referred to or offered as evidence in order to obtain the orders or directions from the Court contemplated by this Agreement, in

a proceeding to approve or enforce any term of, or dispute under, this Agreement, to defend against the assertion of released claims, or as otherwise required by law.

REQUIRED STEPS

Reasonable Efforts

1.20 The Parties shall take all reasonable steps to effectuate the Settlement and to secure the prompt, complete and final dismissal with prejudice of the Action on a without costs basis as against the Defendants, including cooperating in the Plaintiff's efforts to obtain the approval and orders required from the Court regarding the approval or implementation of the Settlement.

Action in Abeyance

1.21 Until the Effective Date or this Agreement is terminated in accordance with its terms, whichever occurs first, the Plaintiff agrees to hold in abeyance all other steps in the Action as they relate to the Defendants, other than the Approval Application contemplated by this Agreement and such other matters required to implement the terms of this Agreement.

APPROVAL, NOTICE AND OPT-OUT PROCESS

First Order and First Notice

1.22 As soon as practicable after this Agreement is executed, the Plaintiff shall bring an application for the approval of the First Order. The Defendants will consent to the issuance of the First Order.

1.23 The Parties agree that the certification of the Action as a class proceeding is for the sole purpose of effecting the Settlement. In the event that this Agreement is terminated as provided herein, any certification order binding the Defendants shall be vacated or set aside

on consent as set out herein, and shall be without prejudice to any position that either of the Parties may later take on any issue in the Action including in a subsequent certification application. In particular, the fact of the Defendants' consent to certification for settlement purposes shall not be deemed to be an admission that the Plaintiff has met any of the requisite criteria for certification of the Action as a class proceeding.

- 1.24 Following entry of the First Order, the Administrator shall cause the First Notice to be published and distributed in accordance with the Plan of Notice and the direction of the Court. The costs of publishing and distributing the First Notice shall be paid from the Escrow Settlement Funds as and when incurred.
- 1.25 The Administrator shall administer the opt out procedures prescribed by the First Order. No later than seven (7) calendar days after any deadline established by the Court for the delivery of opt out requests, the Administrator shall report to Class Counsel and counsel for the Defendants on the requests made to opt out of the Action.
- 1.26 Class Members who wish to file with the Court an objection or comment on the Settlement, the Distribution Protocol or the request for approval of Class Counsel Fees shall deliver to Class Counsel a written statement in accordance with the terms of, and by the deadline set out in, the First Order.
- 1.27 The Plaintiff represents and warrants that he is not aware of any Class Member who has expressed an intention to opt out of the Settlement or of the Class and that he will not encourage any Class Member to do so.

Approval Application and Second Notice

- 1.28 The Plaintiff will thereafter bring the Approval Application before the Court in accordance with the Court's directions. The Defendants will consent to the issuance of the Second Order.
- 1.29 At the Approval Application, Class Counsel shall propose for approval by the Court the Distribution Protocol or such other plan for distributing the Net Settlement Amount to the Class as Class Counsel may advise. The Distribution Protocol is the responsibility of Class Counsel and the Defendants have no involvement in its design. Accordingly, the approval of the Distribution Protocol shall be considered separately from the approval of the Settlement Agreement and is not a condition of the approval of the Settlement Agreement itself and the dismissal of the Action as against the Defendants without costs and with prejudice in accordance with the Second Order.
- 1.30 The Defendants will take no position or make any submission to the Court concerning the Distribution Protocol, except as requested or required by the Court.
- 1.31 The Defendants will not oppose the issuance of the Third Order.
- 1.32 The Plaintiff may make any amendments to the Distribution Protocol, the Third Order, the Second Notice or the Plan of Notice as it relates to Second Notice requested or directed by the Court.
- 1.33 Following the Implementation Date, the Administrator shall cause the Second Notice to be published and disseminated in accordance with the Plan of Notice as approved by the Court. The costs of publishing the Second Notice shall be paid from the Escrow Settlement Funds as and when incurred.

OTHER APPLICATIONS

Application for Approval of Class Counsel Fees

- 1.34 Immediately following or in parallel with the Approval Application, Class Counsel may seek the approval of Class Counsel Fees to be paid as a first charge on the Settlement Amount.
- 1.35 The Defendants acknowledge that they are not parties to the application concerning the approval of Class Counsel Fees, they will have no involvement in the approval process to determine the amount of Class Counsel Fees, and they will not take any position or make any submissions to the Court concerning Class Counsel Fees, except as requested and required by a Court.
- 1.36 The procedure for and the allowance or disallowance by the Court of any requests for Class Counsel Fees to be paid out of the Settlement Amount are not part of the Settlement provided for herein, except as expressly provided in section 1.14, and are to be considered by the Court separately from its consideration of the fairness, reasonableness, and adequacy of the Settlement provided for herein. For clarity, approval of the Settlement is not dependent on approval of any Class Counsel Fees.
- 1.37 Any order or proceeding relating to Class Counsel Fees, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Agreement or affect or delay the finality of the Second Order and the Settlement of this Action provided herein.

Application for Approval of Honorarium

- 1.38 Immediately following or in parallel with the Approval Application, Class Counsel may seek orders from the Court relating to the payment of an honorarium to the Plaintiff.

- 1.39 The Defendants acknowledge that they are not parties to any application concerning the payment of an honorarium to the Plaintiff, they will have no involvement in any such application, and they will not take any position or make any submissions to the Court concerning any such application, except as requested and required by a Court.
- 1.40 Any order or proceeding relating to payment of an honorarium to the Plaintiff, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Agreement or affect or delay the finality of the Second Order and the Settlement of this Action provided herein.

ADMINISTRATION

Appointment of the Administrator

- 1.41 By order of the Court, the Administrator will be appointed to serve until such time as the Escrow Settlement Funds are distributed in accordance with this Agreement and the Distribution Protocol, on the terms and conditions and with the powers, rights, duties and responsibilities set out in this Agreement and in the Distribution Protocol.

Information and Assistance from the Defendants

- 1.42 The Defendants shall, forthwith upon entry of the First Order, use reasonable efforts to deliver or cause to be delivered to the Administrator an electronic list of all persons who acquired Private Placement Units, along with email addresses or other contact information for those persons as may be available to facilitate the delivery of notice to those persons.
- 1.43 The Administrator may use the information obtained under section 1.42 for the purpose of delivering the First Notice and Second Notice and for the purposes of administering and implementing this Agreement, the Plan of Notice and the Distribution Protocol, but the

Administrator shall otherwise keep confidential the information obtained under section 1.42.

- 1.44 For greater certainty, any information obtained or created in the administration of this Agreement is confidential and, except as required by law, shall be used and disclosed only for the purpose of distributing notices and the administration of this Agreement and the Distribution Protocol.

TERMINATION

Automatic Termination

- 1.45 This Agreement shall, without notice, be automatically terminated if:
- (a) on the return of the Approval Application, the Court issues an order that is not substantially in the form of the Second Order, and such order becomes a final order;
 - or
 - (b) the Second Order is reversed on appeal and the reversal becomes a final order.
- 1.46 The Defendants shall have the right to terminate this Agreement within 14 days, or on a later date on the consent of the Parties, of being notified by the Administrator that the number of Eligible Securities of Opt Out Parties exceeds the Opt Out Threshold. The Administrator shall notify the Defendants of the number of Eligible Securities of Opt Out Parties and such particulars provided by such Opt Out Parties in support of their request to exclude themselves from the Class in accordance with the terms of the First Order and the First Notice.
- 1.47 The right to terminate this Agreement contemplated by section 1.46 may be exercised by any one or more of the Defendants notifying Siskinds in writing of his, her or their intention

to terminate the Agreement, which notification shall have the effect of terminating this Agreement for all Defendants.

- 1.48 The Opt Out Threshold shall be stated in the Collateral Agreement executed contemporaneously with the execution of this Agreement. The Opt Out Threshold shall be redacted in the Collateral Agreement that is filed with the Court or otherwise made available to the public. The Collateral Agreement, without redaction of the Opt Out Threshold, shall not be published and shall be kept confidential by the parties unless the Court orders its publication or disclosure.

Effect of Termination

- 1.49 In the event this Agreement is terminated in accordance with its terms:
- (a) the Parties will be restored to their respective positions prior to the execution of this Agreement;
 - (b) the Plaintiff and Defendants will consent to an order vacating or setting aside any order certifying this Action as a class proceeding for the purposes of implementing this Agreement and certification of this Action for settlement purposes shall not be deemed to be an admission by the Defendants that the Action met any of the criteria for certification, and that no party to this Action and no other person may rely upon the fact of the prior consent to the certification order for any purpose whatsoever;
 - (c) the Escrow Settlement Funds will be returned to the Defendants;
 - (d) this Agreement will have no further force or effect and no effect on the rights of the Parties except as specifically provided for herein;

- (e) all statutes of limitation applicable to the claims asserted in the Action shall be deemed to have been tolled during the period beginning with the execution of this Agreement and ending with Order described in section 1.51;
- (f) any costs reasonably incurred by Class Counsel and paid out of the Escrow Account for the publication and dissemination of notices are non-recoverable from the Plaintiff, the Class Members and Class Counsel, except by way of any costs order that may be made in favour of the Defendants in the Action; and
- (g) this Agreement and the First Order will not be introduced into evidence or otherwise referred to in any litigation against the Defendants.

1.50 Notwithstanding the provisions of section 1.49(d), if this Agreement is terminated, the provisions of this section 1.50, and sections 1.1, 1.7, 1.8, 1.9, 1.11, 1.12, 1.13, 1.17, 1.18, 1.19, and 1.51 to 1.71 shall survive termination and shall continue in full force and effect.

Steps Required on Termination

- 1.51 If this Agreement is terminated, the Defendants shall, within thirty (30) days after termination, apply to the Court, on notice to the Plaintiff, for an order:
- (a) declaring this Agreement null and void and of no force or effect except for the provisions of those sections listed in section 1.50;
 - (b) requesting an order setting aside, *nunc pro tunc*, all prior orders or judgments entered by the Court in accordance with the terms of this Agreement, including any order certifying the Action as a class proceeding for the purposes of implementing this Agreement; and

- (c) authorizing the payment of the Escrow Settlement Funds, including accrued interest, to the Defendants.

1.52 Subject to section 1.53, the Plaintiff shall consent to the orders sought in any application made by the Defendants under section 1.51.

Notice of Termination

1.53 If this Agreement is terminated, a notice of the termination will be given to the Class. Class Counsel will cause the notice of termination, in a form approved by the Court, to be published and disseminated as the Court directs.

Disputes Relating to Termination

1.54 If there is a dispute about the termination of this Agreement, the Parties agree that the Court shall determine the dispute on an application made by a Party on notice to the other Parties.

MISCELLANEOUS

Applications for Directions

1.55 The Parties may apply to the Court for directions in respect of any matter in relation to this Agreement.

1.56 All applications contemplated by this Agreement shall be on notice to the Parties.

Headings, etc.

1.57 In this Agreement:

- (a) the division into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation;

- (b) the terms “the Agreement”, “this Agreement”, “herein”, “hereto” and similar expressions refer to this Settlement Agreement and not to any particular section or other portion of the Settlement Agreement; and
- (c) “person” means any legal entity including, but not limited to, individuals, corporations, sole proprietorships, general or limited partnerships, limited liability partnerships or limited liability companies.

Computation of Time

- 1.58 In the computation of time in this Agreement, except where a contrary intention appears:
- (a) where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens, including all calendar days; and
 - (b) only in the case where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

Governing Law

- 1.59 The Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia. The language of the Agreement shall be English.
- 1.60 The Parties agree that the Court shall retain exclusive and continuing jurisdiction to interpret and enforce the terms, conditions and obligations under this Agreement and the First Order, the Second Order and the Third Order.

Severability

1.61 Any provision hereof that is held to be inoperative, unenforceable or invalid in any jurisdiction shall be severable from the remaining provisions which shall continue to be valid and enforceable to the fullest extent permitted by law.

Entire Agreement

1.62 This Agreement and the Collateral Agreement constitute the entire agreement among the Parties and supersede all prior and contemporaneous understandings, undertakings, negotiations, representations, promises, agreements, agreements in principle and memoranda of understanding in connection herewith. The Parties will not be bound by any prior obligations, conditions or representations with respect to the subject matter of this Agreement and the Collateral Agreement, unless expressly incorporated herein. This Agreement may not be modified or amended except in writing and on consent of both Parties and any such modification or amendment after settlement approval must be approved by the Court.

Binding Effect

1.63 If the Settlement is approved by the Court and becomes final, this Agreement shall be binding upon, and enure to the benefit of, the Plaintiff, the Class Members, the Defendants, the Underwriters, Class Counsel, the Releasees and the Releasers or, any of them, and all of their respective heirs, executors, predecessors, successors and assigns. Without limiting the generality of the foregoing, each and every covenant and agreement made herein by the Plaintiff shall be binding upon all Releasers and each and every covenant and agreement made herein by the Defendants shall be binding upon all of the Releasees.

1.64 For greater certainty, no Opt Out Party shall be bound by this Agreement.

Survival

1.65 The representations and warranties contained in this Agreement shall survive its execution and implementation.

Negotiated Agreement

1.66 This Agreement and the underlying settlement have been the subject of arm's-length negotiations and discussions among the undersigned and counsel. Each of the Parties has been represented and advised by competent counsel, so that any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafters of this Agreement shall have no force and effect. The Parties further agree that the language contained in or not contained in previous drafts of the Agreement, or any agreement in principle, shall have no bearing upon the proper interpretation of this Agreement.

Recitals

1.67 The recitals to this Agreement are true, constitute material and integral parts hereof and are fully incorporated into, and form part of, this Agreement.

Acknowledgements

1.68 Each Party hereby affirms and acknowledges that:

- (a) its signatory has the authority to bind the Party for which it is signing with respect to the matters set forth herein and has reviewed this Agreement; and
- (b) the terms of this Agreement and the effects thereof have been fully explained to him or it by his or its counsel;
- (c) he or its representative fully understands each term of this Agreement and its effect.

Counterparts

1.69 This Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same agreement, and an emailed pdf. signature shall be deemed an original signature for purposes of executing this Agreement.

Notice

1.70 Any notice, instruction, application for Court approval or application for directions or Court orders sought in connection with this Agreement or any other report or document to be given by any party to any other party shall be in writing and delivered by email to:

For Plaintiff:

Michael G. Robb
Siskinds LLP
275 Dundas Street, Unit 1
London, ON N6B 3L1
Email: michael.robb@siskinds.com

For the Defendants:

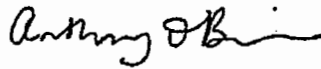
Matthew Fleming
Dentons Canada LLP
77 King Street West, Suite 400
Toronto, ON M5K0A1
Email: matthew.fleming@dentons.com

Date of Execution

1.71 This Agreement is effective as of the date on the cover page.

November 24, 2021

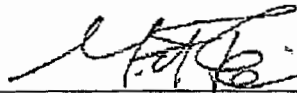
Date



Siskinds LLP for the Plaintiff

November 24, 2021

Date



Dentons Canada LLP for the Defendants